DECISION/DIRECTION NOTE

Title: Downtown Development Fees and Intensification Areas Under the

Envision St. John's Municipal Plan

Date Prepared: May 16, 2019

Report To: His Worship the Mayor and Members of Council

Councillor & Role: Councillor Maggie Burton, Planning and Development lead

Ward: 2

Decision/Direction Required:

To consider waiving development fees for development projects Downtown; to consider whether to add Downtown to the list of intensification areas under the Envision St. John's Municipal Plan.

Discussion – Background and Current Status:

At its regular meeting on March 4, 2019, Council adopted-in-principle the Envision St. John's Municipal Plan and Development Regulations; we await provincial release to move forward with those documents.

At the time, there was discussion about adding Downtown to the list of eight (8) intensification areas, to stimulate development projects and to enable Council to waive development fees. The intensification areas are set out in the Envision Municipal Plan (Section 6.2 "Secondary Plans", page 6-3) and described as follows:

Intensification Areas as shown in Appendix A, Map P-3 (Intensification Areas Map), have been identified as having potential for future redevelopment and intensification for a mix of commercial, residential and other uses. These areas are typically commercial areas located on transit-serviced roadways that are characterized by vacant and underutilized sites, including large parking areas.

The Envision Plan goes on to discuss the particulars of these intensification areas:

- 2. Where areas for Intensification... have been identified in a Planning Area, Secondary Plans shall be required to address ways to achieve intensification, consistent with the policies of this Plan, including:
 - Defining specific boundaries of the areas targeted for intensification;
 - Design and height requirements; and
 - Appropriate zoning to facilitate intensification objectives and uses.



- 3. Encourage redevelopment of Intensification Areas to achieve a mix of commercial, residential, and service uses, along with increased density and high quality public spaces.
- 4. Develop new parking standards to encourage the development of complementary uses within the same building as a way to reduce the number of required parking spaces, which lead to better overall site design.
- 5. Encourage an appropriate transition of building scale between developments in areas identified for intensification and adjacent residential neighbourhoods.
- 6. Create new design guidelines for site layout, vehicular circulation and loading zones in order to reduce or improve the appearance of parking lots along the street, and to minimize the impact of vehicles on the pedestrian realm.

The eight (8) intensification areas identified to date are all areas with undeveloped land or underutilized parking lots, or areas built at low density that are now located along major traffic routes. They all have potential for higher density if planned and built in a suitable manner.

In contrast, Downtown already has the highest development densities, including residential densities, of any area of St. John's. The challenge is not to achieve higher densities but to foster continued economic development in a manner that fits. Downtown is a commercial and institutional centre of the city, as well as an area where a large number of residents live, and a focus for much of our built heritage. It has faced challenges in recent years due to the Downtown in the oil industry, which has rippled into the wider economy. There are also challenges with costs of Downtown redevelopment, plus the continued construction of commercial areas outside Downtown that have led to some businesses moving.

Council has decided to *waive development fees* for new developments in the intensification areas (as set out above, this will be subject to secondary plans being created for each intensification area, to plan for how each area can be redeveloped to higher density and with a mix of land uses). Downtown is a unique area of the city which does not quite fit the bill for the intensification areas, as it is already built out for the most part, except for some vacant lands or brownfield sites (where buildings are empty or have been torn down), awaiting new development.

Given that a vibrant Downtown is important and that some developers and property owners have stated that the costs of redevelopment Downtown are high, and that as a result Downtown may continue to decline relative to other areas, Council wishes to consider waiving development fees as a way of stimulating new development Downtown.

Though Downtown does not align with the nature of the eight (8) intensification areas set out in the Envision St. John's Municipal Plan, it is a unique neighbourhood. Council is keen to see a secondary plan (with more detail than the overall Municipal Plan) prepared for Downtown. Please note that the boundary selected for Downtown is important to decide on. The boundary proposed here is similar to one used by the Downtown Advisory Committee.

Key Considerations/Implications:

- Budget/Financial Implications:
 Waving development fees will reduce revenue.
- 2. Partners or Other Stakeholders:

Developers, Downtown residents, businesses and property owners.

3. Alignment with Strategic Directions/Adopted Plans:

From the City's Strategic Plan: A Sustainable City

- Be financially responsible and accountable.
- Plan for land use and enhance the natural and built environment where we live.
- 4. Legal or Policy Implications:

Waiving development fees in this manner requires a Council directive. The City would have to be clear on what Downtown boundary is used. Staff recommend using the attached map.

- 5. Engagement and Communications Considerations: Public advertisement of the waiver of development fees Downtown.
- 6. Human Resource Implications: Not applicable.
- 7. Procurement Implications: Not applicable.
- 8. Information Technology Implications: Not applicable.
- 9. Other Implications: Not applicable.

Recommendation:

It is recommended that Council waive development fees in the Downtown core as identified by the attached map.

It is further recommended that Council not add Downtown to the list of intensification areas as it does not meet the description.

Prepared by/Signature:

Ken O'Brien, MCIP - Chief Municipal Planner

Signature:		
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Approved by/Date/Signature:

Jason Sinyard, P.Eng., MBA – Deputy City Manager, Planning, Engineering and Regulatory Services

KOB/dlm

Attachments:

Map Proposed for Downtown boundary
Map showing intensification areas from Envision St. John's

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