

Planning & Development Report to
Calgary Planning Commission
2019 April 04

ISC: UNRESTRICTED
CPC2019-0379

**Land Use Amendment in Lower Mount Royal (Ward 8) at 823 - 17 Avenue SW,
LOC2018-0188**

EXECUTIVE SUMMARY

This land use amendment application was submitted on 2018 August 17 by B&A Planning Group on behalf of the landowner, ASI Royal Park GP Inc. The application proposes to redesignate the subject parcel from Commercial – Corridor 1 f3.0h23 (C-COR1f3.0h23) District to a DC Direct Control District based on the Commercial – Corridor 1 (C-COR1) District to allow for:

- a maximum building floor area of approximately 6,970 square metres based on a building floor area ratio (FAR) of 5.0, where a monetary contribution is made to the Heritage Incentive Reserve Fund (an increase from the current maximum of 4,180 square metres or FAR 3.0);
- a maximum building height of 27 metres (an increase from the current maximum of 23 metres);
- a modified setback area and building step back along the rear lane (setback reduced to zero metres from the current 3.0 metres and the addition of a 3.0 metre step back at 10.0 metres building height);
- a new Restaurant Patio use that may be located above the first storey of a building with a maximum use area size of 250.0 square metres; and
- the uses listed in the C-COR1 District with the addition of Restaurant: Food Service Only – Large, Restaurant: Licensed – Large, and Restaurant Patio.

The proposal is in keeping with the intent and existing policies of the *Lower Mount Royal Area Redevelopment Plan* and *Municipal Development Plan* and is intended to allow for the comprehensive redevelopment of the subject site.

No development permit has been submitted at this time.

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ADMINISTRATION RECOMMENDATION:

That Calgary Planning Commission:

1. Direct this report (CPC2019-0379) to the 2019 April 29 Combined Meeting of Council to the Public Hearing portion of the Agenda; and
2. Recommend that Council hold a Public Hearing; and
 - a) **ADOPT**, by bylaw, the proposed redesignation of 0.14 hectares \pm (0.35 acres \pm) located at 823 – 17 Avenue SW (Plan 4453L, Block 11, Lots 4 and 5, and a portion of Lot 3) from Commercial – Corridor 1 f3.0h23 (C-COR1f3.0h23) District **to** DC Direct Control District to accommodate mixed-use development, with guidelines (Attachment 2); and
 - b) Give three readings to the proposed bylaw.

PREVIOUS COUNCIL DIRECTION / POLICY

None.

BACKGROUND

This application was submitted on 2018 August 17 by B&A Planning Group on behalf of ASI Royal Park GP Inc. No development permit application has been submitted at this time, however, as noted in the Applicant's Submission (Attachment 1), the applicant intends to pursue one of two development options. These include either a hotel with a restaurant and restaurant patio located on a terraced second floor and retail uses at grade, or a multi-residential development with amenity space located on terraced upper floors and retail uses at grade. The proposed land use would accommodate both of these options.

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Site Context

The subject site, 823 - 17 Avenue SW, is located in the community of Lower Mount Royal, on the south side of 17 Avenue SW, east of 8 Street SW and across from Tomkins Park. The site is mid-block and has a width and depth of approximately 38 metres and 36 metres respectively.

The site is currently occupied by three two-storey single detached houses that have been converted to commercial uses and a one-storey restaurant. Two of the houses, located at 825 and 829 - 17 Avenue SW, were built circa 1911 and retain much of their original integrity but are not listed on the Inventory of Evaluated Historic Resources and are not protected heritage buildings.

Surrounding development is characterized by one to two storey commercial developments to the east and west. Tomkins Park is located immediately to the north across 17 Avenue SW and primarily low and medium density residential development is located to the south across the lane.

As identified in Figure 1 (below), the population of the Lower Mount Royal community peaked in 1970 at 3,594 and as of 2018 stood at 3,449, representing a decline of 145 residents or 4.0 percent.

Figure 1: Community Peak Population

| Lower Mount Royal | |
|------------------------------------|--------|
| Peak Population Year | 1970 |
| Peak Population | 3,594 |
| 2018 Current Population | 3,449 |
| Difference in Population (Number) | -145 |
| Difference in Population (Percent) | - 4.0% |

Source: *The City of Calgary 2017 Civic Census*

Additional demographic and socio-economic information may be obtained online through the [Lower Mount Royal](#) community profile.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Administration reviewed the application with respect to applicable policies including but not limited to the *Municipal Development Plan* (MDP), the *Centre City Plan*, and the *Lower Mount Royal Area Redevelopment Plan* (ARP).

Administration's review also included an evaluation by the Corporate Planning Applications Group (CPAG) as well as circulation to internal and external stakeholders including the Mount Royal Community Association and Beltline Neighbourhoods Association.

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An important consideration of the review was examining how the proposed increase in density and redevelopment on the site could provide community benefit to this area. Through Administration's review, discussions with the applicant, and in response to concerns raised by external stakeholders regarding the potential loss of character houses on the site, the Direct Control District was developed to include a mechanism for providing community benefit through a contribution to the Heritage Reserve Incentive Fund, as discussed below.

Planning Considerations

The following sections highlight the scope of technical planning analysis conducted by Administration.

Land Use

The current land use district for the site is Commercial – Corridor 1 f3.0h23 (C-COR1f3.0h23) District. This district is intended to accommodate commercial and mixed-use buildings with continuous street frontage located close to the public sidewalk. The district allows for a maximum building floor area of 4,180 square metres based on a parcel to floor area ratio (FAR) of 3.0 and a maximum building height of 23 metres.

The proposed land use district is a DC Direct Control District based on the Commercial – Corridor 1 (C-COR1) District of Land Use Bylaw 1P2007 (Attachment 2). Section 20 of the Land Use Bylaw states that DC Districts must only be used for developments that, due to their unique characteristics, innovative ideas or unusual site constraints, require specific regulation unavailable in other land use districts.

A DC District has been used in this application to address a number of unique characteristics for the proposed development, as follows:

- a maximum building floor area of approximately 6,970 square metres or 5.0 FAR, where community benefit is provided through a monetary contribution to the Heritage Reserve Incentive Fund to offset the loss of two character houses on the site;
- a maximum building height of 27 metres;
- modified setback area and building step back along the rear lane;
- a new Restaurant Patio use to allow for a patio above the first storey of a building with maximum use area size of 250.0 square metres; and
- the uses listed in the C-COR1 District with the addition of Restaurant: Food Service Only – Large; Restaurant: Licensed – Large, and Restaurant Patio.

The community benefit noted above is intended to offset the loss of the existing historic character homes on the site through a monetary contribution to the Heritage Incentive Reserve Fund. Administered through the Historic Resource Conservation Grant program, this fund offers assistance to property owners for restoration, preservation, and rehabilitation of historic properties. Any monetary contribution provided through this provision in the DC District would be earmarked to the community of Lower Mount Royal where it could be used to provide

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heritage grants to other historic buildings in the community. In total, the contribution would amount to \$228,000.00, or \$81.82 per square metre from 3.0 FAR to 5.0 FAR. The full contribution would be required for any FAR that exceeds 3.0. Based on analysis of historic buildings in Lower Mount Royal, this contribution would allow for grants to assist in the preservation of up to two historic houses in the community.

The DC District also allows for larger restaurant uses as well as a new use called Restaurant Patio. These uses are intended to accommodate the applicant's proposal for a restaurant and patio on the terraced second floor of the possible hotel building. The Restaurant Patio use, specifically, would allow for a larger use area than is currently allowed under the standard Outdoor Café use and would also permit outdoor speakers. Located on the terraced second floor, the Restaurant Patio use would provide activity as well as "eyes on the street" overlooking 17 Avenue SW and Tomkins Park.

To mitigate potential impacts on residential properties to the south across the lane, the Restaurant Patio use includes rules requiring physical separation from these residential parcels by a building. Noise from any outdoor speakers would be regulated through the Community Standards Bylaw, which restricts sound levels and operating hours for outdoor speakers in proximity to residential development. In addition, the Restaurant Patio use may not be used if there are residential uses such as Assisted Living, Custodial Care, Dwelling Units, Live Work Units, or Residential Care located on the same parcel. Where these uses share the same parcel, the Outdoor Café use would apply which restricts outdoor speakers and has a maximum size of 25.0 square metres.

Development and Site Design

The rules of the proposed DC District, along with the rules of the base C-COR1 District, will provide guidance for the development of the site including the height and building massing, building setbacks, building frontage along 17 Avenue SW, landscape treatment and parking. With regards to building height and massing, in addition to the Land Use Bylaw 1P2007 rules, future development on the site will be required to adhere to the shadowing policies of the ARP and *Centre City Plan* which protect the north sidewalk of 17 Avenue SW and Tomkins Park from shadowing.

The applicant provided a development concept for the site that proposes two possible development options. The first option is an eight-storey boutique hotel with a restaurant and patio located on a terraced second floor overlooking 17 Avenue SW. The second option is an eight-storey multi-residential development with amenity space located on terraced upper floors. Both options include a one-storey podium element with fine-grained retail/commercial uses along the 17 Avenue SW frontage in keeping with the rules of the C-COR1 District, policies of the ARP, and character of the avenue.

Environmental

There are no environmental concerns associated with the site or this proposal.

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Transportation

The subject site has good transit connections with a transit stop located immediately in front of the site on 17 Avenue SW as well as a second stop 50 metres away on 8 Street SW. Vehicular access is available from the existing rear lane. A Traffic Impact Assessment was not required as part of this application.

Utilities and Servicing

Public water, sanitary and storm exist within the adjacent public right-of-way. Development servicing will be determined at the development permit and development site servicing plan stage.

Stakeholder Engagement, Research and Communication

In keeping with Administration's standard practices, this application was circulated to relevant stakeholders and notice posted on-site. Notification letters were sent to adjacent land owners and the application was advertised online.

The Mount Royal Community Association and Beltline Neighbourhoods Association were circulated as part of this application. The Mount Royal Community Association's letter is included in Attachment 3 of this report and Beltline Neighbourhoods Association's letter is included in Attachment 4. Both letters were received prior to revising the DC District to include the heritage contribution.

The Mount Royal Community Association indicated they would reserve comments until a final DC District was available for their review but were generally opposed to the proposed increase in FAR and building height. The final DC District was circulated to the community association who advised that they would likely provide comments through the public hearing process.

Through their letter, Beltline Neighbourhoods Association were generally supportive of the proposed land use and provided comments to be considered at the development permit stage. These included preserving access to sunlight on Tomkins Parks, maintaining a human-scaled retail interface along 17 Avenue SW, ensuring a maximum amount of retail frontage, and having a proposal that is architecturally outstanding. The final DC District was circulated to the Beltline Neighbourhoods Association but no formal comments were received prior to finalizing this report.

The applicant conducted their own engagement as part of the application. This included a post card drop to stakeholders within 250 metres of the subject site, an information flyer delivered to adjacent residents and business owners, a project website, and a public open house that was held on 24 September 2018. The applicant provided Administration with a What We Heard Report that was considered as part of the application review.

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Through the City's circulation and notice posting, Administration received eight letters from surrounding residents. These letters expressed concerns over the proposal particularly with regards to the impact of increased building height, inconsistency with existing adjacent buildings, loss of character along 17 Avenue SW, including potential loss of the character homes on the site, and increased traffic in the lane. Taking these concerns into account, Administration worked with the applicant to determine potential community benefits to support the proposed increase in development intensity on the site. In this case, the DC District was drafted to include the Heritage Reserve Incentive Fund contribution previously noted in the report.

Following Calgary Planning Commission, notifications for Public Hearing of Council will be posed on-site and mailed out to adjacent land owners. In addition, Commission's recommendation, the date of the Public Hearing will be advertised.

Strategic Alignment

South Saskatchewan Regional Plan (2014)

The recommendation by Administration in this report has considered and is aligned with the policy direction of the *South Saskatchewan Regional Plan* (SSRP) which directs population growth in the region to Cities and Towns and promotes the efficient use of land.

Interim Growth Plan (2018)

The recommendation aligns with the policy direction of the *Interim Growth Plan*. The proposed land use amendment builds on the principles of the *Interim Growth Plan* by means of promoting efficient use of land, regional infrastructure, and establishing strong, sustainable communities.

Municipal Development Plan (Statutory – 2009)

The subject site is located within the Neighbourhood Main Street area as identified on Map 1 of the *Municipal Development Plan*. Neighbourhood Main Streets are intended to provide for a broad mix of residential, employment, and retail uses and meet a minimum intensity of 100 people and jobs per hectare. These Main Streets are characterized by low to medium density residential, retail, and mixed-use buildings with the highest intensity of development located where the Main Street meets other major transit streets. The proposed land use amendment is in keeping with these policies as it provides for an intensity, mix of uses, and built-form that support 17 Avenue as a Neighbourhood Main Street.

Specific Use policies of the MDP encourage the conservation of historic resources. While the existing buildings on the site (four buildings in total) are not identified on the Inventory of Evaluated Historic Resources, two of these buildings are considered to have some heritage value, as character houses. As noted in this report, the proposed DC District for the site includes a provision to allow for monetary contributions to the Heritage Reserve Incentive Fund to off-set the potential loss of these buildings.

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Centre City Plan (Non-statutory – 2007)

The *Centre City Plan* establishes a strategic long-term vision for Calgary's Centre City. The plan includes long-term visions and opportunities for the area as well as specific short and medium-term actions to achieve this vision.

While the *Centre City Plan* does not provide specific land use guidance for the south side of 17 Avenue SW, it does identify Tomkins Park as a Class 2 Shadow Sensitive Area. All new buildings proposed within the vicinity of Class 2 areas, including the subject site, are not permitted to cast shadows into the open space between the hours of 12:00 noon until 2:00 p.m. between March 21 and September 21. This policy would be implemented at the development permit stage.

Lower Mount Royal Area Redevelopment Plan (Statutory – 1983)

Figure 2 – Land Use Policy of the *Lower Mount Royal Area Redevelopment Plan* identifies the site as Commercial. Policies of the Commercial land use area are intended to reinforce the regional pedestrian shopping character of 17 Avenue. While many of these policies apply at the development permit stage, policies applicable to the application include accommodating continuous retail frontage at-grade and land uses such as retail shops, restaurants, and personal care businesses. In addition, like the *Centre City Plan*, the ARP includes policies that protect the north sidewalk on 17 Avenue SW from shadowing which would be implemented at the development permit stage. Overall, the proposed land use amendment is in keeping with applicable policies of the ARP.

Social, Environmental, Economic (External)

The recommended land use allows for intensification that will support increased vibrancy on a Neighbourhood Main Street as well as transit-supportive development on the site.

Financial Capacity

Current and Future Operating Budget

There are no known impacts to the current and future operating budgets at this time.

Current and Future Capital Budget

The proposed land use amendment does not trigger capital infrastructure investment and therefore there are no growth management concerns at this time.

Risk Assessment

There are no significant risks associated with this proposal.

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REASON(S) FOR RECOMMENDATION(S):

The proposal is in keeping with applicable policies of the *Municipal Development Plan* and the *Lower Mount Royal Area Redevelopment Plan* and allows for an intensity, mix of uses and built-form that is appropriate for the site's location on a Neighbourhood Main Street. In addition, the proposal allows for additional density in exchange for a Heritage Reserve Incentive Fund contribution that will improve the City's ability to provide financial incentives for the restoration, preservation, and rehabilitation of historic properties in Lower Mount Royal.

ATTACHMENT(S)

1. Applicant Submission
2. Proposed Direct Control District Guidelines
3. Mount Royal Community Association Letter
4. Beltline Neighbourhoods Association Letter