

Problem Identification and Rationale

What is the problem?

In April 2020 Council adopted a Motion Arising from Councillors Chabot and Sharp directing Administration to create a new Land Use District for the purpose of regulating new housing forms within the Land Use Bylaw. While conducting the preliminary research to respond to the April 2022 Motion, Administration concluded that there were multiple barriers to achieving these forms of redevelopment. To ensure direct controls are limited in the future, and that this type of development has the best chance of success, Administration identified three problems that had to be solved:

1. Between 2019-2021 there were approximately 30 direct control applications for types of low-scale development, all with inconsistent approaches and outcomes.
2. Current R-CG does not allow for mid-block redevelopment without the aide of a direct control districts.
3. Existing multi-residential districts have antiquated rules which increase the need for direct control districts.

Review and Analysis of Direct Control Applications

To understand the regulatory barriers that prevent these grade-oriented housing forms, Administration reviewed approximately 30 direct control applications to identify why they were being used instead of standard districts. The following table provides a brief overview of the direct control applications, the base district used and the reason for requesting the direct control district.

Table 1: Review of Direct Control Applications

#	File Number	Residential Base District	Reason For the Application
1	LOC2019-0006	R-CG to DC/R-CG	<ul style="list-style-type: none"> • Built form – courtyard (4-unit townhouse front and rear w/ suites) • Allow additional buildings on site • Allow secondary suites in all • Parking reduction
2	LOC2019-0199	R-2 to DC/M-CG	<ul style="list-style-type: none"> • Built form (1 building, rowhouse, suite ready) • Increase building height • Increase density • Allow more buildings on site • Increase building height
3	LOC2020-0052	R-CG to DC/M-CG	<ul style="list-style-type: none"> • Increase density • Built form (2 buildings, rowhouse w/ secondary suites) • Allow additional buildings on site • Parking reduction
4	LOC2020-0054	R-C2 to DC/M-C1	<ul style="list-style-type: none"> • Increase density • Built form (1 building, townhouse and microunits) • Increase building height • Allow suites/microunits • Parking reduction
5	LOC2020-0142	M-CGd67 to DC/M-C1	<ul style="list-style-type: none"> • Increase density • Built form (2 buildings, rowhouse and microunits)

			<ul style="list-style-type: none"> • Increase building height • Allow additional buildings on site • Parking reduction
6	LOC2020-0169	R-C1 to DC/R-CG	<ul style="list-style-type: none"> • Increase in density • Increase building height • Built form – courtyard (rowhouses/ suites/ semi-detached and duplex homes) • Allow more suites • Allow additional buildings on site
7	LOC2021-0004	R-C2 to DC/R-CG	<ul style="list-style-type: none"> • Increase in density • Built form - courtyard (2 semis w/ suites) • Allow more suites • Allow additional buildings on site
8	LOC2021-0005	R-C2 to DC/R-CG	<ul style="list-style-type: none"> • Increase in density • Increase building height • Built form – courtyard (2 semis w/ suites) • Allow more suites • Allow additional buildings on site • Parking reduction
9	LOC2021-0019	R-CG to DC/R-CG	<ul style="list-style-type: none"> • Remove single-detached, semi-detached, and duplex dwelling uses • Allow rowhouse and suites
10	LOC2021-0061	R-CG to DC/R-CG	<ul style="list-style-type: none"> • Built form – courtyard (2 semis up, 2 semis back) • Courtyard development, mid-block
11	LOC2021-0065	R-C2 to DC/M-CG	<ul style="list-style-type: none"> • Built form – courtyard (2 buildings, townhouse, semi detached and suites) • Addition of rowhouse use/suites • Increase building height • More flexible built form • Parking reduction
12	LOC2021-0072	R-C2 to DC/M-CG	<ul style="list-style-type: none"> • Built form – courtyard (2 buildings, townhouse, semi detached and suites) • Addition of rowhouse use/suites • Increase building height • More flexible built form • Parking reduction
13	LOC2021-0075	R-C2 to DC/M-CG	<ul style="list-style-type: none"> • Increase in density • Built form – courtyard (2 buildings, townhouse, semi detached and suites) • Addition of rowhouse use/suites • Increase building height
14	LOC2021-0082	R-C1 to DC/R-CG	<ul style="list-style-type: none"> • Increase in density • Built form – courtyard (2 semis w/ suites) • Increase building height • Addition of rowhouse use to accommodate secondary suites • Allow additional buildings on site • Parking reduction
15	LOC2021-0093	M-C1 to DC/M-C1	<ul style="list-style-type: none"> • Built form (rowhouse w/ suites) • Increase building height • More flexible built form • Parking reduction

16	LOC2021-0096	M-C1 to DC/M-C1	<ul style="list-style-type: none"> • Addition of rowhouse use/suites • More flexible built form • Parking reduction
17	LOC2021-0119	R-CG to DC/R-CG	<ul style="list-style-type: none"> • Increase in density • Built form - courtyard (2 townhouses with suites) • Allow additional buildings on site • Parking reduction
18	LOC2021-0129	M-CGd72 to DC/M-C1	<ul style="list-style-type: none"> • Built form – courtyard (2 buildings, microunits, townhouses and flats) • Increase building height • Allow additional buildings on site • Orientation of dwelling units around a central courtyard • Parking reduction
19	LOC2021-0137	R-CG to DC/R-CG	<ul style="list-style-type: none"> • Increase in FAR (number of units allowed) • Built form, courtyard (rowhouse, semi and suites) • Allow additional buildings on site • Creation of microunits to decrease parking requirement
20	LOC2021-0154	R-C2 to DC/M-CG	<ul style="list-style-type: none"> • Built form – courtyard (3 buildings, microunits, townhouses and flats) • Increase building height • Allow additional buildings on site • Orientation of dwelling units around a central courtyard • Parking reduction
21	LOC2021-0163	M-C1 to DC/M-CG	<ul style="list-style-type: none"> • Increase in density • Increase building height • Reduce parking requirement • Town house permitted use
22	LOC2021-0173	R-C2 to DC/M-C1	<ul style="list-style-type: none"> • Built form – courtyard (3 buildings, microunits, townhouses and flats) • Increase building height • Allow additional buildings on site • Orientation of dwelling units around a central courtyard • Parking reduction
23	LOC2021-0176	R-CG to DC/R-CG	<ul style="list-style-type: none"> • Increase density • Built form – courtyard (rowhouses, semi-detached dwellings, suites, townhouses and fourplexes) • Allow suites that don't face street • Reduced parking - remove proximity of LRT for reduced parking
24	LOC2021-0199	R-C2 to DC/M-C1	<ul style="list-style-type: none"> • Increase density • Built form – (1 building, 4 at-grade accessible flats, 4 stacked townhomes w/suites) • Allow additional buildings on site • Parking reduction
25	LOC2022-0012	R-CG to DC/R-CG	<ul style="list-style-type: none"> • Addition of suites • Parking reduction
26	LOC2022-0051	M-C1 to DC/M-C1	<ul style="list-style-type: none"> • Addition rowhouse and rules from R-C2 • Addition of suites
27	LOC2022-0077	R-C2 to DC/M-CG	<ul style="list-style-type: none"> • Addition of multi-residential buildings, stacked townhouses, and semi-detached dwellings • Increase building height

28	LOC2022-0112	R-C2 to DC/M-CG	<ul style="list-style-type: none"> • Increase density • Built form – courtyard (two buildings, 10 units each) • Allow units that don't face street • Parking reduction
29	LOC2022-0113	R-C2 to DC/M-CG	<ul style="list-style-type: none"> • Increase density • Built form – courtyard (two buildings, 10 units each) • Allow units that don't face street • Parking reduction

A review of the above direct control applications identified that there are two major categories of new emerging housing forms:

- 1) Approximately 40 percent of applications for these housing forms are based on R-CG with a total of 10 units or less, accommodated in rowhouses and secondary suites. These typically required a direct control application to change some elements of the built form required in R-CG (i.e., the restriction preventing rear units) as well as parking relaxations.
- 2) Approximately 60 percent of applications for these housing forms are based in M-CG or M-C1, are greater than 10 units, and are accommodated in a variety of housing forms such as suites, at-grade units, rowhouses, and stacked townhouses. Most of these applications included changes to the parking requirements, as well as slight changes to the built form rules of the standard multi-residential base district.

Administration concluded that to accommodate the variety of application types, that multiple amendments were needed in addition to the new district. Amendments to R-CG are required to allow mid-block applications to accommodate the applications above that use R-CG as their base for a direct control. Amendments to the multi-residential districts, as well as the creation of a new district, will accommodate the applications above that use a multi-residential district as its base for a direct control district.

Review of Existing Barriers (Rules of Existing Districts)

Additional review of the standard district regulations focused on evaluating elements which contribute to the design quality and community acceptance of developments at this scale. Some of the regulatory considerations that were analyzed include:

- appropriate density metrics (floor area or units per hectare),
- building size
- parking requirements and criteria to reduce parking rates, and
- the quality of the amenity space and landscaping

Density (Units per Hectare)

Administration also reviewed direct control applications to determine how the distribution of densities was applied depending on the base district. It was identified that direct control applications based in M-CG and M-C1 had higher densities, while lower densities were maintained for direct control applications based in R-CG. The review identified that we are seeing a density range of 64 to 85 (typically under 75) units per hectare for direct control applications based in R-CG and 148 to 193 (typically around 170) units per hectare for direct control applications based in multi-residential districts. These numbers align with the

densities that already exist in our standard districts. Administration identified that the majority of direct control applications were not to propose increases to the unit counts in these districts but to improve parking and building form rules.

Parking Requirements

Administration discovered that in most of the applications, there was a request for lower parking rates. While applications varied in what was being requested, most of them used principles or rates that have been used in other districts. One larger issue with the Land Use Bylaw is the different approaches used in different districts to address parking. Administration also reviewed the appeals made to the Subdivision and Development Appeal Board (SDAB) and observed that there have been large differences in how the SDAB interprets parking rules and how the Planning Department applies them. In response, developers are requesting direct control districts with clearer parking rules.

Other Requirements

Below is a summary of the main reasons why direct control districts are being used to address current gaps. The main regulatory barriers within the Land Use Bylaw, as it pertains to grade-oriented housing include:

- Rigid Use definitions which prevent the desired unit configurations.
 - Use definitions cannot be relaxed under the Municipal Government Act.
- Regulatory disincentives towards including secondary suites larger than 485 square feet.
- Rigid amenity space requirements which don't allow for designers to consider different parcel sizes, site layouts or the surrounding context.
- Waste and Recycling bins not being kept on the property
- Desire for more permitted uses to ensure the development is successfully built.

Proposed Solutions

Administration is proposing a holistic approach to solving the identified issues, rather than just responding to Council's Motion Arising. This approach will ensure the need for fewer direct control districts, more consistency in what development looks like, as well as more opportunity for parcels to go straight to development permit, reducing the time Council spends on applications.

New Land Use District (Housing: Grade-Oriented (H-GO) District)

The new H-GO district will allow for more flexible unit configuration with simplified amenity space and parking requirements. It additionally allows for moderately increased densities and as such, the purpose statement of the new district is written to provide guidance on where H-GO is appropriate, such as close to LRT stations and Main Streets and where it is not, such as in the middle of low-density neighborhoods on low-traffic roads. Locational appropriateness will also be defined in the Local Area Plan process, which will provide additional guidance to Administration on which recommendation to provide to CPC and Council when processing applications.

In Summary, the Housing: Grade-Oriented (H-GO) district would:

- Introduce locational criteria in the purpose statement
- Only be appropriate near transit service and Main Streets
- Allow for medium-density developments that are of limited height (3 storeys)

- Allow for a wide variety of housing types such as suites, at-grade flats, townhouses, stacked townhouses, as well as single and semi-detached homes through listing Dwelling Unit as a permitted use
- Be used to regulate larger applications consisting of 5 units and 5 suites, or more
- Be placed in a new section of the Land Use Bylaw outside of the low density residential and multi-residential districts.

Some specific development standards of the district include:

- A maximum Floor Area Ratio of 1.5
- A maximum height of 12 metres (same as M-CG)
- A minimum courtyard width of 6.5 metres
- A maximum parcel coverage of 60% (same as R-CG)
- A minimum parking requirement of 0.375 stalls per unit and suite (same as mixed-use districts)
- Tree and shrub requirements, and the requirement to provide a Landscape Plan in accordance with the Landscape Design Guide for Small Residential Sites and a storage area for Waste & Recycling to the satisfaction of the Development Authority.

Amendments to the Residential – Grade-Oriented Infill (R-CG) District

R-CG regulations have proven successful on corner parcels but pose some limitations to grade-oriented, mid-block development. Administration proposes amendments to R-CG that will enable smaller, grade-oriented, mid-block housing forms. There are approximately 2800 R-CG parcels in the city, largely the result of city-led land use redesignations, that have seen limited redevelopment. These parcels are typically located mid-block and are concentrated in four priority growth areas of the city. They surround the Bowness Road, 17th Ave NE and 37th Street SW Main Streets, and Banff Trail – Capitol Hill areas. Allowing smaller scale, grade-oriented mid-block developments on these parcels may be a successful way to enable redevelopment in these areas, without requiring the consolidation of lots. Amending the rules of R-CG will also help reduce the number of H-GO applications, allowing more applications to go straight to development permit. If amendments to R-CG are not adopted, Council would likely see significant R-CG to H-GO land use redesignations, as the new district would be more attractive to redevelopment. This means that Council would still be spending significant time on these applications at every public hearing.

Due to current and previous Council direction and strong approvals process advantages, amendments to R-CG have been proposed to accommodate and regulate smaller, grade-oriented, mid-block housing forms. The R-CG district is typically appropriate in low density areas with the following criteria:

- close to a main street or activity centre,
- mid-block, only in transition areas around transit areas (defined in a local area plan),
- around large or community-focused parks, and
- on most corner sites.

Local area plans can also provide further considerations for where this district is applied.

The proposed amendments to R-CG include:

- Removal of the requirement that all units face the street

- Removal of the requirement that all units be located at the front of the parcel
- A maximum height of 8.6 meters for buildings that are not at the front of the parcel
 - (1.1 meters taller than the current Backyard Suite allowance)
- A minimum courtyard width of 6.5 meters
- A minimum front setback of 3 meters and rear setback of 1.2 meters are required to allow units to be located at the rear of the parcel
- A minimum parking requirement of 0.375 stalls per unit and suite (same as H-GO)
- Tree and shrub requirements, and the requirement to provide a Landscape Plan in accordance with the Landscape Design Guide for Small Residential Sites and a storage area for Waste & Recycling to the satisfaction of the Development Authority for developments with three or more units.

The following table compares some of the proposed changes to R-CG from what currently exist in the Land Use Bylaw. It is important to note that maximum height, maximum density, and maximum parcel coverage remain unchanged, maintaining the desired built form. The front setback has been amended to remove the current contextual setback minus 1.5 metres to allow for more flexible site design, enabling mid-block, courtyard development. Similarly, the 7.5 metre rear setback was amended to 1.2 metres. It has been identified that current parking standards limit the ability to provide diverse housing options. This in turn limits the advantage of enabling grade-oriented development in Calgary’s developed areas and results in the loss of opportunity to utilize existing services and infrastructure. With due consideration, Administration proposes to amend the minimum parking requirement as indicated in the chart below.

Table 2: Comparison of development standards for low density residential districts, including the proposed changes to R-CG.

		R-C1	R-C2	Current R-CG	Proposed R-CG
Maximum Height		8.6 to 10.0 metres	8.6 to 10.0 metres	8.6 to 11.0 metres	8.6 to 11.0 metres
Setbacks	Front	Contextual minus 1.5 m	Contextual minus 1.5 m	Contextual minus 1.5 m	3 metres
	Side	1.2 metres	1.2 metres	Zero to 1.2 metres	Zero to 1.2 metres
	Rear	7.5 metres	7.5 metres	7.5 metres (1.5m corner)	1.2m corner and laned mid-block
Lot Coverage		45%	45%	45-60%	45-60%
Maximum Density		30 uph	50 uph	75 uph	75 uph
Floor Area Ratio		n/a	n/a	n/a	n/a
Parking		1 - 2 per unit	1 - 2 per unit	1 per unit, 0 per suite	0.375 per Unit and Suite
Suites		Permitted	Permitted	Permitted	Permitted

Amendments to the General Rules for Multi-Residential Districts

Multi-residential districts have not typically been used to enable the missing grade-oriented housing form due to limitations of the definition of multi-residential development, and high minimum parking

requirements. Administration proposes to amend the general rules to enable grade-oriented development in multi-residential districts as follows:

Restriction on Secondary Suites in Multi-Residential Developments:

The definition of multi-residential development does not currently allow for secondary suites even when in a rowhouse form as is currently allowed in the R-CG district. The basis for many of the direct control applications in M-CG is to allow for the rowhouse form with suites. Administration proposes to amend the definition to allow suites in multi-residential development uses which do not have stacked units. This would allow for the development of secondary suites in rowhouses that are approved as multi-residential developments while still restricting secondary suites in apartment forms. This will also help minimize the number of redesignations from one of the existing multi-residential districts to the new district, in effect down-zoning, enabling more development to go straight to development permit.

Minimum Parking Requirements:

There is currently a large imbalance that exists with the Land Use Bylaw's parking requirements. This results in land use redesignations from multi-residential (M-CG, M-C1, M-C2) to mixed-use districts (M-U1, M-U2) to access a more streamlined parking rate, and not one that is based on demand for commercial uses.

If the H-GO district and improvements to R-CG are adopted without making parking rates consistent across land use districts, this imbalance will increase. Council will see more direct control applications attempting to utilize R-CG and H-GO parking rates for mid-rise and high-rise apartment development.

Applying the parking requirements of the current mixed-use districts to multi-residential districts will prevent redesignations and direct control applications by aligning parking rates across the Multi-Residential Land Use districts. Overall, this amendment will ensure that multi-residential districts are equally as enabling as the R-CG and H-GO districts to grade-oriented forms and will continue to provide for this emerging housing product.

The amendments will simplify and clarify parking requirements allowing for more flexibility of site design to support more functional, higher quality development. They will effectively create more consistent parking requirements across the city and ensure that desired development is not held up by the Subdivision and Development Appeal Board. These parking rates also allow for a better parcel configuration, leaving space for required storage lockers, waste and recycling bins and other utilities.

Summary

The proposed amendments will improve the regulatory environment for grade-oriented housing in Calgary. Failure to adopt the proposed amendments and a business-as-usual approach would mean more direct control applications in front of Council and more uncertainty for local industry and communities. New single and semi-detached units in the inner city would continue to maintain a strong regulatory advantage, despite being generally unattainable to Calgarians at median household incomes. The proposed amendments strive to "level the playing field" by encouraging more diverse housing choice in Calgary's established communities.