

## Applicant's Proposal

**CHRISTOPHER  
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*Defining Development for Albertans*



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File No. 2298.001  
Your File No. LOC2012-0025

August 12, 2014

City of Calgary  
4<sup>th</sup> Floor, 800 Macleod Trail SE  
Calgary, AB T2P 2M5

By email: [thom.mahler@calgary.ca](mailto:thom.mahler@calgary.ca)

Attention: Mr. Thom Mahler (Manager, Local Area Planning, Centre-West)

Dear Thom:

**Re: LOC2012-0025 (Cliff Bungalow Mission)  
306, 308, 310 & 312 - 25 Avenue SW**

On February 10, 2014 City Council gave first reading to Bylaws 15P2013 and 44D2013 and directed City Administration to:

*Consult with the applicant, Community Association, and Ward Councillor to examine potential public benefits arising from an increase in density, and return to Council no later than the second Quarter 2014.*

A complete consultation process was not achievable prior to the need to finalize a report to Council on May 12, 2014. On June 23, 2014, the Administration reported to City Council (C2014-0481) and recommended deferral of the item to no later than 2014 September Public Hearing (September 8<sup>th</sup>) to allow for further public engagement.

The applicant, Mr. Rob Prodanovic, instructed our firm, as legal counsel, to meet with City Administration on April 28<sup>th</sup> to review a draft report prepared by Coriolis Consulting Corp (as represented by economist Jay Wollenberg) outlining one possible approach to a cash valuation for "community benefit". The suggested figure was approximately \$675,000, based on the notion that the "residual land value" of the proposed site would increase by about \$900,000 and that the "City's amenity contribution approach of 75% of the increase in value" should be the target for the "appropriate amenity contribution". After examining recent similar City experiences in Hillhurst / Sunnyside,<sup>1</sup> the Beltline ARP,<sup>2</sup> and the Downtown, our client has some reservation about this approach, including but not limited to the risk inherent in any development project being assumed by the applicant. The Cor-

<sup>1</sup> CPC M-2012-015 and Bylaw 27P2012.

<sup>2</sup> Bylaw 2P2006.

# Applicant's Proposal

August 12, 2014  
Page 2

iolis approach assumes an increase in the residual land value – even if the project were to fail financially.<sup>3</sup>

We met with you and Ward 8 Counsellor Woolley on June 18<sup>th</sup>. Unfortunately, due to a scheduling mix-up, the community representative (Mr. Patrick Arnell) was not present. The joint meeting was brief.

On June 27<sup>th</sup> I met with the community's Patrick Arnell. All parties, including Councillor Woolley, Patrick Arnell and Rob Prodanovic, met at City Hall on Friday August 8<sup>th</sup>.

It was clear that the community association position has not changed from February – they are unhappy with any additional density above that recommended within the existing Mission ARP (2006). They raised a number of concerns over the management of any community fund and the need to improve the density bonusing process. The community was concerned about the precedent set in the community and did not offer any specific suggestions for how any fund might be used. The City staff recommendation was that the language going back to Council needed to be as clear as possible.

Based on the concept in the recent Downtown amendments to the Calgary Land Use Bylaw (LUB) that an applicant can also add public benefit or improvements to its own site in conjunction with off-site improvements, the City did not use the figure applied by Coriolis in its analysis (i.e. the 75% charge on "additional residual land value") in the Downtown. Rather, a table of options was developed for "bonusing" in the Downtown.

Following the direction taken by Council for the Downtown CR20-C20/R20 district, Rob Prodanovic would like the option of borrowing from the range of ideas from LUB 1P2007, Part 13, Tables 7 & 8 to be considered for the subject site. These include:

- 8.0 – on-site pedestrian amenities: improvements at grade intended to enable pedestrian movement
- 8.2 – public open space: landscaped, publically accessible, pedestrian space open to sky and at grade (public seating / bench)
- 8.4 – urban grove: at least 10 trees (likely this would be an off-site planting)
- 8.5 – public art: could be attached to a wall or integrated into the development (original art; minimum value of \$50,000 for sites less than 1812 sq m)
- 8.7 – green building features
  - Environmental roof
  - Green wall
  - Bio-retention structure (reducing storm runoff)
  - Electric vehicle charging station
  - Additional bike parking (changing room facilities; more for commercial or public use)

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<sup>3</sup> The Coriolis approach also has no inputs for acreage assessments or off-site levies or for site servicing costs. It also makes no provision for a delay in completing sales –f or a market downturn or other negative variables.

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## Applicant's Proposal

- 8.8 – bicycle station
- 8.14 – Historic Resource Retention (City Administration had mentioned a contribution to the preservation of the McHugh House and “Humpty Hollow Park”)
- 8.18 – universal accessibility (designing an apartment to accommodate a wheelchair user)
- 8.19 – dwelling unit mix (e.g. 3 bedroom units)
- 8.20 – innovative public amenity (something not listed, but a benefit to the public)
- 8.21 – exceptional design (where the development authority finds that the design incorporates architectural and urban design features / technologies to significantly enhance through visual and functional impacts the character of the urban environment)
- 8.26 – contribution to Affordable Housing Fund (affordable or non-market housing)

Without examining the efficacy of the “75%” factor and knowing that all of the questions surrounding “community benefit funds” remain unresolved, our client proposes making a one-time Cliff Bungalow - Mission “community contribution” of \$300,000 of which 50% would be available to the applicant developer to apply using the formulae found in LUB Table 8.<sup>4</sup> The remaining 50% would be available to the community to apply as it deemed appropriate, in consultation with the City of Calgary. Any portion of the developer portion not used by our client would be added as a cash contribution to the community portion. The 50% community portion of the contribution would not be payable to the City (for the community) until after a development permit was approved and released for the subject site. Any remainder of the developer portion would be payable to the City, for the community, prior to the first occupancy permit being issued.

Please contact me as soon as possible to review any of the above proposal. I appreciate your confirming that this item will be on the September 8<sup>th</sup> Council agenda. Thankyou again for your assistance in this matter.

Sincerely,

**CHRISTOPHER DAVIS LAW**



Per: Christopher S. Davis  
Barrister & Solicitor

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Copied to:  
Client  
Ward 8 Councillor Evan Woolley  
Mission – Cliff Bungalow Community Association (Attention: Patrick Arnell)

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<sup>4</sup> Subject to there being a minimum 3.5 FAR requirement prior to applying any density incentive.