

**Planning & Development Report to
SPC on Planning and Urban Development
2019 January 09**

**ISC: UNRESTRICTED
PUD2019-0019**

City Planning and Policy Priorities 2019

EXECUTIVE SUMMARY

This report is intended to engage the Standing Policy Committee on Planning and Urban Development in the consideration of priority City Planning and Policy initiatives in 2019. It continues the conversation on the need to prioritize policy work that was introduced with the Planning and Development Prioritization Strategy report to Council in 2018 January. This report outlines the reasons why Administration should prioritize specific policy initiatives in 2019 and the benefits this will provide towards achieving Council's and Calgarians' priorities.

The strategy contained in this report represents the first implementation of the One Calgary service-based approach in the City Planning and Policy Service. Its main proposal is to focus City Planning and Policy Service resources on six policy initiatives and to undertake key implementation actions in 2019. These initiatives support the established areas towards the achievement of the Municipal Development Plan targets. Focussing resources on these initiatives will close gaps and create a seamless, user-friendly policy environment that enables and promotes desired redevelopment in the established areas.

With this report Administration seeks the Committee's guidance and direction to re-evaluate the initiatives currently on the City Planning and Policy workplan. Administration is proposing to return to the SPC on Planning and Urban Development on 2019 February 06 with recommendations for the workplan based on the input received on 2019 January 09. On 2018 January 21 a further opportunity to engage Committee and Council members on the prioritization and potential reconsideration of existing policy initiatives will be provided.

ADMINISTRATION RECOMMENDATION:

That the SPC on Planning and Urban Development refer this report back to the Administration to return to the 2019 February 06 Regular Meeting of the SPC on Planning and Urban Development with a recommended workplan for 2019.

PREVIOUS COUNCIL DIRECTION / POLICY

At the 2018 December 17 regular meeting of Council, Administration was directed through Notice of Motion C2018-1375 to consider the West Macleod Residual Lands in its 2019 City Planning and Policy Service Workplan if it can be done without displacing other priorities, including, but not limited to the established areas and industrial workplan strategies.

At the 2018 January 22 public hearing of Council, report PUD2018-0011, Planning and Development Prioritization Strategy, was received for information as moved by Councillor Magliocca and seconded by Councillor Carra.

On 2018 January 15 the Standing Policy Committee on Planning and Urban Development recommended that Council receive report PUD2018-0011, Planning and Development Prioritization Strategy for information.

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BACKGROUND

In January 2018 Planning and Development (PD) presented its Prioritization Strategy for information to the Standing Policy Committee on Planning and Urban Development and subsequently to Council (PUD2018-0011). The report highlighted the extensive list of 78 mainly Council-directed policy initiatives already on PD's workplan. The strategy emphasized the need to prioritize policy initiatives to intentionally manage the department's resources to the greatest effect towards enabling desired growth and supporting business activity in areas where change is happening. The objective was to do the right thing, not everything.

The report proposed that 2018 would be a transition year in which initiatives that were underway would be continued, but that PD would begin refocusing efforts towards key initiatives which supported Council's priorities of *Inspiring Neighbourhoods* and *A Prosperous City*.

The report suggested that initiatives that do not meet the prioritization criteria would receive lower priority and that PD would not be able to undertake these lower priority initiatives until resources became available. Throughout 2018 Planning and Development proceeded as outlined in the January report. Attachment 1 Policy Achievements 2018 provides a brief overview of select initiatives and services undertaken by Planning and Development in 2018.

In 2018 initiatives were begun which will fundamentally change our approach to strategic growth decisions and community planning. Based on the methodology applied in the New Community Growth Strategy we are developing a factual understanding of the investments required to support desired growth and change in both new and established communities. We are simultaneously investigating funding and financing tools for these investments and identifying market areas where the investments could achieve the best effect.

At the community planning level, we are continuing two initiatives that together will change the way we develop plans for established communities and how effective the plans will be. Community plans must be easy to create, understand and implement. They must contain consistent policies that provide certainty and clarity for all stakeholders. They must properly reflect the opportunities, challenges and increasing diversity of Calgary's communities and provide effective policies for their growth. The revised Developed Areas Guidebook and the new Multi-Community Plan Approach are the new planning tools that will deliver this.

Ongoing master planning and design for Main Streets provides critical insight to the initiatives above. The focus on implementation while considering community and market conditions provides key insight into the refinement of the community planning tools and review of the land use bylaw.

Policy Program Status Update

At the beginning of 2018 there were 78 policy initiatives on Planning and Development's workplan that were either already underway or slated to begin during the year. Forty-eight of these initiatives were either directed by Council or required to meet legislative requirements. A total of 23 initiatives were completed in 2018 and 28 initiatives were started. Some area redevelopment plans were referred back to Administration for further work. 2019 will begin with 62 initiatives on the City Planning and Policy Service's work program.

Progress has been made and key initiatives have been delivered. We will, however, continue to be challenged to fulfill our existing workplan of policy initiatives and still meet the expectations of Council and Calgarians to enable desired growth. Providing an effective, enabling policy

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environment is of even higher importance while Calgary and Calgarians face significant economic challenges.

The shift through One Calgary to a service-based delivery model brought together business units that contribute to deliver City Planning and Policy Services. This reinforced the direction to align and leverage the work of Calgary Growth Strategies, Community Planning and Urban Strategy. Together these teams provide the policies and tools at the strategic and community scale that are required to implement the Municipal Development Plan. This policy prioritization strategy reflects this shift.

The One Calgary work also re-emphasized the key drivers behind planning and policy initiatives: reliability, convenience, fairness, reduced effort and reduced risk. Citizens and investors want to know that requirements in plans will be upheld. Applicants want plans and rules to be easy to find and understand. All stakeholders want to be fairly represented in plans through participation in engagement events and policy creation. Communities want meaningful engagement, developers want simple processes and Council wants all Calgarians' experiences with planning and development to be as effortless as possible. Finally, Council also wants plans and policies that reduce The City's financial risk and the risk of impeding Calgary's economic growth while encouraging quality development.

Our traditional planning approach and the tools that are available to The City Planning and Policy service are not the right tools to meet these expectations.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Our policy initiatives must now be prioritized to deliver on the One Calgary service proposal. This was acknowledged in the City Planning and Policy budget approval through One Calgary. The reason for prioritizing our policy initiatives is to achieve our Municipal Development Plan targets by creating a seamless sequence of effective planning tools for all participants along the entire path of city building.

In recent years significant gains have been made on a streamlined and customer-focused "Approvals Continuum" and on enabling new community growth. Now we propose focusing our work in 2019 on providing effective tools for redevelopment in the established areas. This means we must identify and remove policy gaps and tools that impede desired growth and change.

One of the major impediments is the large number of obsolete community plans. Another impediment is the inconsistent policies in these plans that can contribute to uncertainty or prolonged timelines because plan amendments are required to allow development that is aligned with the Municipal Development Plan. A further gap is the lack of an integrated growth and change strategy that would allow The City to best employ both its staff and financial resources to enable development that is desired by the communities and the market. A further unintended impediment that causes uncertainty and leads to longer development timelines is found in land use bylaw regulations that do not reflect the shape and form of communities as envisioned in the Municipal Development Plan.

We propose prioritizing the following six initiatives in 2019 to close these gaps, remove the impediments and create a next generation of planning tools

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1. The Established Areas Growth and Change Strategy, including a review of funding and financing options;
2. The Transit Oriented Development Implementation Strategy;
3. The Developed Areas Guidebook – update and implementation;
4. The new multi-community local area plan approach;
5. Main Streets Design and Implementation; and
6. Land Use Bylaw reviews focused on the scale and form needed to achieve great neighbourhoods.

A key need common to these initiatives is to fully understand and consider the implications of the various plans and strategies and The City's ability to implement. Attention has been placed on providing clarity regarding the financial and capital project implications of the desired growth.

Attachment 2, Next Generation Planning Initiatives, provides information on the objectives and status of these six initiatives.

Implementation Focus

By the end of 2019 Q2 the fundamental structure and preliminary tools of the next generation of planning will have been developed through the Developed Areas Guidebook, the Established Areas Growth and Change Strategy report and the results of the first multi-community plan pilot, the North Hill Communities Growth Plan.

Implementation of these initiatives through application of the new tools at the community level must continue seamlessly after their approval by Council. By doing so, significant action will be taken on delivering the City Planning and Policy Service's goals of an enhanced level of service as laid out in One Calgary. Once Council endorses the next generation planning approach, Administration will roll out these tools city-wide as per the enhanced level of service approved through One Calgary.

Capacity

Achieving this level of service will require all available policy planning staff resources. There are currently approximately 55 planners available in the three core teams of the City Planning and Policy Service – Calgary Growth Strategies, Community Planning, Urban Strategy – for the policy initiatives identified on the City Planning and Policy Initiatives Program 2019 (Attachment 3). This leaves little to no capacity for policy work that has not already been identified. Additional planning staff will be hired to roll out the multi-community plans city-wide in 2019 to meet the One Calgary commitment.

Reconsideration of Existing Initiatives

Focussing City Planning and Policy resources on the priority initiatives will require a reconsideration of initiatives that are already on the City Planning and Policy Service's workplan. Many initiatives on the workplan already support the priorities. Some, however, may not be relevant to this work at all and would take resources away from the priorities if we worked on them in addition to the priority initiatives.

Many of the area redevelopment plans on the workplan should also be reconsidered. Firstly, it would be more efficient and effective to combine them into multi-community plans instead of proceeding as single-community plans, for example integrating the Area Redevelopment Plan for the community of Kingsland into a multi-community plan. Secondly, planning resources

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should be dedicated in accordance with the Established Areas Growth and Change Strategy to areas where development is occurring or desired, which may not align with the plan areas currently on the workplan.

The intention of this report is to discuss with the Standing Policy Committee on Planning and Urban Development the need for, and benefits of prioritization and the subsequent need to reconsider previous Council direction. With the committee's support and guidance, Administration will re-evaluate the existing workplan and return to the 2018 February 06 SPC on Planning and Urban Development with recommendations.

The recommendations will likely seek Council's direction to Administration to consolidate individual community plans into multi-community plans, new timelines for non-prioritized initiatives and potentially rescinding direction on some initiatives that are no longer deemed relevant.

Transit Oriented Development Implementation Strategy

The Transit Oriented Development Implementation Strategy has been identified as one of the six key initiatives that will benefit from a close integration with the others. Council direction to Administration is currently to present this strategy to the Standing Policy Committee on Planning and Urban Development in 2019 Q1. To ensure the benefits of integration can be achieved, Administration will be requesting a deferral of the strategy with a new report back through the SPC on Planning and Development no later than 2019 Q4. This will facilitate the alignment of the various initiatives to create the most impact.

West Macleod Developer-Funded Area Structure Plan Consideration

At its 2018 December 17 regular meeting, Council discussed Notice of Motion C2018-1375 which sought to direct Administration to consider undertaking a developer-funded Area Structure Plan for the West Macleod Residual Lands as part of its 2019 City Planning and Policy Service Workplan. Administration was directed to evaluate whether this initiative could be done without displacing other priorities, including, but not limited to the established areas and industrial workplan strategies.

Administration is evaluating the scope of work and its potential implications for other initiatives and will present its recommendation when the City Planning and Policy Priorities 2019 Report returns to the Standing Policy Committee on Planning and Urban Development on 2019 February 06.

Stakeholder Engagement, Research and Communication

Consultation with councillors, community representatives and industry (BILD Calgary) have confirmed the need for effective and implementable tools. Attachment 4 contains a letter submitted by BILD Calgary Region. This awareness was further reinforced through citizen feedback and research provided in the One Calgary process. Ongoing engagement through the Industry/City workplan, the Developed Areas Guidebook, the North Hill Communities Growth Plan and council direction on individual local area planning initiatives has further informed this strategy. On 2018 January 21 a further opportunity to engage Committee and Council members on the prioritization and potential reconsideration of existing policy initiatives will be provided.

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Strategic Alignment

The Policy Prioritization Strategy is intended to focus policy work on advancing the Municipal Development Plan (MDP). The priority list is consistent with section 1.4.1 of the MDP, which describes one of the roles of the MDP as providing strategic direction to support corporate decisions around managing growth and change, prioritizing corporate initiatives and public investment.

Social, Environmental, Economic (External)

The Policy Prioritization Strategy strikes a balance between addressing economic imperatives, fulfilling Council's direction and the need to advance social and environmental objectives. The policy strategy supports economic activity related to building and development, while still ensuring that communities are healthy, diverse and livable over the long term.

Financial Capacity

Current and Future Operating Budget:

There are no operating budget implications associated with this report as the proposed work will be carried out within existing budget allocations and within the approved One Calgary budget for 2019-2022. However, should Council direct Administration to undertake additional policy initiatives not currently considered a priority, additional specific budgets may be required.

Current and Future Capital Budget:

There are no capital budget implications associated with this report.

Risk Assessment

The City Planning and Policy Priorities 2019 has been developed to mitigate the risk to The City if Administration's resources are not allocated to be most effective towards addressing critical issues confronting Calgary today, primarily regarding enabling development and business activity. By employing the strategy and prioritizing initiatives that deliver effective policy tools that enable desired development, Administration is better positioned to advance Council's priorities of *A Safe and Inspiring City* and *A Prosperous Economy*.

There is a risk that additional, unanticipated work will be required that cannot be accommodated with existing resources. To mitigate this risk, a flexible response capacity will be maintained. In addition, a process has been established within the City Planning and Policy Service to evaluate new work requests and their potential impacts on prioritized initiatives.

REASON(S) FOR RECOMMENDATION(S):

Placing priority on policy initiatives that deliver effective, implementable tools that close gaps in the city building and approvals continuum supports Council's priority of enabling development, fostering safe and inspiring neighbourhoods and supporting the business community.

Seeking direction to re-evaluate existing initiatives and to report back with recommendations for either integration or new timelines enables Administration to best allocate its limited resources while ensuring that relevant policy initiatives are not inappropriately delayed.

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ATTACHMENT(S)

1. Attachment 1 – City Policy and Planning Service Achievements 2018
2. Attachment 2 – Next Generation Planning Initiatives
3. Attachment 3 – City Planning and Policy Initiatives Program 2019
4. Attachment 4 – Stakeholder Letter (BILD Calgary Region)