

FLOOD HAZARD AREA POLICY AND LAND USE BYLAW REVIEW REPORT

EXECUTIVE SUMMARY

Based on the severe impacts of the 2013 flood, Council approved the 2013 Recovery Operations Committee Framework (the Framework) in 2013 September. The focus of the Key Result Area of the framework: Governance and Policy Section in the 2013 Flood Recovery Framework is:

...collaborating with the different orders of government and external stakeholders to identify opportunities for legislative, regulatory, and policy amendments while also developing long-term risk reduction and resiliency recommendations.

Part of the 2014 deliverables identified in the Governance and Policy Section of the Framework is for The City to undertake a review of current City policies and the Land Use Bylaw 1P2007 (LUB), to see if revisions or updates in provisions that control development in flood hazard areas, (i.e. Floodway, Flood Fringe and Overland Flow areas), are required, and to subsequently implement any appropriate changes. This project will align with The Government of Alberta's Flood Hazard Area (FHA) development regulations as far as possible, as the Province proceeds with its respective policy and mapping review.

The FHA Policy and LUB Review Project will identify and acknowledge the issues and risks and make deliberate and informed recommendations to Council regarding regulation of development in the FHA.

The purpose of this report is to secure direction regarding the investigation of opportunities to further resilient development within the FHA through land use policies and bylaws, and return to Council with a report that analyzes the opportunities and recommends a course of action.

ADMINISTRATION RECOMMENDATION(S)

That the SPC on Planning and Urban Development recommends that Council, Direct Administration to bring forward to the Priorities and Finance Committee in Q1 2014 a report containing:

- a. An analysis of opportunities to further resilient development within flood hazard areas through land use policies and bylaws, including an examination of the status quo; and
- b. Recommendations that include a proposed course of action, engagement strategy and a resourcing/funding strategy.

RECOMMENDATION OF THE SPC ON PLANNING AND URBAN DEVELOPMENT, DATED 2013 DECEMBER 04:

That the Administration Recommendations contained in Report PUD2013-0806 be approved.

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PREVIOUS COUNCIL DIRECTION / POLICY

The 2013 Recovery Operations Centre, Flood Recovery Framework was approved by Council in 2013 September.

BACKGROUND

Based on the severe impacts of the 2013 flood and the changes to the Disaster Recovery Program (DRP) funding, there is a need to secure Council direction regarding the need to conduct a review and analysis of the way The City controls development within the FHA and identify opportunities to further resilient development. This review will determine whether the development of policy and/or changes to the rules of the Land Use Bylaw is recommended.

This report informs Council of the benefits, costs, risks and uncertainty associated with undertaking the project compared to continuing with the status quo, without further analysis. The intention of the project overall is to investigate the benefits and costs of specific options, including the status quo and obtain Council direction on how to proceed. Administration will aim to present options to Council that increase city resiliency and public safety. Options presented to Council will consider the work being undertaken by the City's River Flood Mitigation Program.

The Province has drafted changes to the provincial Disaster Recovery Program (DRP) funding and is also considering possible changes to its legislation on development and redevelopment in the FHA. The Province has stated that if landowners access the DRP funds to rebuild within the Floodway, those properties will not be eligible for funding in the event of future flood damage. In addition the Province has introduced a Bill in the legislature which creates a mechanism by which activity within the Floodway could be regulated by the Province in the future. Administration will work with the Province to ensure that the FHA Policy and LUB Review Project align with any future regulation as deemed appropriate.

The rules in LUB 1P2007 with respect to building in the Floodway and Flood Fringe are based on past experiences with flood events. As the Provincial Government's policy on DRP funding has now changed, The City must consider whether its approach should change. Administration proposes to undertake this investigation as soon as possible, to ensure that Council has information to identify future opportunities as early as possible.

In response to the new direction from the Province, and the Key Result Areas (KRAs) in the Flood Recovery Framework, Administration proposes to investigate options to further resilient development within the Floodway, Flood Fringe and Overland Flow areas through land use policies and bylaws. These options including the status quo option will be brought to Council in Q1 2014.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

The FHA policy and LUB review will review and analysis current municipal statutory policy and LUB regulation, their alignment with changing provincial legislation and identify opportunities to further resiliency by:

- a) Investigating the impact of provincial changes to DRP funding and any provincial regulation for properties located within the FHA.

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- b) Assessing options to maintain the status quo or revise or update the Municipal Development Plan and the Land Use Bylaw 1P2007 provisions that control development within the Flood Hazard Areas.
- c) Assessing potential communication strategies for any recommended options.
- d) Propose a strategy to resource and fund the preferred option(s).

As part of this report Administration has completed a preliminary assessment of options, contained within the Attachment. Two options have been developed:

- 1. Status Quo – Do not undertake the proposed investigation; and
- 2. Undertake a review of the City's statutory policy and regulation and present options (including maintaining the status quo) back to Council in Q1 2014.

The two options were assessed using the following criteria:

- a. Efficiency – the ratio of inputs to outputs. Efficiency is high where a small effort/cost is likely to produce a proportionately larger return. This includes the ease of Administration/administrative costs.
- b. Effectiveness – how well an option achieves the objective or implements a policy relative to other alternatives - the likelihood of uptake of a method.
- c. Benefits – social, economic, environmental – as both monetary and non-monetary cost/benefits.
- d. Costs – social, economic, environmental – as both monetary and non-monetary cost/benefits.
- e. Uncertainty – the risk associated with the action (or inaction) because of imperfect information (e.g., the cause/effect relationships are not fully understood).
- f. Risk – the risks associated with one option relative to another.

Based on the assessment, the preferred option is Option 2. Undertaking the investigation will allow Council the opportunity to assess a range of options and communication strategies before giving Administration direction on how they wish to proceed.

Project Timeline:

Due to the rapid greenfield development and existing community redevelopment occurring within the FHA it is important to undertake the investigation as soon as possible to allow decisions to be made on how resiliency could be built into these areas in the future. As other initiatives (such as river engineering investigations and provincial regulation) are underway, undertaking the recommended investigation will provide Council with information based on in depth analysis at the earliest possible date, ensuring the City will be able to respond quickly when future change occurs. The project team proposes to undertake the investigation (Attachment, Option 2) and report to Council with a set of options in Q1 2014 along with a communications strategy. Once Council direction is given, Administration will undertake the project in accordance with that direction.

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Stakeholder Communication:

A communications strategy will be developed to ensure the Council directed option and any proposed changes to City regulation will be communicated to stakeholders. Options for stakeholder communication will be presented to Council in Q1 2014. It is likely that proposed options for stakeholder communication will use a variety of forms to convey messages and obtain feedback, such as social media, websites, advertisements, and direct mail outs. Communication options will also outline timeframe and estimated costs associated.

Stakeholder Engagement, Research and Communication

Discussions are underway with Customer Service & Communications to formulate a stakeholder communication plan(s) for the various options. These will be presented along with the investigation to Council in Q1 2014.

Stakeholder communication options presented to Council will factor in project timelines, scope, extent of any revisions to City regulations and any identified risks posed by the status quo.

It is Administration's intent through this project to collaborate with the Province and to align City policies and regulations as deemed appropriate. The extent and timing of alignment of City regulation with provincial changes will be explored through this project.

Strategic Alignment

The MDP, the 2020 Sustainability Direction and the Triple Bottom Line (TBL) Policy Framework do not contain specific policy on flood avoidance or mitigation. The documents contain general policies on protecting and enhancing the natural environment and ecology such as wetlands, floodplains and riparian habitat. However there is no specific policy direction on existing or future development within the FHA.

The FHA Policy and Bylaw review has the potential to create synergies with the provisions of the MDP, the 2020 Sustainability Direction and the TBL Policy that relate to the protection and enhancement of the natural environment, ecological function and public safety, by potentially reducing risks associated with issues such as floodwater displacement and contaminant discharge.

Social, Environmental, Economic (External)

The social, environmental and economic impacts of flooding are extensive. Though these impacts continue to be assessed, the intent of this project is to investigate options that may increase the social, environmental and economic resiliency of the city through a measured approach to regulation and development within the FHA.

Financial Capacity

As part of the investigation, Administration will investigate the resourcing and funding options for proceeding beyond the initial investigation and will bring a strategy back through the Priorities and Finance Committee to Council in Q1 2014.

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Current and Future Operating Budget

The proposed investigation is an organisation wide collaborative project requiring direct resources from Planning Development & Assessment, Parks, Water Resources, Law and Communications, as well as input from other business units such as Calgary Emergency Management Agency (CEMA). An initial investigation through to Q1 2014 will be undertaken utilising existing budgets. Administration will investigate the resourcing and funding options for proceeding with work beyond Q1 2014 and a strategy will be brought back through the Priorities and Finance Committee to Council in Q1 2014.

Current and Future Capital Budget

There is no impact to current and future capital budget.

Risk Assessment

An assessment of options and risks is contained within the Attachment of this report. The following information is a summary of the risks associated with the status quo.

There is a general public expectation that a known hazard will be appropriately addressed within municipal regulation to a level to protect public safety and property from damage. To better understand the risks associated with the FHA it is necessary to undertake the proposed review and analysis and present Council with formal recommendations.

There is a risk of losing public confidence and Corporate reputation in the failure to (or significant delay in) taking proactive measures to assess the current regulatory regime and identify opportunities to further resiliency.

Failure to assess the current regulatory approach and investigate resiliency will not decrease the City's vulnerability to implications from a future flood event. The recommended assessment will allow Council to make informed decisions on how best to further resiliency through land use policies and bylaws.

REASON(S) FOR RECOMMENDATION(S):

The FHA Policy and Bylaw Review Project will investigate the benefits and costs of various options for reviewing The City's FHA regulation. The Project will investigate how resiliency might be increased and will seek Council direction on how to proceed after a Q1 2014 report to Priorities and Finance Committee and Council.

ATTACHMENT(S)

Option Analysis and Recommendations