

Applicant Submission

Keystone Hills – Melcor – Land Use Redesignation

APPLICANT'S SUBMISSION

APPLICATION PURPOSE & INTENT

On behalf of Melcor Developments ("Melcor"), B&A Planning Group ("B&A") is submitting a Land Use Redesignation application for +/- 16.98 hectares (41.96 acres) of land within Community D of the Keystone Hills Area Structure Plan (ASP). This site is described by the ASP as a Regional Retail Centre and Industrial / Employment Area.

This application is intended to achieve two purposes:

- To adjust the location of commercial and residential uses within the plan, in accordance with changes to the Airport Vicinity Protection Area (AVPA), while continuing to align with the intent of the original Outline Plan approval and the policies of the Keystone Hills ASP; and
- To give land use to a proposed regional park amenity space which was not included under the original Outline Plan approval.

OUTLINE PLAN UPDATE

The site is located within the approved Outline Plan LOC2016-0234, approved in October 2019. As a result of the inclusion of new Municipal Reserve lands, an updated Outline Plan is required.

In addition, through the Internal Team Review (ITR) process for this Land Use application, Administration made comments on the approved road cross-sections in the LOC2016-0234 Outline Plan, specifically the Industrial roadways of Keystone Way NE, Keystone Street NE and Keystone Link NE. These Industrial road sections were revised to offer street parking and wider, separate sidewalks in keeping with the pedestrian-oriented neighbourhood character of the area.

As a result of the road boundary changes, an outline plan application was submitted with the Land Use Redesignation for the areas of the plan that have been updated since the 2019 approval.

BACKGROUND

The subject lands are located within the approved Keystone Hills Outline Plan and Land Use LOC2016-0234, approved in 2019. The majority of the site has existing land uses approved in 2019, with the exception of the 1.36 hectare (3.6 acre) parcel which is designated S-FUD (Special – Future Urban Development).

As approved in 2019, this site was envisioned as a regional retail and employment centre with a pedestrian-scale design focus and mixed-use development. This area is seen as an opportunity to create something more than just auto-oriented big box highway retail, but instead to create a destination that draws pedestrian traffic as well. Key contributors to this design vision included:

- Conceptual Private Streets and a Private High Street. The locations and cross-sections for these streets are illustrated on the approved Outline Plan. These private streets are intended to break

up large parcels within the plan and provide key pedestrian/cycling connections within commercial and employment areas.

- A set of Design Guidelines which were prepared by Melcor in support of the application. While this document was not a part of the approved application package and is not binding, it illustrates Melcor's commitment to development of the site in alignment with guiding principles and design elements. This Design Guidelines package has been included as *Appendix C*, intended for information only.
- Connection to the Rotary / Mattamy Greenway to the south of the site.
- The provision of a regional park space amenity, something not typically seen in retail and employment centres. This amenity is intended to draw regional users to the site, but also to create unique and vibrant interfaces with the surrounding retail high street uses.

APPROVED LAND USES

The approved land uses for the Keystone Hills Outline Plan include the following:

- M-H1 (Multi-Residential High Density Low Rise): the AVPA boundary at the time meant this was the only possible location for residential development.
- C-R3 (Commercial Regional): located adjacent to the transportation and utility corridor, this site would provide large format retail appropriate to the highly visible highway context.
- DC (C-C1) (Community Commercial 1): two separate sites intended for pedestrian-scale retail with the potential for dwelling units above. The Direct Control district removed auto-oriented uses from the list.
- C-C2 (Community Commercial 2): higher-intensity pedestrian-oriented retail and mixed use with a retail high street and the potential for office / dwelling units above.
- DC (I-C): (Industrial Commercial): commercial and employment uses with a high-quality aesthetic and no external nuisances, appropriate for interface with adjacent commercial/residential. The Direct Control district includes minimum thresholds for employment use square footage to ensure the overall Keystone Hills development stays within the designated mix and proportion of uses prescribed by the Keystone Hills ASP.

LAND USE AMENDMENT RATIONALE

At the time of the 2019 approval, two unique constraints existing which have since changed:

1. The original vision for the regional park amenity required additional negotiation to realize, since the proposed amenities are above and beyond what is normally considered for Municipal Reserve space. In the time since the 2019 approval, Melcor has collaborated with Parks Foundation, a non-profit organization, to begin making the original vision a reality. A finalized design for the exact amenities to be included in this park space is still to be completed; Melcor and Parks Foundation plan to work with the City of Calgary and conduct stakeholder engagement to determine the best uses for this site.
2. The Provincial government recently made changes to the Airport Vicinity Protection Area (AVPA) which affect this site. Noise Exposure Forecast (NEF) contours are boundaries which prohibit certain uses in proximity to the Calgary International Airport in order to limit noise impacts. At

the time of the 2019 approval, the NEF 30 contour bisected the northwest portion of the plan. This meant residential uses were prohibited everywhere in the plan except for the small northwest parcel designated M-H1 for multi-residential. Preferentially, multi-residential would be located closer to the retail high street and open space amenities, however this was not possible at the time of the original application. The recent change to the boundaries means that the entire plan area is now outside the NEF 30 contour, and as such residential is now permitted throughout the plan area. This presents an opportunity to arrange the residential and retail uses in a more logical pattern and promote a more integrated mix of uses within the plan, while still aligning with the original vision and with the Keystone Hills ASP.

With these changes, Melcor has prepared an updated Land Use Proposal which brings residential units closer to the heart of the centre and in closer proximity to the Park Amenity. The proposal is a reconfiguration of the pieces to enable a more successful centre.

POLICY ALIGNMENT

This site is described by the ASP as a Regional Retail Centre and Industrial / Employment Area. The boundaries of these two areas are not exact, however the site as approved under LOC2016-0234 met the policies relevant to both of these areas. This current Land Use application will also continue to align with the relevant policy since the primary intent of the application is to adjust the *locations* of the uses within the plan without significantly altering the use mix and parameters. The three relevant ASP policies are given below, and the description of this plan's alignment with these policies is given in red.

Keystone Hills ASP 6.10.1.2c. (Retail Centre Policies)

The Regional Retail Centre should consist of

- i. between 9,300 m² (100,104 ft²) and 46,500 m² (500,522 ft²), plus or minus 5 per cent, of Retail Uses; and**
- ii. between 9,300 m² (100,104 ft²) and 46,500m² (500,522 ft²), plus or minus 5 per cent, of Employment Uses.**

Upon amendment Melcor's full Keystone Hills project will provide an estimated:

- 40,000 m² of Retail and;
- 21,550m² of Industrial / Office (Employment Uses) based on the proposed land uses and densities as provided in *Appendix A Intensity Statistics*.

This estimate is similar to the proposed balance under the approved plan and remains within the parameters for the Retail Centre Policy.

Keystone Hills ASP 6.10.1.3d. (Retail Centre Policies)

The Regional Retail Centre may include the following:

- i. Retail Uses in Retail, Small Format, Retail, Medium Format, and Retail, Large Format, and other similar uses;**
- ii. Employment Uses, including Office Uses and compatible light industrial uses;**
- iii. Cultural, Recreational and Institutional Uses; and**
- iv. other compatible uses as deemed appropriate by the Approving Authority.**

- Melcor's Keystone Hills includes Retail Uses, Employment Uses and Recreational/ Institutional Uses in alignment with the above policy.
- The approved uses within the approved LOC2016-0234 included M-H1, C-C1 and C-C2. Each of these uses allow for residential dwellings in some capacity and were approved based on consideration by Administration that multi-residential dwellings are compatible uses with a Retail Centre, especially when provided in a mixed-use setting.
- This current Land Use Redesignation proposes the same or similar uses in a slightly different configuration.
- Therefore, the amended plan still complies with the above policy.

Keystone Hills ASP 6.12.3 (Industrial / Employment Area Policies)

- a. The Industrial/Employment Area should be comprised of light industrial and industrial-supportive uses.
 - b. Employee-supportive uses such as restaurants, retail sales, child care, health services and other uses to support local employees should be provided.
 - e. The Industrial/Employment Area may also contain Employment Uses (offices) where it does not compromise the viability of development in the Major Activity Centre.
- Melcor's approved Outline Plan LOC2016-0234 (Keystone Hills) included a portion of the Industrial/Employment area
 - Melcor's Keystone Hills met the above policies through the provision of a 16.68 acre DC I-C (Industrial Commercial) site.
 - This DC I-C site is not being changed as part of this Land Use application, and thus the overall Melcor lands will continue to meet the above policy.

We kindly request the support of Calgary Planning Commission and City Council on these applications which will improve the Regional Centre.