

Planning & Development Report to
Combined Meeting of Council
2019 April 29

ISC: UNRESTRICTED
C2019-0457

Hillhurst-Sunnyside Community Amenity Fund Application

EXECUTIVE SUMMARY

The purpose of this report is to receive Council decision on an application proposing the use of the Hillhurst-Sunnyside Community Amenity Fund (HSCAF) for the Bow to Bluff park project.

The *Hillhurst/Sunnyside Area Redevelopment Plan (ARP)* includes provisions for a density bonusing system as a way of gaining public amenities, in exchange for additional density on sites within the Transit Oriented Development Area. Funds collected from developments utilizing the density bonus option are put into the HSCAF. This fund is administered by the HSCAF Committee (made up of nine stakeholders including community representatives, developers and City staff). Applications up to \$200,000 can be approved by the committee, whereas applications over \$200,000 require Council approval.

An application has been submitted by The City of Calgary Parks Department for \$566,931.16 from the HSCAF to go towards the construction of the Bow to Bluff park project. The Bow to Bluff project began in 2011 and is an initiative to transform the public corridor along the Northwest LRT line between the Bow River and McHugh Bluff into a place that is pedestrian and cyclist-oriented and is safe and accessible for all user groups. The Bow to Bluff project meets the criteria of the HSCAF and aligns with existing policy direction. Furthermore, the application was unanimously supported by the HSCAF Committee.

ADMINISTRATION RECOMMENDATION:

That Council:

1. **APPROVE** the use of the Hillhurst/Sunnyside Community Amenity Fund current balance of \$566,931.16 for the Bow to Bluff project.
2. **APPROVE** the transfer of \$566,931.16 from the Hillhurst/Sunnyside Community Amenity Fund account in Urban Strategy to City of Calgary Parks Program 500 and approve a capital budget increase of \$566,931.16 to Parks Budget ID P500_006 in 2019.

PREVIOUS COUNCIL DIRECTION / POLICY

On 2018 December 10, Council approved an amendment to the *Hillhurst/Sunnyside ARP* to increase the list of projects eligible for HSCAF money.

In 2016, due to the ENMAX dividend shortfall, projects were reprioritized leaving the construction of Bow to Bluff unfunded. Administration was directed by Council to explore alternative funding options for Bow to Bluff and to bring forward a proposal at the mid-cycle budget adjustments.

On 2016 April 11, Council approved an amendment to the *Hillhurst/Sunnyside ARP* to create a new fund while retaining the existing method of calculation for allowable bonus density.

On 2015 December 07, Council referred Report, Policy Amendment, Hillhurst/Sunnyside (Ward 7), Transit Oriented Development Area, Bylaw 19P2015, CPC2015-098 to Administration to:

1. Retain the existing method of calculation for allowable bonus density in the current

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- Section 3.1.5, Part II Transit Oriented Development Area of the *Hillhurst/Sunnyside ARP*;
2. Report back to Council through Calgary Planning Commission and advertise the Public Hearing by no later than 2016 April 11 with a revision to proposed Bylaw 19P2015 as indicated above; and
 3. Report back to Council through SPC on Planning & Urban Development with a Terms of Reference for the Hillhurst/Sunnyside Community Amenity Fund concurrently.

On 2012 November 05, Council adopted the Calgary Planning Commission Recommendations contained in Report CPC2012-082, to amend the *Hillhurst/Sunnyside ARP* density bonusing options for developers to:

- a) Contribute to a “Hillhurst/Sunnyside Park Improvement Fund”; or
- b) Construct an entire, or portion of an “urban design initiative” as identified on Map 3.4 Urban Design Initiatives of the ARP (Attachment 1), equivalent in value to the cash contribution. This could include a specific improvement in one of the triangular park areas.

BACKGROUND

The Bow to Bluff project began as a citizen-led initiative in 2011 and focused on the revitalization of several small remnant parcels along the public corridor from the Northwest LRT line between the Bow River and McHugh Bluff (Attachment 2). That same year, the project was awarded a grant from The City of Calgary’s Council Innovation Fund to develop an engagement process and to prepare the Bow to Bluff Urban Design Framework which provides for broad design guidelines for future development within the corridor. The corridor is planned to change from a series of individual spaces to a single linear parkway that extends the green spaces along the Bow River and McHugh Bluff through the Hillhurst-Sunnyside community. Through the Urban Design Framework, it is envisioned that the corridor will become a place that is comprised of multiple plazas, markets, outdoor classrooms, public art pieces, intersections, green walls and promenades; all linked by continuous and accessible public gathering spaces.

In 2012, an amendment to the *Hillhurst/Sunnyside ARP* introduced a density bonus system which enabled development within the Transit Oriented Development Area to exceed a set base density through the provision of urban design initiatives, designation of a historic resource, or a contribution to the Hillhurst/Sunnyside Park Improvement Fund. Up until 2015, money collected from developments implementing the density bonus option had been placed into the Hillhurst/Sunnyside Park Improvement Fund which was intended to be used exclusively to implement the Bow to Bluff project.

In 2015, the Bow to Bluff project received full funding, \$5.92 million, from the ENMAX Legacy Parks Program. Funds were allocated to 2016-2018 years for spending while design development was undertaken in 2015. With Bow to Bluff funded, the Hillhurst/Sunnyside Park Improvement Fund was replaced by the HSCAF to allow for greater flexibility and a wider range of projects to be supported. This included a policy amendment and the creation of a Terms of

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Reference to administer the fund. As per the Terms of Reference (Attachment 3), the HSCAF Committee, made up of nine stakeholders including City staff, developers and community representatives, decides how funds should be spent. However, amounts over \$200,000 require a recommendation from the HSCAF Committee, and approval from Council.

In 2016, when the ENMAX dividend shortfall was identified, projects were reprioritized leaving the construction of Bow to Bluff unfunded. Administration was directed by Council to explore alternative funding options for Bow to Bluff and to bring forward a proposal at the mid-cycle budget adjustments. \$840,000 was found in Parks' Capital Budget and allocated to the Bow to Bluff. In addition to the \$840,000, an application (Attachment 4 and 5) was made to the HSCAF Committee by The City of Calgary Parks. The application proposes that the HSCAF funds collected to date, totaling \$566,931.16, be committed to the Bow to Bluff project, in conjunction with funding from the Parks Leveraged Partners Program approved Capital Budget. On 2019 March 06, the HSCAF Committee voted in favour of committing the current HSCAF funds to the Bow to Bluff project. A letter of support has been received from the Community Association (Attachment 6).

INVESTIGATION: ALTERNATIVES AND ANALYSIS

As part of Administration's analysis, previous milestones completed as part of the Bow to Bluff project, strategic alignment, and the opportunity to leverage additional funding were investigated, as discussed below.

Hillhurst/Sunnyside Community Amenity Fund (HSCAF)

The Hillhurst/Sunnyside Park Improvement Fund was created in 2012 in conjunction with updates to the *Hillhurst/Sunnyside ARP* which allowed for bonus density to be earned through contributions to the fund with the sole intention of implementing the Bow to Bluff project. When full funding for the Bow to Bluff project was secured through the ENMAX Legacy Parks Program in 2015, the Hillhurst/Sunnyside Park Improvement Fund was renamed to the HSCAF and allowed for a wider range of public realm improvement projects to be supported.

Since 2012, the fund has accumulated \$566,931.16, through the contributions of eight development projects. Future funding is unknown at this time, as contributions are application-based.

The Bow to Bluff Initiative

Through Administration's investigation of the Bow to Bluff project, it has been discovered that the following milestones have been completed:

- In May 2011 Council approved funding from the Council Innovation Fund of approximately \$25,000 to engage citizens on the reimagining of the Bow to Bluff corridor, and to create the Bow to Bluff Urban Design Framework and a process guide to support other community-driven improvement projects to public spaces
- Throughout 2011, engagement on the design framework was conducted, which included an open storefront to provide comments, sounding boards, online surveys, and two interactive community design charrettes, allowing for 2,500 individuals to participate in the process and provide input

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- In July 2012 Council directed City staff to review the completed framework and prepare amendments to *Hillhurst/Sunnyside ARP* where appropriate to enable the project
- In May 2017 engagement took place with the community to verify that the design framework was still relevant and prioritize projects outlined in the framework

The design of the open spaces is currently being updated using information from the 2017 engagement. Keeping much of the original intent, Bow to Bluff will consist of an improved wider multipurpose corridor featuring a series of linked triangular public spaces. Features such as specialty paving, improved lighting, play areas, planting, site furnishings and improved LRT fencing along with opportunities for community gardens community swing, ping pong, chess and public art will serve to enhance the corridor experience.

Due to its location and connectivity, the corridor provides a vital linkage to the Bow River and surrounding communities. Creating a unique and cohesive corridor through park planning, pedestrian streets, artwork and furnishings, vegetation strategy, and the boundary along the LRT line will help unify the corridor as a distinctive public space within the Hillhurst-Sunnyside community, and as an important connector within the inner city.

Further refinement of the project cost estimate indicates that a budget of \$4 million is required to deliver the project scope. Upon confirmation of approved funding, the project team will be initiating contract document preparation and tendering with the aim to target construction beginning in March 2020 through to 2021.

The Leveraged Partners Program (LPP)

The LPP funds projects where opportunities exist to leverage external resources and funding sources, and/or where collaboration is occurring with other services or organizations.

A total of \$8 million was allocated to the LPP through One Calgary 2019-2022 Budget. The Bow to Bluff project is a good candidate for LPP funding, and has been ranked as a high priority initiative. It has been determined that upon approval of the HSCAF application of \$566,931.16, an additional \$2.6 million can be leveraged from the LPP to complete the Bow to Bluff project.

Stakeholder Engagement, Research and Communication

While no public engagement was required for the proposed use of the funds, as part of Administration's investigation, review of previous engagement in 2017 was completed which confirmed that the Urban Design Framework for the Bow to Bluff project is still relevant.

The 2017 Bow to Bluff engagement process included an outdoor open house and online survey to confirm the vision, design priorities and revitalization projects that were outlined by the community in 2011, and to obtain more specific details on the types of programs and design elements desired by the community.

Renewed public engagement in 2017 has validated issues and opportunities along the corridor and further design is required to help prioritize the projects. The goal is to design and build a better public realm; creating a place that is pedestrian and cyclist oriented, safe, secure, accessible, interesting and enjoyable for all users.

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The application for \$566,931.16 was presented by City of Calgary Parks to the HSCAF Committee on 2019 March 06. The Committee voted unanimously in favour, with the requirement that further engagement be conducted on the project design at the appropriate time.

Strategic Alignment

South Saskatchewan Regional Plan (2014)

The site is located within the City, Town area as identified on Schedule C: South Saskatchewan Regional Plan Map in the *South Saskatchewan Regional Plan* (SSRP). While the SSRP makes no specific reference to this site, the proposal is consistent with policies on Land Use Patterns.

Interim Growth Plan (2018)

The recommendation aligns with the policy direction of the *Interim Growth Plan*. The proposal 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 proposal aligns with overarching open space policies of the *Municipal Development Plan* aimed at protecting and promoting an integrated open space network to better connect communities, provide high-quality and safe open spaces and maintain and improve quality and access to open spaces.

Transit Oriented Development Policy Guidelines (Non-Statutory – 2005)

The proposal aligns with the Transit Oriented Development Policy Guidelines which direct the development of quality pedestrian linkages, supports community amenities near LRT stations, and supports place making for each station area. Further, the guidelines encourage the development of open space to complement the LRT line.

Hillhurst/Sunnyside ARP (Statutory – 1988)

The application is in alignment with the *Hillhurst/Sunnyside ARP* policy Section 3.1.5 Density which speaks to eligible bonus items, including implementation of urban design strategies, public art and enhancement projects.

Social, Environmental, Economic (External)

Social

The Bow to Bluff project will provide additional park space and public amenities for local residents and gathering spaces across the community for neighbours to socialize and recreate. In addition, it will provide shared streets, inclusive civic spaces and enhance visibility and safety along the corridor.

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Environmental

This project will improve landscaping and quality greenspace. It will provide improved connections for pedestrians and cyclists from the bluff, directly into the pathway system along the Bow River. The project will also improve the overall aesthetic of the corridor, and provide innovative and attractive parks.

Economic

Investments into meaningful public spaces and corridors make communities more attractive to live and work in.

Approval of the \$566,931.16 qualifies the project for \$2.6 million in one-time support from the LPP.

Financial Capacity

Current and Future Operating Budget:

Although the allocation of funds as proposed in this report do not directly impact the operating budget, once constructed, the maintenance of the Bow to Bluff park will be from the general operating budget for Parks. The exact amount required will be determined at a later date.

Current and Future Capital Budget:

The Leveraged Partners Program within Parks Capital Program 500 will increase by \$566,931.16.

Risk Assessment

The Bow to Bluff initiative has been underway since 2011 with widespread community support. Approximately \$25,000 was spent by the Bow to Bluff community team (external) from the Innovation Fund grant for initial project development and extensive community engagement. Since 2015, The City has spent approximately \$200,000 on additional design, engagement and development of the Bow to Bluff project. If funding is not approved, the vision for this corridor that the community has been working towards and has expectations on since 2011 will not be delivered, the resources already dedicated to the project will be lost, and The City will lose out on the potential to implement a near shovel ready project.

Furthermore, if Council does not approve the spending of the funds, the Bow to Bluff project will not be eligible for additional funding from the LPP. The Bow to Bluff project meets the criteria for the LPP, as part of the eligibility requires additional funding from an alternate source. The commitment of the HSCAF to this project would satisfy this requirement and provide an overall budget of \$4 million, which is required to complete the project.

Alternatively, if the spending of funds is approved, the balance of the HSCAF will be \$14,018.93 at the time of this report. This is deposit was made after the application was received and Committee voted. Administration was just made aware on April 15, 2019. Future funding is unknown at this time as contributions are application based.

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REASON(S) FOR RECOMMENDATION(S):

The Bow to Bluff is an important project that provides a vital link to the Bow River from surrounding communities. Approval of the Hillhurst/Sunnyside Community Amenity Fund application for the Bow to Bluff project will enable an additional \$2.6 million to be leveraged from the Leveraged Partners Program to realize the full development of the project. The application is in alignment with the objectives of the Hillhurst/Sunnyside Area Redevelopment Plan, and the Hillhurst/Sunnyside Community Amenity Fund Committee has voted in favour.

ATTACHMENTS

1. Map 3.4 - Urban Design Initiatives
2. Bow to Bluff Location Map
3. Hillhurst/Sunnyside Community Amenity Fund Terms of Reference
4. Applicant's Submission
5. Bow to Bluff Renderings
6. Community Association Letter of Support