

**Planning & Development Report to
SPC on Planning and Urban Development
2020 July 15**

**ISC:
UNRESTRICTED
PUD2020-0805**

Consideration for Removal of Parking Requirements

EXECUTIVE SUMMARY

Administration is proposing the removal of minimum parking requirements for commercial uses from the Land Use Bylaw to help Calgary's businesses recover from the impacts of the COVID-19 pandemic, but also to support business growth in the future. Due to the current uncertain economic outlook, stakeholders have indicated that Administration needs to act swiftly to show support for the future of our city. Acting swiftly to support Calgary's businesses as soon as possible in 2020 will not allow for detailed engagement with stakeholders. However, feedback received over numerous years and experiences in other cities have informed Administration. This report outlines two options for Council's consideration regarding the elimination of minimum parking requirements for commercial uses from the Bylaw.

Calgary's economy has undergone significant change in recent years, resulting in a need for Administration to rethink how the Land Use Bylaw regulates development. Minimum parking requirements are one of the most frequently cited concerns heard from developers, communities and Council over the past ten years. Meeting current on-site parking requirements has a significant impact on built form outcomes and the ability to achieve high-quality urban design, pedestrian-friendly and accessible streetscapes and affordable developments. Concerns over the impacts of on-street parking are consistently voiced by communities.

ADMINISTRATION RECOMMENDATION:

That the Standing Policy Committee on Planning and Urban Development direct Administration to bring forward an amending bylaw to Land Use Bylaw 1P2007 based on Option 2 contained in this report, to a Public Hearing of Council by 2020 November.

PREVIOUS COUNCIL DIRECTION / POLICY

On 2020 January 13 Council adopted the recommendations in TT2019-1554 (Parking Requirements Review – Scoping Report) as follows:

That Council "Approve the scope of the parking requirements review as outlined in this report and direct Administration to commence work in alignment with the proposed Renewed Land Use Bylaw and New Districts Project, and Residential Parking Permit (RPP) project."

BACKGROUND

Calgary's Land Use Bylaw 1P2007 (the Bylaw) was adopted on 2008 June 1. Since that time, feedback has been provided by stakeholders through various venues (Land Use Bylaw ideation sessions, Council review of Land Use Redesignations, as well as through other related projects) regarding how the Bylaw addresses parking. Primary concerns have focused on the restrictive or inflexible nature of regulations that limit the opportunity for innovation, and around the idea that parking regulations often negatively impact desired built form outcomes. Parking requirements in the current Bylaw are specific to individual uses and change as the land use changes, thus making it challenging for businesses and developers to understand and predict the risks of investing in Calgary.

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On 2020 July 15, the SPC on Planning and Urban Development will also review PUD2020-0752 (Briefing – Land Use Bylaw Amendments to Support Business Needs). This Briefing contains potential amendments that could be adopted in the medium and long-term to support businesses (Attachment 3 to the briefing note) and includes the reform of parking requirements. The concept of amending parking requirements was separated from the short-term amendments identified in the Briefing in an effort to manage potential risks to communities, businesses and citizens, in addition to the desire to undertake additional engagement and analysis. Notwithstanding, based on Council discussions, Administration realizes the value of advancing work on parking reform, specifically regarding the elimination of parking minimums to help support immediate commercial business needs.

Parking was originally planned to be reviewed in its entirety as part of the comprehensive renewal of the Land Use Bylaw, however given the delays from the COVID-19 state of local emergency to the adoption of the Guidebook for Great Communities and the subsequent delay of starting the renewed Bylaw work, Administration sees the value of expediting work on commercial parking requirements, while leaving parking requirements for other uses (multi-residential, industrial, low density) to a later date.

On 2020 July 23, Edmonton became the first major Canadian municipality to eliminate all minimum parking requirements. Their expectation is that this saves developers from building costly and unnecessary parking stalls, helps to create a more walkable and active city and that it provides The City of Edmonton with the ability to better focus on how communities are designed rather than how parking is managed.

It should also be noted that though 38P2009 (adopted on 2009 November 30), The City of Calgary eliminated minimum parking requirements for specific commercial uses in the Beltline. While that amendment was mostly focused on allowing a more streamlined process for change of use applications, it is important to note that this change has been widely successful at reducing hurdles.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Parking requirements are often derived from assumptions of travel choices and driver patterns. Eliminating minimum parking requirements does not mean that there will be no parking, rather it allows a developer or business owner to determine their own parking demands and adjust their applications to meet the market need. Businesses or developments that still see a need to provide parking will do so in order to ensure their businesses are successful.

However, the business' decision to provide parking on site will also depend on the availability of on-street parking and any parking management tools used in the area. Flexible off-street parking requirements can have a great contribution to helping Calgary achieve the vision of vibrant, mixed use main streets and activity centres.

Consideration of Options

Administration did consider eliminating all parking minimums, however at this time Administration is only proposing to eliminate parking minimums for commercial uses to ensure a

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speedy approach for businesses, new development and investment. This would be for any commercial use regardless of which district it is listed in. This will allow Administration to be more flexible in accommodating businesses, while still acknowledging that the majority of Calgarians own cars. More time would be needed to ensure mitigation strategies are in place and effective in order to be confident in proposing the elimination of parking minimums for residential and other uses. Further, Administration is not proposing to change any of the requirements within the Centre City, given that this area already benefits from a number of parking tools, including cash-in-lieu, which would be difficult to amend in a short time frame and could have financial implications that have not been reviewed.

Impact on building reuse and adaptation

Elimination of parking minimums for commercial uses will facilitate a greater range of reuse of existing buildings and streamline land use and development permit applications. Removing the minimum parking requirements helps new tenants occupy buildings originally designed for different uses because it is usually impossible to build new parking stalls. This is the highest potential change with respect to parking requirements that could be made that would resolve existing issues with applications.

This is largely the approach that was established in the Beltline in 2009. The Beltline parking requirements have been successful, in that they were enabled in a highly walkable environment, with established management of on- and off-street paid parking supplies. A logical extension of these rules would be to other areas of Calgary with similar parking conditions.

Impact on new building design

Eliminating parking minimums for commercial uses will have an impact on application approvals, allowing Administration to refocus their review on getting quality designed buildings without the need for that design to be impacted by parking requirements. While the minimum parking requirements in the Bylaw increase cost to a development (often significantly depending on the need for underground parking) and add time to applications for change of use (depending on the need for a relaxation of stalls and potential for appeal), they can also negatively impact quality design and built form and are often a way to create exclusivity, decreasing affordability and limiting choice. Eliminating required parking minimums for commercial uses will eliminate the need for parking relaxations, also reducing an applicant's risk of appeal, making it easier and more certain to invest in development in Calgary.

Impact on travel and surrounding parking supplies

While less parking does increase use of other travel options (transit, biking and walking) some patrons will still drive to businesses that have no on-site parking. They will make use of surrounding parking supplies (off-street lots, on-street parking, etc.), which will be intensified in areas with poor access to transit and can generate parking congestion in surrounding areas, particularly adjacent residential streets.

Administration has established clear policies around the regulation of on-street parking and the use of pricing in commercial areas as part of Calgary Parking Policies (Council Policy TP017).

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Equivalent work is underway to establish clear policies for residential on-street parking; this work is anticipated to be brought to Council in the Fall of 2020. In combination, these policies would provide the framework that would enable on-street parking to respond to changing parking demands that could be generated from developments that chose to not provide parking.

The elimination of parking requirements could have a mix of impacts for off-street parking. Some businesses may choose to provide large amounts of parking, which would reinforce auto-oriented travel patterns. There may also be more interest in replacing existing developments with paid, surface parking lots, which may require enabling local area policies. The City has previously used cash-in-lieu programs in business improvement areas to construct shared parking facilities, but these programs were not able to achieve their original intention due to high land and building costs and were mostly concluded in 2008.

Need for a common understanding amongst all parties

For the removal of parking minimums to be successful, it will be critical that all parties (developers, landlords, business tenants, communities, Council, Administration) be aligned in their expectations as to how parking demand and spillover will be addressed, should it arise. Role clarity and expectations for each party should be established and an on-going communication plan will be required. Paid parking will need to be used to manage existing supplies where parking congestion arises. On-street space is also competing with many other demands (increased loading, dedicated lanes for other users [cyclists, transit, etc.], patios and other non-parking uses). It is expected that these demands will increase over time and may further exacerbate parking congestion. Businesses relying on on-street parking supplies will need to understand that these supplies cannot be guaranteed over the long-term.

Options for Council Consideration

This report outlines two options for how Administration could approach the removal of parking minimums:

1. Comprehensive Land Use Bylaw Renewal

Should Council not feel there is immediacy for eliminating parking minimums, Administration should be directed to review all parking requirements as part of the renewal of the Land Use Bylaw. A scoping report for this work will be brought to Council at the time the Guidebook for Great Communities is brought for adoption (anticipated early 2021). Part of the scoping report will identify how Administration will address and review parking requirements as a whole. As a result of the recommendations in TT2019-1554 (Parking Requirements Review – Scoping Report), current studies that are underway will also help inform this report.

2. Review with Limited Consultation

Given that Administration sees the value in supporting businesses, development and investment in Calgary, Administration would recommend an approach that acknowledges both the need to act quickly, balanced with the need to ensure citizens are informed and are heard. This option would allow Administration to gather feedback regarding the changes from targeted

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stakeholders and through an online survey and feedback forms over the month of 2020 August, and report back to Council with that feedback when the amendments are presented. Reporting back on this feedback may delay the amendments should significant feedback be received and need to be analysed and composed into a document available for Council review.

This consultation would allow Calgarians to submit feedback regarding any concerns to the changes and allow Administration to consider mitigation measures for those concerns as well as provide information to Council. This option would allow Administration to conduct a workshop with Calgary Planning Commission in October, prior to a Public Hearing in 2020 November, (barring any unforeseen concerns or needs or significant feedback).

Stakeholder Engagement, Research and Communication

Specific engagement for this report has not been conducted, however, the topic of parking has been raised significantly with the public and stakeholders over the past 10 years, most predominantly in the Calgary Land Use Bylaw Ideation Sessions that were held in 2015 to discuss problems with the Bylaw and how the Bylaw could be more aligned with policy to achieve desired outcomes. Similarly, parking is often raised as a primary concern through the land use redesignation process.

Strategic Alignment

The proposed recommendation continues to focus Administration's resources on the policy priorities identified by Council in 2020 through PUD2020-0016 (City Planning and Policy 2020 Workplan). The Workplan's focus remains on implementing the Municipal Development Plan and Calgary Transportation Plan while undertaking initiatives that support investment and local businesses. This initiative also helps to begin delivery on one of the Council Priorities for the City Planning & Policy Service Line for 2020: E. A Renewed Land Use Bylaw. This aligns with Council's priorities N2, N3 and N4 for "A City of Safe and Inspiring Neighbourhoods".

Social, Environmental, Economic (External)

Calgary is at a critical moment in time where economic recovery and attracting new businesses relies on being able to provide flexibility for the market to decide on how a business operates. Business needs and trends require The City to be nimble and progressive, resulting in an opportunity to think about how to shape a city that responds to concerns of businesses. This work will increase development certainty, growth, economic investment and result in varied built form outcomes.

Financial Capacity

Current and Future Operating Budget:

None

Current and Future Capital Budget:

None

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Risk Assessment

Administration is presently in a challenging situation, given the need to be flexible and accommodating to both new businesses as well as those businesses that have been impacted by the COVID-19 pandemic. Administration recognizes the value in a speedy response to eliminating regulations that may pose unwarranted hurdles for businesses and spillover parking issues in residential areas. Should Council elect to wait for the work to be undertaken through the renewal of the Land Use Bylaw, there is a risk that more businesses will require parking relaxations, resulting in time delays for those businesses to open, as well as risks of appeal. There is significant potential that new development will be stalled or stopped because of rising costs which could be reduced by ensuring developers are not providing superfluous parking. There is also a risk that innovative solutions to address the need for social distancing are refused or delayed because on-site parking lots cannot be made available because of the need to maintain antiquated parking requirements.

Another risk is around public expectations. One of the reasons why the changes to the Beltline parking requirements were successful in 2009 is because there was already a public expectation that parking in the area would not be free or devoted to an individual use. Since a mix of uses was already established, there was already an acceptable level of congestion for current residents and business owners. The risk in some areas outside of the Beltline is that development will not supply adequate parking for future tenants leading to increased complaints due to overspill once businesses move in. Eliminating parking minimums will have an impact on Administration's operational ability to deal with complaints, and while there are some mitigation measures to address this, they take time to put in place and are usually done after a problem is identified, increasing frustration to neighbouring parcels who may have an expectation that parking in front of their building belongs to them without a cost. Another common expectation is an increase in physical mitigation measures (traffic calming, street closures) for which there are currently no plans or budget proposed. Administration will ensure that members of Council have the communication tools needed once these amendments are prepared for approval.

One way that these risks will be mitigated is through the ongoing work that Administration is committed to doing through the renewal of the Land Use Bylaw. This work will feed into the future renewal, and issues can be addressed through this long-term review.

REASON(S) FOR RECOMMENDATION(S):

Administration is recommending Option 2 outlined in this report, as the work positions Calgary for economic recovery and stability of growth within our neighbourhoods. With a fluctuating economy, it is more important than ever for The City to be proactive and bold, while still recognizing the need to be transparent and thorough. Administration recommends approval of Option 2 amendments as they will reduce cost to development, improve built form outcomes, increase walkability and have a positive impact on future city-building while allowing stakeholders to be informed.

ATTACHMENT(S)

None