



# Request for Bylaw Reading

**TO:** Mayor and Council  
**FROM:** Karl Mielke, Senior Planner  
Community Growth and Infrastructure  
**DATE:** July 16, 2020  
**RE:** **Bylaw 019-20 - Land Use Bylaw Amendments for compact development in future growth areas – First Reading**

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## **REPORT SUMMARY:**

### **Introduction**

Stantec Consulting, on behalf of Waterbridge Developments Inc. has applied for amendments to Land Use Bylaw 022-10 (LUB), that would facilitate the development of more compact and affordable housing product in Chestermere's future growth areas.

Chestermere has historically been characterized by large lot, low density development in a recreational environment with small town feel. Economic pressures, housing prices and mortgage qualification requirements in recent years have made it more difficult for homebuyers to afford product that they may have been able to afford in the past. Despite these challenges for homebuyers, the preference for single-detached housing over attached housing forms remains strong in the region.

The applicant, on behalf of the broader development industry, has requested the following amendments as a way of bringing the price point for new home ownership down across a range of housing options by reducing minimum setback distances, minimum lot widths, minimum lot sizes, and maximum lot coverage, within the limits allowed for under the Alberta Building Code. The anticipated impact of the amendments is that the cost for single-detached housing will become more affordable, and the costs of other forms of housing, considered by the market as "entry level" housing forms, would also decrease relative to single-detached product. These proposed amendments are expected to make Chestermere more competitive in the regional housing market, by enabling developers to offer similar compact housing forms to those that are available in neighboring municipalities.

### **Economic Rationale**

It is important to acknowledge that the rationale for these amendments is directly rooted in development economics and housing affordability. However, the more compact development forms proposed should lead to increases in density, which reduces the per capita costs of infrastructure provision and service delivery. The increased density is anticipated to also increase tax revenues for the municipality.



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### Scope of Proposed Amendments

The scope of the proposed Land Use Bylaw amendments includes requests made by the applicant on behalf of themselves and the broader development industry. Due to the comprehensive nature of these amendments, Administration has also included some additional changes to address current issues not directly addressed by the applicant.

The table below differentiates amendments requested by the Applicant, from those requested by Administration. The intent of this differentiation is to allow for some additions to be captured by this bylaw process in order to streamline Community Growth and Infrastructure’s workflow, while at the same time allowing for those amendments to be separated out if necessary, so as not to delay this bylaw if such amendments prove to be contentious. Table 1 below summarizes the full scope of Bylaw 019-20.

LUB Section	Affected Regulations	Intent of amendment	Requested by:
<b>Schedules</b>	Schedule A.2	Would add a Land Use Bylaw map overlay, differentiating between the Existing Development Area and Future Development Areas	Administration
<b>Section 4.2</b> When a Development Permit is not required	4.2(y)(ii)	Would exempt freehold street-oriented townhouses from requiring a Development Permit where they are listed as a Permitted use.	Administration
<b>Section 7.14</b> Driveways	7.14 7.14.3	Would require that parking pads that are provided with new homes meet Alberta Building Code requirements to allow for a future garage.	Administration
<b>Section 7.27</b> Permitted Encroachments	7.27.3	Would allow eaves for Accessory Buildings to encroach into required side yard setbacks by 0.15 m.	Applicant
<b>Section 7.31</b> Secondary Suites	7.31.8	Would allow Secondary Suites as a Discretionary use for Semi-detached Dwellings	Applicant
<b>Section 7.37</b> Townhouse Developments	7.37.1	Would establish site design and security requirements for freehold street-oriented townhouse developments that are exempted from requiring a Development Permit.	Administration

<b>Section 8.1</b> Number of Parking Stalls Required	8.1.1	Would allow for semi-detached developments that provide one on-site parking stall on one side, and two parking stalls on the other.	Administration
	8.1.1	Would allow for interior freehold street-oriented townhouse units to provide only one on-site parking stall.  <i>*The applicant would like to see this relaxed further, to allow for an average of 1.5 stalls per exterior unit.</i>	Applicant
<b>Section 8.1</b> Number of Parking Stalls Required	8.1.2	Would clarify that reductions in residential parking requirements apply to bare land condo townhouse developments and apartments, but not to freehold street-oriented townhouse developments.	Administration
<b>Section 10</b> Land Use Districts	10.2 (R-1) 10.6 (R-1PRL) 10.8 (R-2) 10.9 (R-3)	Would reduce the minimum lot area requirements in Future Growth Areas.	Applicant
	10.2 (R-1) 10.6 (R-1PRL) 10.8 (R-2) 10.9 (R-3)	Would reduce the minimum lot width requirements in Future Growth Areas.	Applicant
	10.2 (R-1) 10.6 (R-1PRL) 10.7 (R-1PFD) 10.8 (R-2) 10.9 (R-3)	Would reduce the setback requirements for principal buildings in Future Growth Areas.	Applicant
	10.2 (R-1) 10.6 (R-1PRL) 10.7 (R-1PFD) 10.8 (R-2) 10.9 (R-3)	Would reduce the setback requirements for accessory buildings in Future Growth Areas.	Applicant

<b>Section 10</b> Land Use Districts	10.2 (R-1) 10.6 (R-1PRL) 10.7 (R-1PFD) 10.8 (R-2) 10.9 (R-3)	Would increase the allowable lot coverages in Future Growth Areas.	Applicant
<b>Section 10</b> Land Use Districts	10.7 (R-1PFD) 10.8 (R-2)	Would add Secondary Suites as a Discretionary use in R-1PFD.  Would allow Secondary Suites as a Discretionary use for any dwelling type in R-2.	Applicant
<b>Section 10</b> Land Use Districts	10.9 (R-3)	Would differentiate between freehold street-oriented townhouse and bare land condo townhouse developments, and remove the 16 m <sup>2</sup> amenity space requirement for freehold street-oriented townhouse units.	Applicant

**Municipal Development Plan (MDP) Policy Review:**

The LUB is the implementation tool for the MDP, and any amendment to the LUB should align with the spirit, intent and direction of the MDP. Some relevant goals of the MDP are articulated in Section 3.2 and listed below:

**3.2 Goals**

**Goal 4:** Enhance the social, environmental, and fiscal sustainability of Chestermere by creating healthy, livable, and complete communities.

**Goal 6:** Protect the city’s existing community character during gradual infill and intensification.

**Goal 7:** Promote efficient urban form as a means of optimizing existing infrastructure, encouraging efficient use of land and resources, and protecting open space and environmental areas.

**Goal 8:** Achieve high quality housing and community design that offer a range of housing options to meet a broad range of community needs.

The proposed amendments support achievement of these goals by: 1) enhancing the fiscal responsibility of the City through increased tax revenue; 2) protecting the existing community by applying the amendments only to the future growth areas; 3) Ensuring an efficient use of land; and 4) Increasing the affordability of a range of housing forms to meet community needs.

In terms of actual policy, Sections 3.4.2 and 3.4.4 of the MDP provide policy direction related to housing diversity and the planning of new communities:

### **3.4.2 Housing Diversity**

**3.4.2.1** Residential Neighbourhoods should provide for a mix of housing types with low, medium and high-density forms. They should include single detached, attached (duplexes, townhomes, and secondary suites), multi-residential development, live-work, mixed-use, as well as a range of unit sizes to support a diversity of choice and affordability to meet the needs of all demographic, age, and income groups.

**3.4.2.3** The City shall regularly monitor changing local housing needs and its progress in addressing them. Housing choices should be encouraged through:

- Infill development;
- Policies that allow secondary suites; and
- Promotion of innovation in alternative planning and engineering standards.

### **3.4.4 Planning New Communities**

**3.4.4.4** To provide a range of housing choices and meet various housing needs, the City shall support “Planned Lot” development offering smaller lot, single-detached housing within Residential Neighborhood. Planned Lots shall adhere to the following conditions:

- Shall not comprise more than 35% of the single-family housing within an Outline Plan.
- Should be dispersed throughout an Outline Plan, where appropriate, to avoid concentrations of such housing in any one area, and promote integration of these developments throughout the community.
- Design Guidelines for Planned Lots shall be established at the Outline Plan stage.

**3.4.4.5** Planned Lot development provides opportunity for innovation and intensification, while maintaining a high quality of life and urban design for residents. To ensure the intent of Planned Lot development is met, a residential land use district in the Land Use Bylaw and Design Guidelines shall be established for Planned Lots. The Design Guidelines shall be referenced in the Land Use Bylaw, and followed in ASP, Outline Plan, and Subdivision. Special consideration will be made to (but not be limited to) the following:

- Architectural massing and variation in building form.
- Maximum lot coverage.
- Minimum open space.
- Building height and roof shape.
- Parking and access.
- Front and side yard setbacks.
- Privacy and transition.
- Finish materials and details.
- Landscaping.

The proposed amendments generally align with Section 3.4.2 by contributing to housing affordability, allowing the use of innovative standards for compact development, and by allowing more housing typologies to take on some characteristics of planned lot development.

**Waterbridge Master Area Structure Plan (MASP)**

The Waterbridge Master Area Structure Plan lands form the majority of the Future Growth Area. The proposed amendments are compatible with the MASP, and neither support nor conflict with the policy direction of the plan.

**Engagement:**

Staff has been requested to bring Bylaw 019-20 forward for First Reading in July 2020. This timing does not allow for the type of community engagement that would be contemplated for amendments of a nature that may significantly change the character of the community. Staff has therefore created a Development Area Overlay (Exhibit B), which identifies the existing and future development areas of Chestermere. The proposed amendments would only apply to the future development areas of the community, where few residents currently live, and would protect the established areas of the community from infill and redevelopment at more compact standards.

**PUBLIC HEARING SUMMARY:**

Staff requests that Council schedule a Public Hearing for Bylaw 019-20, to begin at 6:00 pm on September 1, 2020.

**ACTION REQUIRED:**

Council is asked to give First Reading of Bylaw 019-20 and to schedule a public hearing for September 1, 2020.

**BENEFITS:**

The proposed amendments would benefit the development industry in the buildout of lands in the future growth areas of Chestermere, as they would be able to take advantage of development efficiencies in the usage of land and materials.

The amendments would benefit homebuyers by allowing developers to offer housing product at lower price points, in forms that are similar to, and competitive with, housing options available in the other municipalities in the region.

The proposed amendments would benefit the City by generating increased residential tax revenue, to offset the costs of municipal infrastructure and service delivery. The applicant has submitted an analysis of the relationship between side yard street frontage (non-building frontage) and façade frontage (building frontage), and the benefits for municipal tax revenue that can be achieved by reducing side yard setback standards. This analysis is attached as Exhibit D.

**DISADVANTAGES:**

The more compact development standards move away from the traditionally valued large-lot development that characterizes Chestermere, particularly around the lake. There may be resistance from existing residents to the increased density and change in development standards for new areas.

**IMPACT ON OTHER PROJECTS:**

The applicant has recently received Council approval for creation of the R-1PFD district (Residential Planned Lot Front-Drive District) and redesignation of R-2 (Residential Semi-detached District) lands in Dawson’s Landing to R-1PFD, via adoption of Bylaws 008-20 and 009-20.

Bylaw 020-20, which follows on this agenda, proposes to remove the MDP threshold limit on Planned Lot Development for the future growth area. This would remove prescriptive limitations on the R-1PFD and R-1PRL districts.

The applicant also has a follow-up land use redesignation request in process, for the redesignation of 28.17 hectares of additional lands in Dawson’s Landing, or 54% of the residential land area, to R-1PFD. This land use redesignation application would be dependent on Council adoption of Bylaw 020-20, referenced above.

**PUBLIC NOTICE/COMMUNICATIONS:**

The public hearing for Bylaw 019-20 will be advertised in the Chestermere Anchor, posted on the City website, and shared on Facebook in line with MGA requirements and standard City processes.

The proposed bylaw will also be circulated for comment to the Chestermere development industry and BILD Calgary.

<b>RELATED COUNCIL POLICIES/BYLAWS &amp; STRATEGIC VISION:</b>
<ul style="list-style-type: none"> <li>• The proposed bylaw aligns with the Opportunities pillar of Pathways to Amazing Chestermere, by maximizing efficiencies in the development of low-density residential lands.</li> <li>• The bylaw aligns with the Partnerships pillar by supporting the success of the local development community in the buildout of the future growth areas.</li> </ul>
<b>PREVIOUS REPORTS/COUNCIL DECISIONS (if any):</b>
<ul style="list-style-type: none"> <li>• N/A</li> </ul>
<b>ATTACHMENTS (including all In Camera items):</b>

- Exhibit A – Land Use Bylaw – Redlined version of affected sections, 53 pages
- Exhibit B – Proposed Development Area Overlay, 1 page
- Exhibit C – Regional Land Use District Comparison, 5 pages
- Exhibit D – Taxation Implications of reduced side yard setbacks (applicant submitted), 5 pages

**CHIEF ADMINISTRATIVE OFFICER’S COMMENTS (if any):**

**RECOMMENDED ACTION:**

**That Council accept Bylaw 019-20 for First Reading; and**

**That Council schedule a public hearing for Bylaw 019-20 for September 1, 2020, to begin at 6:00 pm.**

Approved by:  
John Popoff  
Director, Community Growth and Infrastructure

Approved by:  
Bernie Morton  
Chief Administrative Officer