
Streamlining the Downtown Development Process – Update on Infrastructure Analysis and Potential Expansion of Program Area

Recommendations

That the Standing Policy Committee on Planning, Development and Community Services recommend to City Council:

1. That a copy of this report be forwarded to the Standing Policy Committee on Environment, Utilities and Corporate Services for information; and
2. That the request to change the scope of work for Capital Project 2458 – City Centre Plan Phase 4 (Civic Precinct Master Plan), to support the preparation of a City Centre Action Plan, be approved.

Topic and Purpose

The purpose of this report is to provide an update on the infrastructure analysis undertaken for the Downtown and to provide a recommendation regarding the potential to expand the program area of the Streamlining Downtown Development program to additional areas immediately adjacent to the Downtown.

Report Highlights

1. An infrastructure analysis completed for the Downtown concluded there are no significant impediments to development in most areas. However, an outcome of several major projects in the Downtown may impact the optimal course of action to undertake future upgrades.
2. Expanding the Streamlining Downtown Development Program to areas outside the Downtown presents some challenges with respect to current zoning and other characteristics of these areas.
3. Retaining a strategic focus on the Downtown, with the objective of catalyzing significant new development activity within a concentrated area, is recommended for the program.
4. The Administration is undertaking a number of key actions in 2019, and beyond, to advance Downtown development and infill in general.

Strategic Goals

This report supports City Council's priority of Downtown Development, along with the Strategic Goals of a Culture of Continuous Improvement, Economic Diversity and Prosperity, and Sustainable Growth.

Background

At its February 26, 2018 meeting, City Council endorsed a new Streamlining Downtown Development program that consisted of a number of initiatives intended to streamline processes and incentivize new development specifically within the defined boundaries of the Downtown. This included:

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- a) Identifying major infrastructure deficiencies for development and options to fund upgrades;
- b) Waiving comprehensive Traffic Impact Assessments, offsite levies, and on-site storm water management as requirements of new development;
- c) Removing the cap on grants available under the Vacant Lot and Adaptive Reuse Incentive Program;
- d) Consideration of options to reduce detour, lane closure and temporary reserved parking fees relating to new development; and
- e) Reviewing the RA1 and B6 zoning districts for potential improvements.

A Downtown Development Coordinator was also identified as a new role that would provide coordination for major development projects, act as the single administrative point of contact for developers and lead implementation of certain initiatives related to Downtown development.

This report responds to the following resolutions of City Council from that meeting:

- “1. That the Transportation & Utilities Department prepare a report for the Standing Policy Committee on Environment, Utilities, and Corporate Services outlining and prioritizing any major infrastructure deficiencies for development in the Downtown and determine options for funding these upgrades;” and
- “10. That within approximately 12 months, the Administration provide a report investigating possible expansion to other areas immediately adjacent to the downtown for the measures outlined in this report, as well as an update on the financial implications of the adopted incentives in the Downtown.”

With respect to the first resolution, it is recommended that this report also be forwarded to the Standing Policy Committee on Environment, Utilities, and Corporate Services.

This report also addresses a resolution of City Council from their May 28, 2018 meeting, respecting Capital Project No. 2458 – City Centre Plan:

- “4. That the Administration report back on the remaining scope of work for Capital Project 2458, including timing and funding required to complete the remaining scope of work.”

Actions Taken in 2018 Regarding Downtown Development

The waiver of certain requirements of new development noted above took effect upon their endorsement by City Council, while implementation of other measures has required further analysis and reporting. A report concerning right-of-way and parking fees was considered by the Standing Policy Committee on Transportation in January 2019.

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The role of Downtown Development Coordinator was realized through the establishment of the City Centre Planner within the Planning and Development Division in April 2018. This position has provided support and coordination for development projects within the Downtown and larger City Centre area (see Attachment 1), including overseeing rezoning processes for two major infill developments. Amendments to the RA1 – Reinvestment District were completed in 2018, and a review of the B6 – Downtown Commercial District began.

The Major Applications Group, comprised of representatives of civic divisions involved in the development review process, began meeting on a monthly basis in 2018 to provide a proactive and coordinated approach to reviewing and responding to major development proposals. While this group's scope is city wide, it has provided a valuable forum for infill proposals to be considered by concerned parties within the Administration, at an early stage.

Report

Update on Infrastructure Analysis of the Downtown

An infrastructure analysis of the Downtown was completed as specified in the original February 2018 report. This analysis consisted of two components; first, individual pre-engineering reports were completed for 36 vacant properties within the Downtown. This pre-engineering work identified servicing possibilities and constraints for each property in an effort to simplify the servicing engineering process in advance of any potential development. The second component of the analysis was an assessment of the current overall capacities of the major underground infrastructure systems. The conclusion reached was there are no significant impediments to most areas of the Downtown; however, several anticipated large projects will have significant potential impacts. As a result, any infrastructure upgrades should be coordinated with the outcomes related to decisions about these known major projects. Specifically this includes:

- a) A new arena and convention centre;
- b) A new central library;
- c) Routing of the Bus Rapid Transit system; and
- d) The Storm Water Mitigation Project for Downtown.

As each of these projects may have a significant impact on the choices to upgrade Downtown infrastructure, it is suggested that further reporting on Downtown infrastructure would best be provided following the outcome of these major decisions.

Potential Expansion of Streamlining Downtown Development Program Area

City Council identified encouraging development of the Downtown as a significant priority, which makes the area the logical starting point to focus efforts on improving processes and incentives. In addition, the Downtown has a number of characteristics that predisposes the area for significant new development and enable the effectiveness of the program's initiatives, which include:

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- a) Appropriate zoning that is flexible, high density, and facilitates desired forms of development;
- b) Land use character that is mixed-use and high density, with effectively no low-density residential, and a significant inventory of potential development sites; and
- c) Infrastructure that is generally well-positioned to accommodate growth.

In order to consider potential expansion of the Streamlining Downtown Development program area, it is necessary to consider the characteristics of the areas immediately adjacent to the Downtown and the appropriateness of extending these initiatives to them.

For this analysis, Administration has considered the portions of the area defined as the City Centre (Attachment 1) that lie outside of Downtown and are not currently included in this program. This includes portions of the Caswell Hill, Central Industrial, City Park, Pleasant Hill, Riversdale, Varsity View and Nutana neighbourhoods. The areas of these neighbourhoods within the City Centre have almost no zoning for low density residential, and fall within targets for infill and growth set out by plans like the City Centre Plan and Growth Plan.

Zoning in City Centre Area Outside of the Downtown

The zoning pattern in these areas is less uniform than within the Downtown. The following table outlines the principal zoning districts that are present. It also indicates their general locations, characteristics and whether they are aligned with the City Centre Plan and Growth Plan by facilitating forms of development in line with the objectives of those plans. Where there is misalignment, future resolution through a specific planning initiative is noted.

Zoning	Locations	Characteristics	Current Alignment?	Future Resolution?
RM5	3 rd , 4 th , and 5 th Ave between 25 th St and Queen St (City Park)	High density residential	Yes	
M2	College Dr (Varsity View)	Medium density residential and office/institutional, building setbacks	No	Corridor Planning Program
B3	Idylwyld Dr (Riversdale, Caswell Hill, Downtown)	Low density arterial land use, building setback and height restrictions, no residential	No	Imagine Idylwyld
B5	2 nd Ave N (City Park), 20 th St W (Pleasant Hill)	Broad range of uses, flexible, high density	Yes	
B5B	Broadway Ave and side streets	Broad range of uses, flexible, high density, architectural controls	Yes	
B5C	20 th St W and side streets (Riversdale)	Broad range of uses, flexible, high density	Yes	

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Zoning	Locations	Characteristics	Current Alignment?	Future Resolution?
IL1	1 st Ave N (City Park), City Yards (Central Industrial)	Light industrial, no residential	No	North Downtown Master Plan
DCD1	River Landing (Riversdale)	Broad range of uses, high density, architectural controls	Yes	

Additional Considerations for Development

Other characteristics present in different parts of the City Centre further distinguish these areas from the Downtown and pose certain challenges to development that could influence Administration’s approach to incentivizing development within them:

- a) Mature boulevard trees – A careful approach to new development to ensure a balanced approach to protection and long-term health is required;
- b) Narrow local streets and un-signalized intersections – Proper consideration of traffic impacts from new development continues to be necessary;
- c) Adjacent low density residential – Immediately adjacent single family homes is a condition not present in the Downtown; and
- d) Stormwater – Mitigation of stormwater impacts from new development remains prudent in many areas not directly adjacent to the river.

Implications of Expanding the Program Area

Extending the Streamlining Downtown Development program to the entire City Centre area risks development of undesirable outcomes on sites where zoning is still in place that does not fit with the City of Saskatoon’s long-term objectives. Regulations within these zones concerning building form, permitted uses or density may produce development that is not aligned with the City Centre Plan or Growth Plan. As such, incentivizing development in these areas ahead of resolution of the identified zoning issues is not advisable. An option to only include certain properties with an appropriate zoning designation and exclude others would create the situation of a non-contiguous program area.

Additionally, areas that may be appropriately zoned for desired development outcomes (such as the B5 and RM5 area in City Park) are not suited to be eligible for all of the incentives in the program, such as the waiver of a comprehensive Traffic Impact Assessment or stormwater mitigation. An option to apply a hybrid version of the program to these areas, where certain measures are excluded or modified, would be required.

An issue raised when this program was presented for consideration by City Council in 2018, is that the pre-engineering work being undertaken for the Downtown is a resource-intensive activity, both in terms of staffing and the cost of the physical infrastructure upgrades. Analysis of new areas required with any program expansion would be outside current available resources.

Program’s Focus Should Remain on the Downtown

A targeted approach to incentivizing development within the defined boundaries of the Downtown remains optimal. In addition to the complicating factors of extending the geographic area discussed in this report, it is important that the program remains strategically focused on the Downtown, with the objective of catalyzing significant new development activity within a concentrated area and the associated momentum and cumulative benefits of new density that can result. The Streamlining Downtown Development program is still in its relative infancy. A longer period of time is necessary to realize tangible and sustained progress on Downtown development.

While other parts of the City Centre are also subject to goals for infill and growth that are important to the City’s direction, growing the Downtown should continue to take precedence. This is supported by policy in the Official Community Plan that recognizes the unique role of the Downtown in being the centre and heart of the city and region, with the highest development densities and concentration of diverse land uses. Downtown continues to have a significant inventory of potential development sites. Expanding the program area may dilute the impacts that new growth can have in a concentrated area.

While an expansion of the program area is currently not recommended, it must be emphasized that the Administration’s efforts to encourage infill development and improve processes do provide benefit to the City Centre as a whole:

- a) The City Centre Planner will continue to provide dedicated support to development projects throughout the City Centre;
- b) Process improvements can be applied city wide when applicable; and
- c) The Vacant Lot and Adaptive Reuse Incentive Program can be accessed for sites outside the Downtown, but caps do exist for the grant option.

Ongoing Work Relating to the Downtown and City Centre

There are a number of key actions that the Administration will be undertaking that relate to outstanding commitments under this program, continued support for infill development, and ongoing implementation of the City Centre Plan:

- a) Completion of a review of the B6 zone to identify potential improvements, and preparation of bylaw amendments where necessary;
- b) Review of the B3 zone along Idylwyld Drive in conjunction with implementation of Imagine Idylwyld;
- c) Continued work pre-engineering the Downtown, including building out site-specific technical details for potential development sites that can be made available to developers; and
- d) Planning for a potential arena, convention centre, and new central library in the Downtown.

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Administration will also begin preparation of a City Centre Action Plan (Action Plan) in 2019 to provide a refresh of the 2013 City Centre Plan, which will include an implementation update, refocus on outstanding items, and incorporation of new ideas and issues. Among the new ideas to be incorporated into the Action Plan are those resulting from the “Destination Downtown” workshop held in March 2019 that focused on the creation of a stimulus strategy for Downtown development. Further reporting from Administration on this matter, including the final report produced by Beasley and Associates Planning Inc., will occur in due course.

To support preparation of the Action Plan, Administration is requesting approval to change the scope of work for Capital Project 2458 – City Centre Plan Phase 4 (Civic Precinct Master Plan) to allocate the remaining funds for this purpose. This will provide for the required planning work, as well as communications and engagement efforts to undertake the project. Attachment 2 outlines the proposed changes to the scope.

With the current staff resources available, Administration would prefer to focus on completing the above-referenced items at this time rather than consider any expansion to the program area.

Initiatives Supporting Infill Development Overall

It is important to note the myriad of other initiatives underway that help to advance the City’s objectives for infill development overall, which include:

- a) Implementation of the Growth Plan, including the Bus Rapid Transit and Corridor Planning pieces;
- b) Sector planning for the University of Saskatchewan Endowment Lands;
- c) Release of the remaining development parcels at River Landing;
- d) Redevelopment of the former transit facilities in South Caswell;
- e) Investigation of funding strategies for local infrastructure improvements related to infill development;
- f) Development of an online information portal for developers;
- g) A policy review for tree conservation on civic property to proactively find a balance between infill development and the urban forest;
- h) Review of the Vacant Lot and Adaptive Reuse Incentive Program; and
- i) Comprehensive review of the Zoning Bylaw.

Options to the Recommendation

Staff resources could be added to any of the actions related to the Downtown, City Centre or infill development overall, in order to complete the related items in a shorter time frame. However, the recommendation to maintain the focus of the existing program in the Downtown is not due to resource limitations, but is related to ensuring that the desired outcome of development in the Downtown is achieved.

Public and/or Stakeholder Involvement

Relevant stakeholders will continue to be engaged, as necessary, in discussions relating to development of the Downtown and City Centre.

Financial Implications

Future reporting on Downtown infrastructure upgrades will include discussion of funding sources for any recommended course of action.

Capital Project 2548 currently has an available budget of between \$90,000 and \$100,000 that has been allocated for Phase 4, Civic Precinct Master Plan. This report is recommending a change in the scope of this project to allocate the remaining funds in this Capital Project to the creation of the City Centre Action Plan in 2019. As a result, when it is an appropriate time to undertake the Civic Precinct Master Plan, a new funding request will be required.

Other Considerations/Implications

There are no policy, environmental, privacy, or CPTED implications or considerations; a communication plan is not required at this time.

Due Date for Follow-up and/or Project Completion

Reports regarding key actions outlined in this report will be brought forward to Standing Policy Committees as necessary.

Public Notice

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

Attachments

1. Map of the Downtown and City Centre
2. Capital Project 2458 Scope – City Centre Plan

Report Approval

Written by: Brent McAdam, City Centre Planner, Planning and Development
Galen Heinrichs, Water & Sewer Engineering Manager
Reviewed by: Lesley Anderson, Director of Planning and Development
Approved by: Lynne Lacroix, General Manager, Community Services Department

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