

## Land Use Bylaw Amendments to Address Missing Middle Housing

### RECOMMENDATION:

That the Infrastructure and Planning Committee recommend that Council:

Give three readings to the Proposed Bylaw to amend Land Use Bylaw 1P2007 to add a new housing district (Housing – Grade-Oriented (H-GO) District), to amend the Residential – Grade-Oriented Infill (R-CG) district, as well as other minor consequential amendments to accommodate grade-oriented housing forms such as: semi-detached dwellings, rowhouses, townhouses, at-grade flats, and suites as outlined in Attachment 2.

### Highlights

- A new land use district (Housing – Grade-Oriented (H-GO) District) is being proposed to provide more consistency for the development of grade-oriented housing forms such as: semi-detached dwellings, rowhouses, townhouses, and suites. Grade-oriented housing forms have all dwelling units with clear pedestrian access to the entrance of each unit from the street. Often referred to as “missing middle”, this form has seen limited development in many cities across North America including Calgary. These forms were not anticipated in Calgary’s current Land Use Bylaw resulting in inconsistent and unique direct control districts.
- **What does this mean to Calgarians?** Calgarians will have a better understanding of what could be built in their communities through more consistency in how homes are built. The new district will enable a wider variety of housing forms and increase Calgary’s housing stock, making it easier for existing and new Calgarians to find a home in a community that best suits their needs. Making housing more accessible will also help attract businesses and talent to Calgary as housing choice and affordability are two of the drivers for where businesses locate. Further, greater housing choice will lead to more complete and resilient communities by ensuring there is sufficient population needed to support services and amenities despite future challenges.
- **Why does this matter?** Peak population has declined in 86 per cent of Calgary’s established communities and they need new residents to support local businesses, schools, and city services. This directly impacts the social, environmental, and economic considerations identified as Council priorities by allowing more equitable access to housing in established communities. Environmental benefits will be realized through more efficient built forms, reductions in the amount of building materials required, due to increased number of dwelling units in a single building and the utilization of existing transit, utilities and amenities.
- The proposed amendments will provide greater efficiencies for the development industry, Administration and Council by reducing the number of direct control applications and associated costs, while ensuring a consistent set of rules meet the needs of surrounding neighbours.
- The Residential Grade-Oriented Infill (R-CG) district has successfully enabled rowhouses on many corner parcels, but it remains challenging on mid-block parcels. Administration is proposing amendments to the R-CG district to enable midblock and courtyard forms.
- The proposed amendments to multi-residential districts remove barriers to enabling a wide variety of housing forms on multi-residential parcels, further reducing the use of direct control districts.

## **Land Use Bylaw Amendments to Address Missing Middle Housing**

- On 2022 April 12, Council directed Administration to reduce the number of direct control districts being brought to Council by creating a new land use district that addresses the challenges of implementing the grade-oriented forms of the R-CG district mid-block.
- Strategic Alignment to Council's Citizen Priorities: A city of safe and inspiring neighbourhoods
- Background and Previous Council Direction is included as Attachment 1.

### **DISCUSSION**

This report proposes amendments to Land Use Bylaw 1P2007 to introduce a new land use district, Housing – Grade Oriented (H-GO) district, amendments to the Residential Grade - Oriented Infill (R-CG) district, the general rules for multi-residential districts and standardized parking rates (see Attachment 2 for amendments).

#### **New Standard Land Use Bylaw District**

The current Land Use Bylaw was adopted in 2008. Over the past 14 years, there have been many changes to housing forms and Calgarians' housing needs, resulting in a regulatory gap. This gap has led to a rise in the number of direct control applications for a wide variety of housing forms, which require more time and resources from Administration and Council to process and approve. Council approved a motion arising during the 2022 April 12 meeting of Council (CPC2022-0256) that directed Administration to create a standard district to address this gap and provide a consistent approach to these types of applications. To do this, Administration focused on researching different housing forms, conducting analysis into why these housing forms are important for Calgary and how it relates to other work being done at The City (details in Attachment 3), as well as what other cities are doing to accommodate these housing forms (details in Attachment 4).

To provide this form of housing through a standard district, a review of previous direct control applications was completed to identify problems and potential solutions. Administration carefully considered several regulations that impact built form, such as parking, landscaping, height, and massing. The new district proposes guidance on where the district is appropriate, such as close to light rail transit stations and Main Streets and where it is not, such as in the middle of low-density residential neighborhoods. More information on the rationale behind the creation of the district rules can be found in Attachment 5. Architectural testing on the draft district and proposed amendments was completed by industry (details in Attachment 6) to ensure the rules would result in the intended built form.

In addition to the new standard district, Administration has developed the Landscape Design Guide for Small Residential Sites to assist with development application review. This document will help support high-quality landscaping outcomes within the H-GO and R-CG districts (Attachment 7). This is an internal document (not needing Council approval) that will help inform builders and designers around landscape and site design expectations.

#### **Amendments to the Residential – Contextual Grade-Oriented District (R-CG)**

Previous motions arising directed Administration to bring forward amendments to the existing R-CG district to better enable mid-block and courtyard style housing forms (Attachment 1). In response to these motions, Administration is proposing amendments to R-CG that will enable a

## **Land Use Bylaw Amendments to Address Missing Middle Housing**

mix of homes but will not result in an increase in maximum density already allowed in the district.

Amending the rules of R-CG will reduce the number of land use redesignations and direct control districts on existing R-CG parcels, allowing more applications to go straight to development permit. The need to apply for a direct control district increases costs for developers and leads to delays in implementing these much-needed housing forms. This effectively reduces availability and drives housing costs up, reducing access to housing in Calgary's established communities for many Calgarians. If amendments to R-CG are not adopted, Council would likely see an increase in redesignation applications to the new district, that would better accommodate the type of built form being sought through direct control districts.

### **Amendments to Multi-Residential Districts**

Through testing of the new district and analysis of recent direct control districts, Administration identified that many of the applications for grade-oriented forms use a current multi-residential land use designation (i.e., M-CG, M-C1 and M-C2) as their base when they are proposing higher densities. Administration would like to accommodate these developments under existing land use districts without the need for a land use redesignation. As a result, administration is proposing amendments to the parking requirements for multi-residential districts along with some minor amendments to various definitions in the Land use Bylaw.

### **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

Administration engaged stakeholders, primarily builders, architects, and planners, to ensure that the new district would result in the desired built forms and remove barriers to redevelopment. Administration also reviewed all the comments and discussion during public hearings for these direct control districts, to ensure the district best responds to community concerns. A detailed description of the stakeholder engagement can be found in Attachment 8. Further, feedback from Calgary Planning Commission (Attachment 9) was used to inform and develop the final amendments. Letters of support are included in Attachment 10.

## **IMPLICATIONS**

### **Social**

These amendments reduce barriers for the development of more homes in a consistent manner in established communities. Increasing the diversity of housing types in these communities aligns with Council's foundation of a resilient Calgary by removing barriers to development, making more homes more attainable and welcoming more people with diverse backgrounds into these communities. This leads to the city being more equitable, allowing a diversity of socio-demographics throughout Calgary. This diversity keeps us socially resilient ensuring our communities and Calgarians can thrive.

## **Land Use Bylaw Amendments to Address Missing Middle Housing**

### **Environmental**

Calgary's net zero 2050 climate goal will not be met with current City building practices, and Calgary's Climate Strategy identifies that increasing the availability of housing types in a variety of communities will be necessary. Amendments will reduce barriers for redevelopment in established neighbourhoods, allowing for the efficient use of land and providing more homes close to existing transit, shopping, and workplaces, which can support the City's climate mitigation goals through reduced dependency on private vehicles.

### **Economic**

Amendments will streamline the development process by reducing the need for direct control district applications and land use amendments, and their associated time and cost. Adding more units to our established communities will enhance the residential tax base and add customers in proximity to local businesses and existing City services.

### **Service and Financial Implications**

No anticipated financial impact.

### **RISK**

The proposed amendments may be perceived as a way for The City to change predominantly Single Detached communities. These amendments do not change the land use designation of any parcel in Calgary, nor do they increase the maximum density on any parcel. There is also the risk that there will be opposition to these changes from Calgarians that do not want to see their neighbourhoods change from being predominantly Single Detached Dwellings, as these amendments introduce a new district that does allow for more housing forms. These amendments do not make it harder for Single Detached Dwellings to be built, and Council will still render decisions on land use applications for the new district.

Amendments to R-CG and multi-residential districts will impact currently designated parcels while not changing the intent of these districts, allowing more applications to go straight to a development permit. Future applications for land use redesignations will be reviewed by Council prior to approval. If amendments to R-CG are not approved, it is anticipated that Council will see more direct control applications, or redesignations to the new district.

Not adding the H-GO district puts Calgary's established communities at risk of continued population decline and the associated inability to support business, civic services, and infrastructure. It will exclude some Calgarians from finding homes in complete communities due to a lack of diverse housing choice in developed areas. Not adopting these amendments could lead to an increase in Council time to review direct control applications for these forms of housing.

### **ATTACHMENT(S)**

1. Attachment 1 - Previous Council Direction
2. Attachment 2 - Proposed Amendments to Land Use Bylaw 1P2007
3. Attachment 3 - Why Housing Choice is Important to the Housing Continuum
4. Attachment 4 - Research Summary of Other Cities
5. Attachment 5 - Problem Identification and Rationale

**Planning and Development Services Report to  
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2022 September 9**

**ISC: UNRESTRICTED  
IP2022-0989  
Page 5 of 5**

**Land Use Bylaw Amendments to Address Missing Middle Housing**

6. Attachment 6 – District Testing and Visuals
7. Attachment 7 - Landscape Design Guide for Small Residential Sites
8. Attachment 8 - Engagement Summary and What We Heard
9. Attachment 9 - Calgary Planning Commission Comments
10. Attachment 10 - Letters of Support
11. Attachment 11 – Presentation - Land Use Bylaw Amendments to Address Missing Middle Housing

Department Circulation

General Manager/Director	Department	Approve/Consult/Inform
Stuart Dalgleish	Planning and Development	Approve
Trudy Wobeser	Law	Consult
Debra Hamilton	Community Planning	Consult
Brenda Desjardins	Calgary Building Services	Consult