

Referral of Policy Amendment and Land Use Amendment in Mission (Ward 11) at multiple addresses, LOC2020-0048, CPC2021-0468

RECOMMENDATION(S):

That Council:

1. Give three readings to Proposed Bylaw 21P2021 for the amendment to the Mission Area Redevelopment Plan (Attachment 2);
2. Hold a Public Hearing; and
 - a. Give first reading to Proposed Bylaw 127D2021 for the redesignation of 0.12 hectares \pm (0.30 acres \pm) located at 306, 308, 310, and 312 – 25 Avenue SW (Plan B1, Block 44, Lots 10 and 11) from Direct Control District to Direct Control District (Attachment 3);
 - b. AMEND Section 8 of Proposed Bylaw 127D2021 to specify the contribution amount required to earn additional floor area ratio (Attachment 7);
 - c. Give second and third readings to Proposed Bylaw 127D2021, as amended; and
3. File and abandon Proposed Bylaw 70D2021.

HIGHLIGHTS

- A new Direct Control District has been prepared by Administration, in discussion with the applicant to incorporate Council-directed bonusing provisions on the subject parcels, with three Contribution Amount options for Council to consider. The original land use amendment presented at the 2021 May 31 Combined Meeting of Council included a stock Multi-Residential – High Density Medium Rise (M-H2h28) District.
- What does this mean to Calgarians? The amended land use application responds to Council direction and citizen concerns. It sets out a detailed redevelopment vision for the subject parcels and enables a community contribution to the Heritage Incentive Reserve Fund in order to obtain additional developable floor area ratio.
- Why does this matter? Allowing for more housing choices in inner-city areas represents more efficient use of land and existing infrastructure. Facilitating contributions to heritage preservation is in keeping with the goals and objectives of the *Mission Area Redevelopment Plan* (ARP) and *Municipal Development Plan* (MDP).
- No changes to the height (28.0 metres) and density (5.0 FAR) included in the original land use amendment or related development permit application have been made by the applicant since the 2021 May 31 Public Hearing.
- On 2021 May 31, the original policy and land use amendment (CPC2021-0468 – Attachment 4) was referred to Administration to discuss density bonusing with the applicant.
- Strategic Alignment to Council's Citizen Priorities: A city of safe and inspiring neighbourhoods.
- Background and Previous Council Direction is included as Attachment 1.

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DISCUSSION

Following the 2021 May 31 Combined Meeting of Council, Administration discussed density bonusing with the applicant. The changes to the originally proposed Multi-Residential – High Density Medium Rise (M-H2h28) District were incorporated into a new DC District.

In response to the Council referral, the applicant is proposing a cash contribution to the Heritage Incentive Reserve Fund, with a per square metre contribution amount equal to the average of two recent Council-approved land use applications in the area, which amounts to \$68.56 per square metre to earn additional floor area above 3.5 FAR to a maximum of 5.0 FAR. Further details in Tables 1 and 2 below.

This community benefit is intended to offset the loss of the existing historic character homes on the site through a monetary contribution to the Heritage Incentive Reserve Fund. Administered through the Historic Resource Conservation Grant program, this fund offers assistance to property owners for restoration, preservation, and rehabilitation of historic properties. Any monetary contribution provided through this provision in the DC District would be earmarked to the community of Mission where it could be used to provide heritage grants to other historic buildings in the community. Based on analysis of historic buildings in the area, this contribution would allow for grants to assist in the preservation of one historic house in the community. The City is able to match developer grants in increments of \$125,000.00, so each incremental increase in private contribution would be matched dollar for dollar by The City, creating a total value of \$250,000.00 in this instance.

Table 1: Recent Comparable Land Uses, Approved by Council with Bonusing Provisions

File Numbers	Description	FAR Increase	Total Contribution Amount	Per Square Metre Contribution Amount
LOC2018-0188 CPC2019-0379 Bylaw 102D2019	"Buon Giorno" Site	3.0 FAR to 5.0 FAR	\$228,000.00	\$81.82/sqm
LOC2018-0143 CPC2019-0379 Bylaw 102D2019	Riverwalk Senior Living	3.0 FAR to 7.46 FAR	\$500,000.00	\$58.82/sqm

On 2021 June 10, the Cliff Bungalow-Mission Community Association (CA) provided Administration with a Community Contribution Position (Attachment 5), which outlines the CA Development Committee's assessment of the value of the incremental density requested by the applicant, from the FAR of 3.5 allowed under the existing DC District to the proposed 5.0 FAR as part of this land use amendment application.

As the CA's requested contribution amount was significantly higher than past Council approvals in Mission, Administration requested an independent third-party valuation, provided by Cushman & Wakefield in the form of an Appraisal of Real Property (Attachment 6), which has been reviewed internally by Administration through the Real Estate & Development Services Valuation Review Committee.

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Table 2: Applicant Proposal, CA Community Contribution Position and Third-Party Appraisal

File Number	Description	FAR Increase	Total Contribution Amount	Per Square Metre Contribution Amount
LOC2020-0048 CPC2021-0468 Bylaw 127D2021	Applicant Proposal	3.5 FAR to 5.0 FAR	\$125,000.00	\$68.56/sqm
	CBMCA Community Contribution Position	3.5 FAR to 4.5 FAR	\$728,000.00	\$598.91/sqm
			\$1,014,000.00	\$834.20/sqm
	Cushman & Wakefield Appraisal (Two Scenarios)	3.5 FAR to 4.5 FAR	\$650,000.00	\$534.74/sqm
3.5 FAR to 5.0 FAR		\$975,000.00	\$534.74/sqm	

Tables 1 and 2 provide an objective comparison of recent land use approvals in the area, along with the Applicant proposal, CA position and third-party appraisal for Council consideration.

Currently, the proposed DC District has the monetary contribution required for an increased floor area ratio as “an amount to be determined by Council”. Administration recommends that Council amend Section 8 of Proposed Bylaw 127D2021 after first reading to set that amount and has provided three options based on the three contribution amounts shown in Table 2. Administration recommends Option 1 – Applicant Proposal, as in the absence of any existing statutory bonusing policies in the *Mission ARP*, this option represents a per square metre Contribution Amount that is in alignment with the two most recent Council-approved land uses with bonusing provisions in the area. Further rationale and an analysis of the CA position and third-party appraisal can be found in Attachment 7.

STAKEHOLDER ENGAGEMENT AND COMMUNICATION (EXTERNAL)

- Public Engagement was undertaken
- Public Communication or Engagement was not required
- Public/Stakeholders were informed
- Stakeholder dialogue/relations were undertaken

As the proposed density bonusing is based on Council direction and the public input received at the Public Hearing, no formal public engagement was undertaken following the 2021 May 31 Combined Meeting of Council. Administration, however, communicated the Council-directed amendments to the Cliff Bungalow-Mission Community Association Development Committee and applicant by email. This provided an opportunity to clarify the scope of the proposed land use changes and content of the DC District with these stakeholders.

In addition, notification for the 2021 July 26 Public Hearing of Council for this item was advertised, mailed out to adjacent landowners, and posted on-site.

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IMPLICATIONS

Social

The proposed DC District and related Development Permit application (DP2020-3757; under review) enables the continuation of redevelopment within the Mission area while also providing for greater housing choice. The development of these lands will enable a more efficient use of land and infrastructure while also supporting surrounding commercial uses and amenities.

Environmental

This application does not include any actions that specifically address objectives of *the [Climate Resilience Strategy](#)*. The applicant has not explored further environmental strategies in the Development Permit submission.

Economic

The ability to develop a mid-rise multi-residential development will enhance the viability of the 4 Street SW Main Street commercial area. It will allow for a more efficient use of land and existing services, and leveraging of existing transit infrastructure in the area.

Service and Financial Implications

No anticipated financial impact.

RISK

If the proposed policy (Bylaw 21P2021) and land use amendment (Bylaw 127D2021) are not approved by Council, development permit (DP2020-3757) would be cancelled. If Council amends the proposed Bylaw 127D2021 to specify the contribution amount required to earn additional floor area ratio above what the applicant is proposing and gives second and third readings, there is no guarantee that the proposed development would be realized.

ATTACHMENT(S)

1. Background and Previous Council Direction
2. Proposed Bylaw 21P2021
3. Proposed Bylaw 127D2021
4. Calgary Planning Commission Report to Council (CPC2021-0468)
5. Community Association – Community Contribution Position
6. Third-Party Appraisal
7. Contribution Amount Options
8. Public Submissions

Department Circulation

General Manager/Director	Department	Approve/Consult/Inform
Stuart Dalglish	Planning & Development	Approve
Debra Hamilton	Planning & Development	Approve