

Secondary Suites Land Use Amendment Advertising Bylaw

EXECUTIVE SUMMARY

On 2017 December 11, Council passed Notice of Motion C2017-1249 directing Administration to bring forward amendments to the Land Use Bylaw (LUB) to include Secondary Suites (suites located within the primary dwelling) and Backyard Suites as discretionary uses in the Residential – One Dwelling (R-1), Residential – Contextual One Dwelling (R-C1) and Residential – Contextual Large Parcel One Dwelling (R-C1L) districts. It is anticipated that these amendments will be heard at the 2018 March 12 Public Hearing of Council.

Administration conducted an analysis of the advertising and notification requirements associated with implementing this Council direction. It was concluded that The City would incur costs of approximately \$4.5 million if it employed the conventional notification process required by the Municipal Government Act and that the information would not be presented in a citizen-friendly format. This report explains the approach that Administration is recommending that will make information about the proposed Land Use Bylaw amendments easily accessible to all affected citizens, while significantly reducing advertising costs in comparison to the current process as well as maintaining the timelines directed by Council. A newspaper advertisement will direct citizens to a City of Calgary website containing the full information. This approach is enabled by recent Municipal Government Act amendments which provide the ability for Council to approve, by bylaw, one or more alternative methods for advertising, such as the option to advertise through electronic means instead of publishing an advertisement in a newspaper. Council must be satisfied that the alternative method of advertising brings such proposed amendments to the attention of substantially all of the residents they affect. For this reason, Administration is also proposing to notify landowners by letter in addition to the electronic format.

The proposed Secondary Suites Land Use Amendment Advertising Bylaw 2M2018 (see Attachment) will enable The City of Calgary to take a more effective approach to meet the advertising requirements for specific amendments to the Land Use Bylaw when adding Secondary Suites and Backyard Suites as additional listed uses in any district (a “Suites Bylaw Amendment”).

ADMINISTRATION RECOMMENDATION:

That Council hold a public hearing and give three readings to the proposed Secondary Suites Land Use Amendment Advertising Bylaw (Bylaw 2M2018) set out in the Attachment.

PREVIOUS COUNCIL DIRECTION / POLICY

On 2017 December 11, in response to Notice of Motion C2017-1249, Council gave the following direction:

THEREFORE, BE IT RESOLVED THAT City Council directs City Administration to bring forward amendments to the Land Use By-law 1P2007 to include secondary suites as discretionary uses within R-1, R-C1, and R-C1L land use districts no later than 2018 Q1.

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BACKGROUND

Currently, an applicant who wishes to add a Secondary or Backyard Suite to a property that is designated (zoned) R-1, R-C1 or R-C1L must apply for a land use redesignation. The application would be to redesignate the property to R-1s, R-C1s or R-C1Ls, respectively. All land use redesignations require approval as a bylaw through a public hearing of Council. The number of land use redesignation applications to allow for Secondary or Backyard Suites has been climbing in recent years, and has begun to occupy a significant portion of time spent at Council's public hearings.

The Municipal Government Act (MGA) sets out requirements for advertising and notification with respect to Land Use Bylaw amendments and land use redesignations. Section 692(1) of the MGA states that all Land Use Bylaw amendments must go to a public hearing of Council. Section 606 of the MGA states that notice of the public hearing must be published at least once a week for two consecutive weeks in at least one newspaper or other publication circulating in the area in which the hearing is to be held.

In addition, the requirements for advertising and notification of land use redesignations are set out in section 692(4) of the MGA. A newspaper advertisement must identify all affected parcels by municipal address and legal description, along with a map showing the location of each affected parcel. The section also requires written notice of the proposed amendment to be provided to the owner of each affected parcel, and to each owner of adjacent land. Traditionally The City of Calgary has provided this written notice by letter.

There have been occasions in the past when The City has made a request to the Minister of Municipal Affairs to be exempted from the full notification requirements for land use redesignations affecting a large number of parcels. When the ministerial exemption was granted The City was able to use alternative means of notification which did not include listing all affected parcels in the newspaper. Even when using the exemption, The City notified all affected landowners by letter.

Amendments to the Municipal Government Act recently came into force (2017 October). The new section 606.1 provides authority for a municipality to pass a bylaw that would allow for other methods, including electronic means, for advertising bylaws and public hearings.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

To respond to Council's direction on 2017 December 11, Administration is proposing to bring Land Use Bylaw amendments to the 2018 March public hearing to add Secondary and Backyard Suites as discretionary uses to the three noted land use districts (R-1, R-C1, and R-C1L). This initiative will affect approximately 176,000 parcels of land across Calgary.

The Land Use Bylaw amendments will not change the land use designation of the affected parcels; that is, an R-1 parcel will still be designated R-1. However, the additional uses of Secondary Suites and Backyard Suites will be allowed. Because of the previous experience of requiring a land use redesignation to add suites to the list of uses allowed in the three districts, Administration is treating the proposed Land Use Bylaw amendments as if they are the same as land use redesignations. Compliance with the rules for advertising and notification in the Municipal Government Act (MGA) is required.

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The cost of a newspaper advertisement for 176,000 parcels is estimated at \$4 million, and the cost of letters to affected and adjacent landowners could be upwards of \$500,000, depending on the number of adjacent parcels.

Administration investigated the following options for providing notification of the proposed Land Use Bylaw amendments:

- 1) Strict compliance with the existing procedures in the MGA for notification with respect to land use redesignations.
- 2) Request a ministerial exemption from having to comply strictly with the advertising and personal notice requirements in the MGA.
- 3) Prepare a bylaw that would amend the existing requirements to allow for advertisement by electronic means, in accordance with section 606.1 of the MGA.

The pros and cons of each option were explored. The findings are set out below.

Option 1: Strict compliance with the existing procedures in the MGA for notification with respect to land use redesignations

This option would require a newspaper advertisement containing the municipal address and legal address of each affected parcel of land, and a map showing the location of each affected parcel of land, as well as written notice given to each owner of an affected parcel and each owner of adjacent land. The newspaper advertising requirements associated with 176,000 parcels are challenging. There is the potential for human error which could result in inaccurate information being presented. The advertisement is projected to occupy over 170 pages of newsprint and may not even be physically feasible. A large list of municipal addresses and legal descriptions in a newspaper is not a very effective means of informing affected landowners as the information will be extensive and laborious to review. It could be confusing for citizens as to what the advertisement means. As well, since the affected parcels are spread across the city, maps may not be sufficiently informative.

A significant challenge associated with the newspaper advertising is the cost. The cost of advertising in the newspaper for this large number of parcels is anticipated to be \$4 million. This is an extraordinary cost that will not necessarily deliver effective notice.

Providing written notice by letter to affected landowners and adjacent landowners is expected to be an effective means of notification. There will be a cost associated with letter notification for affected landowners and adjacent landowners, estimated at upwards of \$500,000.

The challenges associated with Option 1 are not easily managed; Administration does not recommend this option, as it is felt that there is an alternative that would be more effective and still comply with the MGA.

Option 2: Request a ministerial exemption from strict compliance with the advertising and notification requirements

The ministerial exemption approach has occasionally been used in the past for major Land Use Bylaw changes. A request was made by the Mayor's office to The Minister of Municipal Affairs on 2017 December 15 for an exemption from the requirements as identified in Option 1, both for advertising and personal notification. In this scenario, a simplified advertisement would be placed in the newspaper, providing citizens with direction as to how to find more information. Notification letters would be sent to affected landowners, but not to adjacent landowners.

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However, it is not feasible to rely on this option as it is not anticipated that an exemption can be granted in time to meet the advertising deadlines in 2018 February and still fulfill Council's direction to return to the March 2018 public hearing for the Land Use Bylaw amendments.

Option 3: Prepare a bylaw that would amend the existing requirements to allow for notice by electronic means, in accordance with Section 606.1 of the MGA

This is Administration's recommended option. Recently, the MGA was amended to include Section 606.1, which allows for Council to pass a bylaw specifying how public notification will occur should Council choose to do something other than Option 1. The proposed Secondary Suites Land Use Amendment Bylaw (2M2018) to amend the advertising and notice requirements associated with the proposed Land Use Bylaw amendments is set out in the Attachment. It enables The City to provide the detailed information about affected parcels online rather than in a newspaper advertisement. It also provides for written notice to be sent to the owner of each affected parcel.

The proposed bylaw allows The City to identify what is sufficient in order to meet the advertising requirements under section 606 and 692 of the MGA. This includes:

- a) A newspaper advertisement that contains:
 - i. a statement of the purpose of the Suites Bylaw Amendment,
 - ii. the address where a copy of the amendment may be inspected,
 - iii. an outline of the procedure to file a petition in respect of the amendment, and
 - iv. identification of the website to find further detailed information on affected parcels;
- b) Information published on the City of Calgary website that makes it clear whether any given parcel is affected by the amendment; and
- c) Sending a notice to the owner of each parcel that will be affected by the amendment containing a statement of the general purpose of the Suites Bylaw Amendment. An affected parcel is one where the amendment would add suites as a listed use to the parcel's land use designation.

Similar information about the process and how to submit comments or participate in the public hearing will also be posted on the website. Citizens will also be able to make inquiries about the proposed Suites Bylaw Amendments by telephone to the City of Calgary Planning Services Centre information line.

The proposed bylaw is intended to ensure that the Suites Bylaw Amendments will be brought to the attention of substantially all affected persons. As indicated in a) above, a simplified advertisement will still be placed in the newspaper, so citizens who rely on this method of notification will be alerted, including adjacent landowners who will not receive personal notice in this scenario. The use of the City of Calgary website will make it faster and easier for citizens to search for a particular parcel to see whether they are affected by the proposed amendment. The information will be accessible online 24/7. The use of notification letters to each landowner of affected parcels will provide a high level of assurance that best efforts to inform landowners have been made. While letters will not be provided to adjacent landowners directly, any adjacent landowners as well as the broader citizenry of Calgary will be able to access

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information about the proposed amendments through the website and the Planning Services Centre information line.

The proposed Secondary Suites Land Use Amendment Advertising Bylaw 2M2018 (which is the subject of this report) must itself be advertised and heard at a public hearing. The proposed Bylaw 2M2018 has been advertised in the Calgary Herald on 2018 January 4 and January 11, in advance of the 2018 January 22 public hearing.

In terms of the Suites Bylaw Amendments, the simplified advertisement is projected to be placed in the newspaper on 2018 February 22 and 2018 March 1. The letter notices to affected landowners are projected to be sent approximately three weeks before the 2018 March 12 public hearing.

Option 3 enables The City of Calgary to manage the advertising and notification process for the proposed Land Use Bylaw amendments in a way that will ensure that substantially all persons affected by the change are informed of it. The new legislative authority in s. 606.1 of the MGA means that The City does not have to wait for provincial approval in order to modify the notification process. Council can act quickly to provide for a method of notification that is accessible and effective, and likely an improvement over the traditional method. The cost savings will be significant – approximately \$4 million will be saved on the newspaper advertising. Some savings should be also achieved by not providing letter notification to adjacent landowners. For these reasons, Administration is of the opinion that Option 3 provides the best solution, and recommends that Council adopt the proposed Secondary Suites Land Use Amendment Advertising Bylaw 2M2018.

Stakeholder Engagement, Research and Communication

Internal City stakeholders have been consulted to identify cost estimates and risks of using traditional newspaper advertising for this major initiative. The stakeholders have indicated that advertising online will allow the necessary information to be provided in a format that is searchable, accessible 24/7, and easier to understand. A communications strategy will be developed to help support the Land Use Bylaw amendments in advance of the March 2018 public hearing, and to educate citizens if the changes are approved.

Strategic Alignment

The Secondary Suites Land Use Amendment Advertising Bylaw aligns with Council's priority for a Well-run City by providing a significant cost savings. The proposed bylaw will also ensure that information is provided to affected citizens in a customer-centric manner.

Social, Environmental, Economic (External)

The Suites Bylaw Amendments that have been directed will affect a large number of parcels and landowners across the city. The new bylaw (2M2018) will ensure that a newspaper advertisement directs citizens to a website where they can find information about the Land Use Bylaw amendment process, and search for affected parcels by address. Information will also be available by calling the City of Calgary planning information line. Citizens will benefit by being able to find information that affects them in an accessible and easy-to-use format.

A newspaper advertisement for 176,000 parcels is estimated to run 170 pages per issue. This is far larger than a typical daily newspaper and would require significant volumes of paper, as

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well as additional resources for printing and distribution. The paper used would ultimately be disposed of into the waste and recycling stream; much of it could end up in the landfill. Advertising through electronic means will provide a significant savings on resource consumption and disposal.

Financial Capacity

Current and Future Operating Budget:

Adopting the Secondary Suites Land Use Amendment Advertising Bylaw (2M2018) will save The City a significant sum for newspaper advertising. The savings are based on avoiding the cost of advertising the full information for every parcel affected by the Land Use Bylaw amendment in the newspaper, which is estimated at \$4 million. There will be some cost associated with hosting the advertising information electronically on the City's website, but this cost can be absorbed within existing operating budgets.

The base cost to notify each parcel owner is estimated at \$176,000 (assuming a cost of \$1 per letter). This figure could be somewhat higher as there may be more than one owner per parcel who would need to be notified. This cost, in addition to a simple advertisement in the newspaper is budgeted to up to \$500,000 and can be accommodated by the current operating budget.

Current and Future Capital Budget:

There are no impacts to current or future capital budgets as a result of this report.

Risk Assessment

Moving to electronic advertising for the Secondary Suites Land Use Bylaw amendment poses some risk that citizens will not see information that affects them. However, this risk is mitigated by ensuring that the process for individual notification is followed by providing a letter in the mail to the owner of each affected parcel. In fact, the newspaper advertisement referring readers to The City's website may well be more effective in providing information, as citizens will be provided with context and supporting information on the website, and will be able to search electronically for details on individual parcels.

If Bylaw 2M2018 isn't approved, there will be a cost to advertise the Land Use Bylaw amendments for the R-1, R-C1 and R-C1L land use districts. In order for Administration to fund the anticipated advertising costs, a request for funding will need to be made to the Priorities and Finance Committee (PFC) and Council prior to the deadline of advertising for the March 2018 Public Hearing date. The deadline for advertising for the March Public Hearing is 2018 February 15, which precedes the Council date at which the PFC report would be heard. Therefore, a deferral of the date to report back on C2017-1249 would need to be granted if the proposed Bylaw 2M2018 isn't approved on the 2018 January 22 Council date.

Bylaw 2M2018 will allow a simplified newspaper advertisement that would direct citizens to a Calgary.ca searchable website to find the information they need. If this bylaw is not passed, current requirements will make it difficult for citizens to determine if their parcel is affected as they will have to search through a list of several thousands of addresses. This risk can be mitigated by providing individual notification by letter.

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REASON(S) FOR RECOMMENDATION(S):

Administration is recommending that proposed Bylaw 2M2018 be adopted to enable The City to advertise upcoming Land Use Bylaw amendments for Secondary and Backyard Suites through a newspaper advertisement that directs citizens to The City of Calgary website. The website will provide information in an accessible and searchable format. This method of advertising will achieve significant savings on advertising costs. It will also make it easier and faster for citizens to find information that affects them. Additionally, owners of parcels affected by the amendments will be provided with written notice by letter.

ATTACHMENT(S)

Attachment 1 – Bylaw 2M2018