

MAIN STREETS INITIATIVE - PHASE 2 SUMMARY REPORT

EXECUTIVE SUMMARY

Approval of PUD2014-0312 provided project funding and a project charter for the Main Streets Initiative. This is a three phase program that will enable and guide redevelopment to continually improve Calgary's main streets. The first two phases are completed and the final phase will create an implementation plan for supporting growth in these strategic areas. A summary of phase two work, along with approaches to the creation of the implementation plan are summarized within this report.

ADMINISTRATION RECOMMENDATION(S)

That the SPC on Planning and Urban Development recommends Council receive this report for information.

RECOMMENDATION OF THE SPC ON PLANNING AND URBAN DEVELOPMENT, DATED 2016 JULY 22:

That the Administration Recommendation contained in Report PUD2016-0564 be approved.

PREVIOUS COUNCIL DIRECTION / POLICY

At the 2015 September 28 meeting of Council Administration's recommendation to the SPC on Planning and Urban Development was approved (PUD2015-0638), moved by Councillor Woolley, Seconded by Councillor Stevenson, that the Committee Recommendations be adopted in an omnibus motion. PUD2015-0638 provided a project update for the Main Streets Initiative with the completion of Phase 1.

At the 2014 May 26 meeting of Council Administration's recommendation to the SPC on Planning and Urban Development was approved (PUD2014-0312), moved by Councillor Chabot, Seconded by Councillor Sutherland. Approval of PUD2014-0312 provided project funding and a project charter for the Main Streets Initiative.

BACKGROUND

The Municipal Development Plan (MDP) identifies 14 land use typologies across Calgary, five of these typologies (Centre City, Major Activity Centres, Community Activity Centres, Urban Corridors and Neighbourhood Corridors) are intended to be the major growth areas for the next 60 years within the built area of the city. The MDP and the Calgary Transportation Plan (CTP) identify 24 specific streets as corridors; 8 Urban Corridors and 16 Neighbourhood Corridors. These corridors or main streets provide commercial services, housing, recreation and important transportation links to the adjacent 68 communities.

The Main Street Initiative focuses on implementation approaches and programs to enable the policies, goals, and targets contained in the MDP. The first phase focused on listening and learning from main street area residents, business owners and landowners and included in depth discussion with thousands of Calgarians and other interested groups, such as the development industry and business organizations. Phase 2 was completed in June 2016 and focused on policy and Land Use Bylaw review, market demand and economic forecasting for

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the main street areas, continued dialogue with developer and builder stakeholders and cross corporation examination of solutions to address City and stakeholder preferred outcomes.

Phase 3 will focus on the development of a multifaceted implementation framework for selected main street areas. This will include city initiated land use district redesignations, updates to affected local area plans, initiation of detailed designs for a new streetscape plan of sidewalks and road carriageways, an implementation plan for water infrastructure capacity (storm, sanitary and water) and exploration of innovative approaches to encourage vibrancy and resiliency in the main street commercial areas.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Phase 2 of the Main Streets Initiative focused on analysis and evaluation of a variety of factors that influence growth and change in the main streets areas. This included detailed analysis of over 4,500 comments from over 2,200 Calgarians from the phase one public engagement, additional discussion with specific main street stakeholders, review of the existing land use regulatory framework of policy, land use districts and parking requirements, tools for heritage conservation, market demand and growth forecasts for main street areas, preliminary review of resources required to understand the infrastructure capacity of existing water, storm and sanitary networks within the main street areas and cost to redevelop streets and sidewalks that align with the Calgary Transportation Plan and the Complete Streets Guide.

The most prevalent desired outcomes by main street stakeholders were for a high quality, vibrant, comfortable public realm along main streets, a variety of retail and commercial services and enjoyment of a street's unique character. Developers, builders and landowners seek to have certainty regarding built form and scale, cost of infrastructure connections and charges, consistency with review processes, along with flexibility in new construction design and opportunities for enhancements for existing businesses. Developers and builders seek development sites in areas with high quality public amenities such as premium open spaces and streetscapes, recreational opportunities and active, successful retail/commercial areas.

Overall external stakeholders expressed strong desire for the Main Streets Initiative to include a broad based approach to support growth and change in main street areas, not just a policy and land use bylaw exercise, but provide mechanisms for funding improvements in the public realm, streetscapes, city facilities, parks and open spaces. Builders required more certainty regarding infrastructure capacity knowledge and costs to upgrade networks. This knowledge can reduce risk to private developers since their cost for service connections will be better known in advance, reducing the impact of unplanned cost in the design stage, allowing more projects to move into construction. All stakeholders are seeking innovative solutions to support better parking management, heritage conservation, flexibility for temporary uses (craft sales, festivals, food events, etc.), and methods to increase attractiveness and sustainability of commercial areas and increase the range of housing options.

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Focus on immediate solutions for select streets

Many internal and external stakeholders expressed the need to focus the efforts of the Main Street initiative onto a few key or strategic streets to maximize chances of success and learn lessons to apply to additional streets in the future. This model aligns well with market place realities, only some of the main street areas are attractive for developers to invest and build. The market desire of consumers is always changing and some areas are currently more attractive than others, and this will change over time. City investment and regulatory frameworks can affect the market place, but land supply availability, community readiness and existing community amenities affect the market interest to a large degree as well.

City departments and business units currently have limited resources to support detailed analysis of infrastructure systems, as well, many of the networks are geographical extensive and impacted by development coming on line across a large area. Any analysis would have a limited time for accuracy and would impact existing approved work plans. Several departments could support a limited amount of study areas, especially if aligned to other analysis work currently underway. Examination of a street right-of-way for a redesign of sidewalks, street furniture and lane dimensions also requires extensive resources from several departments and would be unmanageable across all main street areas. Design limited to a select group of streets would reduce this impact and could be modelled after processes developed for Centre City implementation of streetscape master planning efforts.

Phase 2 of the Main Streets Initiative contracted two economic consultants to examine many factors that relate to market desire and economic growth in the 24 main street areas. This included determination of development thresholds that would be required to support redevelopment, identification of competing markets, forecasts of future supply and demand of retail, commercial, and residential development for main streets, feasibility of heritage density transfer and general market timing of redevelopment to occur.

Factors such as land use capacity of existing land use districts, high occurrence of under density developments, existing Council approved policy not aligned to land use districts, market attractiveness, community readiness, cost of street redesign to align with the Complete Streets Guide and knowledge of water service infrastructure were used to evaluate the overall viability and readiness of the 24 main street areas. The 24 MDP identified main streets were further divided into 33 road sections to better align with community boundaries and areas of similar context. A list of 9 main street areas is shown in Attachment that will be focus of creation of an implementation plan for Phase 3 of the Main Streets Initiative.

Framework for creating an implementation plan

Stakeholder engagement clearly indicated that the Main Streets Initiative should not only provide land use policy and regulation, but a broad approach that should fund capital public realm improvements, support businesses and provide more commercial services to neighbourhoods, create vibrancy and promote developments that meet MDP objectives. An implementation plan needs to address many elements and have been defined into three broad

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areas of further work. These three areas will be examined and detailed in Phase 3, with a detailed plan brought to Council for consideration in late 2016 or early 2017.

Investment

There is a strong desire from Main Street communities to have a safe, comfortable, high quality street and sidewalk environments that encourages all modes of mobility along the main street, with public gathering places and spaces that foster community interaction. Currently very limited resources directed to the redesign and eventual funding of reconstruction of main street areas. Business Revitalization Zones and the current Centre City implementation projects will provide models to examine. Administration is also working in conjunction with our industry partners on a new approach for sustainable funding for public realm improvements.

Water infrastructure upgrades can have a major impact on the cost of new construction projects. Builders and developers are looking for information regarding cost of service connections to city networks earlier in the design process. Potential to create implementation infrastructure plans on a limited and phased basis are being explored, starting with the analysis of three main streets.

Innovation

Unique character, destinations for restaurants or entertainment and specialty retail are key elements that help define retail areas along main streets and provide an amenity that attracts new residents and further growth to the commercial area. Stakeholders are seeking new and innovative solutions to variety of issues, including parking management, historic resource conservation, enhancement of Business Revitalization Zones and flexibility for retail and commercial areas to provide more events and activities to draw more people to main streets. The Main Streets Initiative will continue to work with a variety of business units to develop programs or strategies to seek solutions to these important factors.

Planning

The Main Street initiative focuses on implementation of policies, goals and targets contained in the MDP. Growth and change happens when redevelopment happens along the main streets. The MDP, local area plans and the Land Use Bylaw (LUB) provide the framework for reviewing and rendering decisions on this change. The Main Streets Initiative Phase 2 analysis has provided extensive information that can be used to help monitor and support the efforts to achieve the MDP goals.

Currently a draft Guidebook for Developed Areas is in circulation for internal and external comments. A draft of a new land use district that supports mixed use developments is also in circulation and in consultation with specific stakeholders. These new tools will be used to engage the communities surrounding the main streets identified in the Attachment. This new land use framework will be discussed with stakeholders and how this framework applies to the main street community will be explored, particularly in terms of amendments to local area plans. This new land use framework will be brought to Council for consideration with amendments to local area plans and new land use district redesignations. Ongoing implementation of the Main

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Streets Initiative, in partnership with Water Resources, will support this land use framework by providing greater clarity on infrastructure costs and capacity.

Stakeholder Engagement, Research and Communication

Phase 1 was focused on broad stakeholder discussion and was received with over 4,500 comments from over 2,200 Calgarians from November 2014 to May 2015. Since mid 2015 the focus has been on specific stakeholder discussions primarily with builders, developers and community leaders with community associations and Business Revitalization Zones.

Strategic Alignment

The Main Streets Initiative focuses on implementation of MDP outcomes along the neighbourhood and urban corridors within the built area of the city. The MDP and CTP aim to build a city in which people have more choices in where to live and how to travel. Calgarians will be able to choose from a variety of housing types and communities in which to live. The ability to easily reach their destinations or connect with other travel modes will increase because the city will have a variety of convenient mobility options available. People of varying ages, incomes, interests and lifestyles will be able to meet their daily needs more easily. The City will be able to maintain a sustainable municipal financial system and provide quality services for current and future Calgarians, while protecting the natural environment and supporting a prosperous and competitive economy. The need for the city to grow more in strategic areas can also be linked to achieving a better balance between population and jobs. Unbalanced job and population growth will create more mobility challenges in the future, as people need to leave their neighbourhoods and commute to their work places.

Representatives from several key projects from other departments have had an extensive discussion with the Main Street team, with a sharing of public comments. Key corporate projects include; Green Line, Pedestrian Strategy, the 17 Avenue South Reconstruction and ongoing work in the Centre City regarding roadway redesign and reconstruction along identified Centre City corridors and the Industry/City Work Plan and Established Areas initiative, MDP Developed Area Guidebook and the Land Use Bylaw team.

Social, Environmental, Economic (External)

Communities that provide a broad range of housing choices and commercial services, supported by high quality transit and transportation choices, allow people to meet their day-to-day needs within their own neighbourhood. A variety of transportation network options across the city, along with a more diverse built form, provides for adaptability and flexibility of the built environment over the long term. This diversity provides more options and likely better access for housing, recreation and commercial services for most Calgarians. The Main Streets initiative will bring forward policy and land use changes, as well as implementation of streetscape and infrastructure components that will enable development that supports these transportation options, affording more Calgarians the opportunity to live and work in these types of environments.

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In economic terms, the Main Streets Initiative represents a strategic approach to land use intended to enable the supply of housing and employment space to keep pace with significant demand. Supporting such supply increases in places with existing and planned infrastructure is a key component in reducing the fiscal impact of growth, while also acting to attenuate pressure on housing affordability.

The success of the public engagement of Phase 1 was that it created more awareness and interest in the development along main streets, with more and more Calgarians vested in creating great communities supported by the main streets.

Financial Capacity

Current and Future Operating Budget:

The original program approval (PUD2014-0312) had a budget overspend of \$857,000 but \$680,620 was returned to the Fiscal Stability Reserve at the end of 2014 since it was not spent that year. A budget request for \$450,000 from Fiscal Stability Reserve to support engagement and communication for the final phase of the initiative is currently before Council (PFC2016-0542).

Current and Future Capital Budget:

The Main Streets Initiative will not affect current capital budgets. Solutions towards a more sustainable funding strategy for streetscape and infrastructure capacity within main street areas are being researched with other departments; likely other departments and programs would present separate funding strategies.

Risk Assessment

The Main Street Initiative approved by Council (PUD2014-0312) provided a Project Risk Register. These risks have been mitigated by a successful engagement program, persistence to project plan goals and ongoing support by senior management. Risks will continue to be identified and managed through the last phase of the project.

REASON(S) FOR RECOMMENDATION(S):

The Main Streets Initiative has achieved the intended results for Phase 2 and will attain the program results as approved by Council in 2014 for Phase 3. This report is for information as the project is accomplishing milestones and successes as detailed in the original Council approval.

ATTACHMENT(S)

Main Streets Phase 3 – Implementation Plan Creation