

Midtown Station and Strategic Growth Update

RECOMMENDATION(S):

That Infrastructure and Planning Committee receive this report for the Corporate Record.

RECOMMENDATION OF THE INFRASTRUCTURE AND PLANNING COMMITTEE, 2022 NOVEMBER 10:

That Council receive this report for the Corporate Record.

HIGHLIGHTS

- This report is intended to address previous direction from PUD2021-1218 to consider amending Calgary's strategic growth priorities to enable the Midtown Station outline plan and land use application (LOC2019-0082).
- **What does this mean to Calgarians?** The Midtown Station application proposes significant intensification and new transit infrastructure within the established areas. This may provide further housing, business, and mobility opportunities for Calgarians. The site is also currently physically isolated and would require significant infrastructure upgrades to support a high quality of life for future residents and workers.
- **Why does this matter?** Intensification in the established areas can support the compact city goals of the Municipal Development Plan. Realizing these goals supports a more socially, environmentally, and financially sustainable Calgary. Depending on where, how, and when growth occurs, there can also be impacts to The City's finances, infrastructure capacity, mobility network efficiency, and the timely build-out of complete communities.
- Municipal Development Plan amendments would be required to enable this application.
- Ongoing engagement with the applicant has resulted in encouraging proposal changes and a revised application is expected imminently. Administration will present recommendations to Council on this revised application, and associated policy amendments, through the Calgary Planning Commission and Public Hearing processes.
- As such, it is Administration's position that a separate discussion and decision on changing Calgary's growth priorities is no longer timely or necessary.
- Strategic Alignment to Council's Citizen Priorities: A prosperous city, a city of safe and inspiring neighbourhoods, a city that moves, a healthy and green city.
- Previous Council Direction is included as Attachment 1.

DISCUSSION

Background

The Midtown Station application proposes a new Transit Oriented Development community enabled by a proposed developer-funded and constructed infill Light Rail Transit station in Fairview Industrial. The significant intensification envisioned for Midtown Station presents both opportunities and risks for Calgarians, The City of Calgary, and the developer.

On 2021 September 01, Administration recommended through PUD2021-1218 to not amend the Municipal Development Plan to establish the site as a new Major Activity Centre. Such an amendment would have been required to support the intensity proposed in the application at the time. Administration was directed to further evaluate the appropriateness of amending Municipal

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Development Plan and RouteAhead priorities to support the proposal. Administration was also directed to continue working on the application and to advance a Special Development Agreement. The Special Development Agreement would assign City of Calgary and developer responsibilities for the proposed infill station.

Progress Update

As a result of the 2021 September direction, Administration continued to review the implications of changing the Municipal Development Plan's strategic growth priorities. Administration also worked with the applicant to pursue changes to the application that would help to shape a more robust proposal for a complete and transit-oriented community. The submission of a revised application is expected imminently.

Administration is sufficiently satisfied that the application can advance through the standard review process, rather than requiring a separate Committee discussion mid-review. The Special Development Agreement is meanwhile being advanced.

The draft Heritage Communities Local Area Plan, which includes the site, has also progressed through review and public engagement. The Midtown Station applicant, along with area residents and other interested parties, is involved in this process.

Administration is conducting the RouteAhead 10-Year Update. This comprehensive review is the most effective avenue for considering how all three stations identified through the Assessment of Potential for Infill CTrain Stations (TT2017-1138), including a future station in Fairview Industrial, would affect Calgary's overall transit strategy.

Next Steps

Administration and the applicant are targeting early 2023 for a Public Hearing on the updated outline plan and land use application. Required amendments to the Municipal Development Plan will be presented simultaneously.

Administration will highlight how Midtown Station may affect existing growth priorities at time of decision on the application. A further city-wide review of Calgary's strategic growth priorities is then expected to occur in the Calgary Plan which, pending budget approval, will update the Municipal Development Plan and Calgary Transportation Plan as one comprehensive document.

The Heritage Communities Local Area Plan is expected to appear at Committee in Q1 2023. Depending on the timing of decisions for the application and the Local Area Plan, amendments to the Local Area Plan may be required to bring the application and Local Area Plan into alignment. This may include policies to guide the Midtown Station development, as well as land use and mobility network policies to support a new Transit Station Area in Fairview Industrial.

The RouteAhead update is likewise expected to be presented to Council in early 2023. Depending on the timing for operation of the infill Light Rail Transit station, budget adjustments may be required to support station operating and Light Rail Vehicle costs. Administration expects to have projected operating costs associated with the proposed development and infill station available for Council's consideration at the time of decision on the outline plan and land use application.

Administration will continue to align the various initiatives referenced in this report to support consistent expectations for all interested parties.

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INTERESTED PARTY ENGAGEMENT AND COMMUNICATION (EXTERNAL)

- Public Engagement was undertaken
- Public Communication or Engagement was not required
- Public/interested parties were informed
- Interested parties dialogue/relations were undertaken

Administration and the applicant have held regular and productive meetings. The applicant supports the approach outlined here and has provided a letter to that effect (Attachment 2).

Applicant-Led Outreach

The applicant's prior public engagement included a website with project information and a feedback survey. Discussions were also held with the surrounding community associations, Canadian Pacific Railway, Canada Post Corporation, and other area landowners. Further outreach prior to the Public Hearing may be warranted, and all applicant-led engagement would be detailed in the Public Hearing report.

Design Charette

The applicant held a design charette with various City business units, along with community and area landowner representatives. This session helped to further shape changes to the application such as built form, location of uses, public spaces, and mobility connections. The updated application is expected to reflect the learnings from this session and subsequent discussions.

IMPLICATIONS

Social, Environmental and Economic Implications

Social

When Transit Oriented Development is done well, it provides housing and business options that are supported by a mix of uses, quality public spaces, active mobility, and frequent transit service. These features can improve community connections, support healthy living, and enable more live/work/play opportunities in closer proximity. Conversely, when these features are absent, or not provided in a timely manner, high intensity communities may not provide a meaningful sense of place and the experiences needed for a high quality of life.

An infill Light Rail Transit station could provide new mobility options for local and nearby communities. Adding additional stations can also slow transit service, resulting in inefficiencies for other users and/or The City's need to provide increased service levels.

Ensuring that the Midtown Station application includes the features needed to support a high quality of life for future residents and workers is a key focus of Administration's review.

Environmental

One of the most effective tools for climate action is compact and mixed-use communities supported by transit and active mobility. This typically generates lower greenhouse gas emissions per home due to more efficient buildings and reduced dependence on driving.

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If adding a new Light Rail Transit station results in slower transit service, and if this is not mitigated by The City through increased service levels, some users may be discouraged from using transit. As a result, the environmental benefits of a new station may be offset.

In addition to refining the land use and mobility features of the proposal, Administration and the applicant are pursuing sustainability features in alignment with the Calgary Climate Strategy.

Economic

The intensities and community form associated with Transit Oriented Development can support more cost-effective delivery of City services. Development of land and infrastructure also supports economic activity. The extent to which Calgary realizes these benefits depends on the level of net new activity generated by a development.

Given market realities for high intensity development, adding new strategic growth locations can affect build-out for comparable communities elsewhere in Calgary. Slower build-out can then affect The City's finances if levy payback and tax uplift are delayed. For example, slower build-out may mean a gap between operating costs for new or improved public services and the property tax uplift achieved through development.

Administration will provide Council with an operating cost projection for the Midtown Station development and Light Rail Transit station at time of decision. Market absorption projections will also help to provide a more complete picture of the economic and strategic growth impacts of the Midtown Station proposal.

Service and Financial Implications

There are no service or financial implications directly as a result of this report. Administration will provide Council with information on these considerations at time of decision on the application.

RISK

There are no risks directly as a result of this report. As noted, there are both opportunities and risks associated with the social, environmental, and economic implications of the proposed development. Administration will continue to review these implications and present them to Council alongside the application. In the meantime, Administration is also pursuing measures with the applicant to both maximize opportunities and reduce risks associated with the proposal.

ATTACHMENT(S)

Attachment 1: Previous Council Direction Summary

Attachment 2: Applicant Letter

Attachment 3: Midtown Station and Strategic Growth Update Presentation

Department Circulation

General Manager/Director	Department	Approve/Consult/Inform
Stuart Dalglish	Planning & Development Services	Approve
Denise Jakal	Law	Inform
Doug Morgan	Operational Services	Inform