

**SUPPLEMENTARY REPORT ON CPC2015-183, LAND USE AMENDMENT, BYLAWS
38P2015 AND 179D2015, CHINATOWN**

EXECUTIVE SUMMARY

As the result of a referral motion from Council regarding land use application CPC2015-183, Administration has completed extensive engagement activities focused on the future of Chinatown. The result of the engagement is a set of guiding principles that can be used to both inform amendments to CPC2015-813, as well as to form the basis for development of a new Area Redevelopment Plan (ARP). Through these principles, an array of recommended changes to the proposal has been developed. These include changes to the proposed building height, building design, and the ratio of residential uses to commercial. The result is to create a land use that enables new development that respects its context and provides a positive contribution to Chinatown.

ADMINISTRATION RECOMMENDATION(S)

That Council hold a Public Hearing on Bylaws 38P2015 and 179D2015; and:

1. Give 1st reading to Bylaw 38P2015 and 179D2015;
2. Give 2nd reading to Bylaw 38P2015 and 179D2015 as amended (as outlined in the Attachment 2); and
3. Withhold 3rd reading of Bylaw 38P2015 and 179D2015 pending the approval of a Development Permit by Calgary Planning Commission.

PREVIOUS COUNCIL DIRECTION / POLICY

On 2016 April 11, Council referred Report CPC2015-183 and Bylaws 38P2015 and 179D2015 (Attachment 3) back to Administration to “undertake a Scoping Report, for a new Chinatown Area Redevelopment Plan, to incorporate the following, to return with a Scoping Report to the 2016 December 05 Combined Meeting of Council:

- i) Develop a community-wide City-led Engagement process that identifies key work to be addressed in a new Chinatown Area Redevelopment Plan, and identifies preliminary topics, issues, and aspirations conveyed by a range of stakeholders;
- ii) Based on the results of the Engagement process in i) above, provide a supplementary planning report to Council on the subject application CPC2015-183, with recommendations for amendments, as appropriate; and
- iii) Coordinate with the on-going current Engagement projects in Chinatown including the Chinatown Retail Strategy, Greenline Project, and Centre City Guidebook.

On 2016 February 08, Council tabled Chinatown policy amendment and land use amendment, Bylaws 38P2015 and 179D2015, CPC2015-183 to the 2016 April 11 Combined Meeting of Council.

On 2015 November 09, Council tabled the Report, Policy Amendment and Land Use Amendment, Chinatown (Ward 7), 3 Avenue SW and 1 Street SW, Bylaws 38P2015 and

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179D2015, CPC2015-183 to the 2016 February 08 Combined Meeting of Council for further consultation with the stakeholders in Chinatown.

BACKGROUND

CPC2015-183 proposes a Land Use Amendment and a site-specific change to the Chinatown Area Redevelopment Plan (ARP). The existing Land Use District is a Direct Control (DC) District that applies to a large portion of Chinatown and is also enshrined in the Chinatown ARP.

The application proposes a number of deviations from the original DC District and ARP, most significantly to the density and building height allowed. The Direct Control District as originally proposed by the applicant is modeled on land uses found in the Beltline or Downtown, and so is not unusual for Centre City neighbourhoods. However the fact that this model is markedly different from the densities and heights found in Chinatown has created significant opposition within the community. CPC2015-183 has been tabled by Council twice (2015 November 09 and 2016 February 08). Community members expressed concerns with the application, citing its significant departure from the existing ARP, the potential to forever alter Chinatown, and the belief that there was not enough public consultation done. There was also a desire to see a detailed building design that could be evaluated, rather than the set of broad development rules that comes with a Land Use Amendment application.

Subsequently in 2016 April, Council referred the application back to Administration. They also directed Administration to undertake a community-wide City-led engagement process with an intent to not only gather input on the proposed application, but also to provide a Scoping Report for a future Chinatown Area Redevelopment Plan (C2016-0864, elsewhere on this agenda).

The engagement took place between May and October of 2016, and involved more than 4,700 participants in on-street events, interviews, open houses, workshops, online participation and even a walking tour. Through the exercise Administration developed a set of guiding principles (Attachment 1) whose purpose was to inform the direction of a future ARP and to help assess applications that occur before a new ARP can be drafted. These guiding principles therefore informed a list of recommended changes specific to this application.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

This report suggests the following changes to the application through amendments to the originally proposed DC district:

- A reduced building height for buildings on 2 Avenue SW and altered limits on shadowing
- Maximum podium height of 6 storeys
- Incorporation of Chinese/Asian cultural motifs/architectural elements into the building
- Splitting of the podium to allow a plaza and/or pedestrian access through the site
- A mandatory 60% residential component/maximum office component
- Small tenancy (maximum of 465 m²) spaces at street level and articulation of the façade every 7.5 metres
- The elimination of certain uses from consideration (e.g. pawn shop, medical marijuana)

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These proposed amendments represent a balance between developer aspirations, and the needs and desires of Chinatown residents and users as expressed through the extensive public engagement of the last four months.

Guiding Principles as a result of the Engagement

Each of the recommendations is based directly on what was heard through public engagement and the resulting guiding principles, as presented in C2016-0864. The recommendations align with all of the guiding principles, but focus heavily on ensuring the distinct character of the Chinatown as a residential mixed use neighbourhood, with particular emphasis on creating a strong pedestrian realm.

Should the guiding principles not be approved by Council, the recommended amendments are able to stand on their own. Firstly, the principles, to some extent, are expressed as objectives in the current ARP or Centre City Plan. Secondly, they reflect fundamentally good planning practices.

All new developments reinforce the distinct cultural and historical character of Chinatown.

To that end, Administration suggests three changes:

1. Integrate into the Direct Control district a requirement for buildings to include Chinese/Asian motifs and architectural elements.
2. Maintain the existing height of buildings on 2 Avenue SW. Considering the context of existing development along 2 Avenue SW (very much in keeping with the limits of the existing ARP), and noting that this area is in close proximity to the neighbourhood centre as identified in the Centre City Plan, a reduced building height on 2 Avenue SW was warranted. On the 3 Avenue SW side, the context is different, presenting much higher buildings. The height limitation was therefore not extended to this side of the site, though its shadowing will be limited to no more than the building on 2 Avenue SW.
3. To encourage buildings which mirror the nature of existing Chinatown development (narrow buildings and/or tenancies), the façade at grade level and for the podium is to be articulated every 7.5 metres, and small tenancies of no more than 465 m² will be allowed.

Chinatown is a residential, mixed-use community.

Chinatown has always been viewed by its users as a residential community that contains some commercial/office development and community support services. To that end Administration recommends that a 60% residential component be mandatory to any development of the site. In this way, the residential base of Chinatown is assured.

This would also align with the fourth principle: *Chinatown is a community for all, and provides housing for residents of all ages and incomes.*

Chinatown is home to a high proportion of seniors. They are a hallmark of the community and are well-served by the businesses and services in Chinatown. New residential development would add to the population base and allow shops and services to remain viable.

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All developments enhance the pedestrian experience.

To respond to this principle, Administration is recommending four changes to the DC district:

1. Reduce building height as described previously.
2. Articulation as described above, i.e. façade at grade and for the podium is to be articulated every 7.5 metres.
3. Split the podium to allow sunlight penetration and pedestrian connectivity between 2nd and 3rd avenues.
4. A maximum podium height of 6 storeys.

These changes will ensure that development at street level is pedestrian friendly.

There are a variety of options for getting to Chinatown.

This topic of community-wide interest is not directly addressed by the recommendations. Chinatown is already well-served by transit, and will also benefit from a close-by station on the future Green Line. Parking was identified as a concern during engagement. However Administration felt that the parking issue was one of pricing and not supply, and was therefore not something easily dealt with through the mechanism of a single application.

Chinatown has a variety of public and private gathering spaces.

This is directly addressed by the mandated provision of a podium design that features a connection between 2nd and 3rd Avenues, plaza or similar gathering space.

Chinatown is safe, clean and vibrant, day or night.

Through the engagement, a number of uses were identified by participants as inappropriate for Chinatown: Pawn shops, payday loan, medical marihuana counselling and bottle depots. Many of these uses are not likely to locate in a dense urban environment due to the land and rental costs associated with a Centre City location. Based on the engagement, Administration recommends they be removed from the list of potential uses. This will help to encourage the perception of safety. As well the anticipated increased residential/commercial activity brought on by the redevelopment and the creation of gathering spaces will make for a more active 24-hour usage of the neighbourhood and a therefore safer and more vibrant community.

Commercial activity in Chinatown supports the residential and cultural community.

This is supported by the recommendations previously mentioned. By ensuring that the proposal contains small-scale, street-friendly commercial uses and by eliminating the ability for office-only development, the resulting commercial activity will be much in line with what exists in Chinatown today.

Development

Administration also recommends that after the granting of 1st reading to the original bylaws, and the acceptance of any changes at 2nd reading, that a concurrent Development Permit (DP) be submitted, and 3rd reading be withheld until the DP is approved by Calgary Planning Commission. Granting 1st and 2nd reading to an amended application and then requiring a concurrent DP would allow the developer to proceed with more detailed design and all stakeholders to see the details of the application and address the community concerns about the form the building will take. While this adds both, time to the process and expense for the

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applicant, it would provide the most clarity for stakeholders and support for imminent development interest.

Proposed Amendments to the Direct Control District

Stakeholders made several suggestions during the Phase 2 engagement sessions directly related to the application. One suggestion was to remove a host of uses from the Direct Control district that typically cause public concern or opposition: Payday loan, pawn shop, medical marijuana counselling, etc. This has been discussed previously in this report. The engagement also identified *hotel* as a use that was inappropriate. This appeared to be based on a cultural perception of the use as unsavoury, and that a hotel should not be located in what is largely a residential community. Counter to that, hotels encourage 24-hour activity by providing a customer base for shops and restaurants, and would allow Chinatown to support itself as a tourism destination. This is also in line with the guiding principle that *Chinatown is safe, clean and vibrant, day or night*. However, based on the strength of opposition to the use displayed in the public engagement, Administration recommends the removal of the use from the application.

Liquor store was also identified as an inappropriate use. Administration recommended that the use remain, as the anticipated increased residential population will likely see an increased demand for the use. Furthermore its propriety can still be fully assessed through a Development Permit application.

Another common suggestion was to lower the proposed Floor Area Ratio (FAR), as it is not indicative of Chinatown development. This was considered by Administration. The proposed maximum FAR of 12, while higher than that currently found in Chinatown, is in line with that of the Beltline. While the two communities are certainly different, they both provide transitions from the Centre City to lower density communities. The proposed FAR, when tempered with the recommended restrictions provided in this report, will ensure that the proposed development will be well-integrated into the community.

Based on the additional analysis of this supplementary review, Administration considered the available options for a decision on this application. Administration believes that approving the application with the recommended changes represents the outcome that best combines the lessons learned through the public engagement process and a sensitive development form aligned with the guiding principles. However considering the level of opposition to the application and that significant segments of the population are likely to maintain opposition to it, even an amended approval is likely to impact future planning processes such as a Development Permit or ARP. On an administrative note, should Council accept the recommended changes as the best course of action, no re-advertising will be necessary as no public hearing was undertaken on the application and the changes serve to reduce the scope of the original proposal.

Other recommendation options considered by Administration include:

- *Refuse the application:* This would delay potential redevelopment of the site until an application compliant with the current ARP comes forward, or until a new ARP is

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approved which allows for the proposed form of development. This action would likely be supported by a significant portion of the community, but would essentially freeze development and/or make interim applications difficult to assess.

- *Table the application until a new ARP is done:* This would delay potential redevelopment in a manner similar to the refusal scenario. Again this would likely be supported by a significant portion of the community.
- *Approve the application in its current form (without amendments):* This would allow the redevelopment process for the site to begin. Considering the amount of opposition to the application and the absence of and/or misalignment with the guiding principles, this course of action would have significant negative implications on future planning processes.

Stakeholder Engagement, Research and Communication

In tandem with an engagement consultant (Intelligent Futures), the project team undertook an engagement strategy which accounted for Chinatown's social and political complexity and the diversity of community voices.

The strategy consisted of two phases, and used frequent, varied tactics and a host of languages (English, Traditional Chinese, Simplified Chinese, Mandarin, Cantonese) to ensure that all voices were heard.

Stakeholder response to the engagement was strong. Administration heard from stakeholders of all ages, from youth to senior citizens, representing a cross section of Chinatown residents, workers, users and visitors. Participants offered their own perspectives on Chinatown's future. There is no single vision for Chinatown, but the community is proud of its culture and heritage, and shares a desire for it to reach its full potential.

The entire process and reasons for each tactic is addressed in detail in the engagement consultant's final report (Attachment 4 in C2016-0864)

Strategic Alignment

Municipal Development Plan (2009)

The subject site is located in the *Activity Centres - Centre City* area as identified on Map 1 of the *Municipal Development Plan (MDP)*. The Centre City land use policies seek to reinforce the Centre City as the focus of business, employment, culture, recreation, retail and high density housing. By providing for a densified mixed-use development in a sensitive manner, the application aligns with the MDP.

Social, Environmental, Economic (External)

Social

New development provides population to ensure continued services for seniors and supports the continued existence of a cultural neighbourhood

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Environmental

The amended proposal maintains the ability of Chinatown to remain a viable pedestrian-friendly neighbourhood.

Economic

The amended proposal would bring more residents and businesses to Chinatown, and suggests a baseline for future sensitive redevelopment in the neighbourhood. An approval would signal to other potential developers that Chinatown is “open for business”.

Financial Capacity

Current and Future Operating Budget:

There are no implications for the City’s operating budget.

Current and Future Capital Budget:

There are no obligations for the City’s capital budgets.

Risk Assessment

The recommendations of this report will have a significant impact on The City’s ability to conduct an ARP process. Approval of a land use that results in development that the community deems as unacceptable would hinder the ability to proceed with an ARP in the near future. Likewise development that is not culturally sensitive will further erode the core of Chinatown.

Refusal would signal to other developers that Chinatown does not accept new development. Without new investment into the community, Chinatown may not grow and prosper in a way that will keep it vibrant and functional into the future.

REASON(S) FOR RECOMMENDATION(S):

The proposed amendments suggested to the original proposal, due to the extensive engagement which informed them, will ensure that the built form fits into its neighbourhood context. An amended proposal responds to the guiding principles and allows for development to proceed prior to a new ARP. A concurrent Development Permit application will ensure further clarity on the built form.

ATTACHMENT(S)

1. Guiding Principles for Development in Chinatown 2016 December 5
2. Proposed Amendments to the DC District (Bylaw 179D2015)
3. CPC2015-183 (including original report, Bylaw179D2015, Bylaw39P2015, and public submissions)
4. Public Submissions
5. Proposed Bylaw 38P2015
6. Proposed Bylaw 179D2015