Recommendation:

That Urban Planning Committee recommend to City Council:

That the revised Policy C542 Development Setbacks From River Valley/Ravine Crests, as outlined in Attachment 1 of the September 28, 2016, Sustainable Development report CR_3418, be approved.

Report Summary

This report facilitates an amendment to Policy C542 to remove all instances of the word 'uppermost' from the policy. This report also outlines the status of Administration's work with the Development Industry to resolve the future disposition of terrace lands within the upstream reaches of ravines. It also highlights the need to further amend Policy C542, in collaboration with stakeholders, such that Council, Administration and stakeholders have a common understanding of the policy and how it will be implemented.

Previous Council/Committee Action

At the September 19, 2016, Agenda Review Committee meeting, this report was rerouted to the September 28, 2016, Urban Planning Committee meeting.

At the February 16, 2016, City Council meeting, the following motion was passed:

That Administration prepare amendments to Development Setbacks from River Valley/Ravine Crests City Policy C542 that would result in the removal of the word "uppermost" from the entire policy, including amendments to the policy, which offer criteria by which Council could determine which River Valley/Ravine Terraces might be surplus to the City of Edmonton's parkland, floodplain, ecological network or geotechnical stability needs, and return to Executive Committee in Quarter 3 of 2016.

Report

Status of Administration's Work to Amend Policy C542

The focus of Administration's work on the above motion since February 2016 was to engage the Development Industry to interpret Policy C542, and the definition of Environmental Reserve under the *Municipal Government Act*, in the context of a case study for terrace lands within the Whitemud Creek Ravine abutting the future Glenridding Ravine neighbourhood in the Windermere Area Structure Plan. These lands were chosen for the case study as they highlighted a number of interpretive issues and a decision on their future disposition is central to the interests of both Administration and

the Development Industry in advancing planning work for the proposed Glenridding Ravine Neighbourhood Structure Plan.

The engagement with industry representatives and area land developers spanned eight meetings over several months and included site visits to the terrace lands to better understand their context and surrounding conditions. Through this engagement, Administration, industry representatives, and area land developers came to an agreement that the subject terraces were developable, were not eligible to be acquired as Environmental Reserve, and would require compensation to landowners should the City desire to acquire them. At the time of writing this report Administration and the affected area land owners were pursuing market appraisals of these lands to arrive at a compensation value. The options to acquire through compensation are to purchase, trade, or utilize Municipal Reserve entitlement based on market value.

While the above engagement led Administration and area land owners to an agreement on the future disposition of the case study terraces lands in this instance, and without prejudice, it did not include the identification of more holistic amendments to resolve interpretive issues beyond removing all instances of the word "uppermost" from Policy C542. Consequently, additional work to fully address Council's February 2016 motion is necessary and advised based on Administration's better understanding of interpretive challenges in the remaining undeveloped areas abutting the ravine system within the City and within potential annexation lands.

Removal of the Word 'Uppermost' from Policy C542

The word 'uppermost' occurs once in the Policy under Section 2, Area of Application, as follows:

"This Policy applies to Upland Areas Abutting the **uppermost** Crest of the North Saskatchewan River Valley and Ravine System."

An amended version of the Policy that removes the word 'uppermost' from Section 2, Area of Application, is provided in Attachment 1.

Potential Additional Amendments to Policy C542

Policy C542 Development Setbacks from River Valley/Ravine Crests was approved by City Council in 2010 to ensure new neighbourhood development adjacent to the North Saskatchewan River valley and ravine system is reasonably safe from environmental hazards, maximizes public access to the river valley, and preserves the river valley and ravine system as a significant visual and natural amenity feature.

The policy provides for the separation of development from the river valley and ravine system through the establishment of a top of bank line, also known as the ravine crest, and determination of a technically-supported urban development line demarcating the boundary between developable and non-developable upland area. The policy directs Administration to establish the urban development line on the basis of a number of hazard assessments, primarily slope stability, and to dedicate lands falling below the

Page 2 of 7 Report: CR_3418

urban development line and abutting the river valley and ravine system as Environmental Reserve.

As the City of Edmonton grows outward into the Edmonton Energy and Technology Park and potentially into future annexed lands, new development will continue to occur adjacent to the upstream reaches of smaller creeks and tributaries of the river valley and ravine system. Compared to the deeply incised North Saskatchewan River and downstream tributary reaches in central Edmonton that are characterized by abrupt top of bank breaks, upstream reaches are often characterized by relatively gentle slopes where a top of bank line may be difficult to establish. These upstream reaches may include terrace features that may be quite large and relatively stable, but lying below the geomorphic limits of the ravine.

Approximately 136 kilometres, or 29 percent, of the entire perimeter of the river valley and ravine system is characterized by gentle slopes or the presence of terrace features (Attachment 2, Figures 1 and 2).

The topography of these upstream reaches with a poorly defined top of bank line and relatively large stable terraces, like those abutting Whitemud Creek in the Glenridding Ravine neighbourhood, will increasingly generate interpretative challenges without additional amendments to Policy C542. These challenges are further outlined in Attachment 3.

While proposed amendments to the *Municipal Government Act*, if passed by the provincial government, would provide municipalities with additional ability to acquire environmentally sensitive lands through compensation, they would not increase the ability to acquire Environmental Reserve or the applicability of this definition to terrace lands or the applicability of this definition to terrace lands. An overview of relevant changes proposed under the *Modernized Municipal Government Act* is provided in Attachment 4.

The present Policy C542 and implementation approach need to be amended to respond to emerging challenges such that Council, Administration, the land development industry and the general public better understand the policy and how it will inform decisions on the future use of land within and abutting the upstream reaches of the ravine system.

Potential Approach to Amending Policy C542

Administration recommends exploring an amended policy framework that would apply to future growth areas and the remaining, unplanned portions of the city. This framework would allow for the establishment of appropriate development setbacks that consider distances based on technically-defensible or well-established criteria, described in Attachment 5.

Page 3 of 7 Report: CR_3418

It is important that this approach be developed in collaboration with stakeholders, including the land development industry, before any change to City policy or procedure is recommended to Council.

By exploring a new approach, Administration would seek to:

- meet multiple planning objectives including watershed health, climate resiliency, protection of natural environments, protection of urban development from hazards, and public access to the river valley and ravine system
- identify clear, consistent criteria for development setbacks to establish planning boundaries for the North Saskatchewan River Valley and Ravine System Area Redevelopment Plan
- identify process enhancements for more efficient and effective decisions and greater certainty in the land development process
- identify methods for the City to secure lands to meet the above objectives, including purchase, trade, or utilization of Municipal Reserve entitlement

Potential Area of Application

Within current City boundaries, approximately 85 kilometres of the river valley and ravine system is located adjacent to areas that are early in the development process, where development setbacks have not been established (Attachment 2, Figure 3). Existing planning practices and procedures within Policy C542 are applicable to approximately 24 kilometres of this area due to the presence of steep slopes and a well-defined ravine crest.

Approximately 61 kilometres, or 13 percent, of the entire 465 kilometre perimeter of the river valley and ravine system border lands that are early in the planning process and abut ravines where a top of bank line would be difficult to establish under the current policy. For these lands, an amended policy approach that incorporates multiple functional considerations could be applied, depending on the status of associated development applications at the time of completion of proposed amendments. The majority of these lands (52 kilometres, or 85 percent) are located within the Edmonton Energy and Technology Park in northeast Edmonton (Attachment 2, Figure 3). While Administration understands that these landscape conditions exist south of the current city boundary, it has not yet fully quantified their extent in the future annexation areas.

Next Steps

To deliver an amended policy framework and implementation approach Administration will.

- work closely with the development industry, other orders of government, and other stakeholders to understand the impacts and desired outcomes of implementation
- ensure that any new potential approach aligns with provincial and municipal policy and legislation, as well as with current planning practices

Page 4 of 7 Report: CR 3418

- evaluate the impacts that the potential approach may have on land and infrastructure securement, management and maintenance period
- report to Urban Planning committee with findings and potential recommendations

Administration estimates that this work could take 12-18 months to complete with periodic updates to Urban Planning Committee. This project will be added to Administration's 2017 work program. This work will inform future land development and area planning considerations within the annexation lands. Any issues that might arise in existing plan areas will be navigated within the current policy framework.

Public Consultation

Public consultation for the recommended amendment to Policy C542, other than the engagement described above, was not undertaken as Council had provided previous direction to delete all references of the word 'uppermost.'

Public consultation to explore additional potential amendments to Policy C542 will be undertaken as described above.

Policy

- The Way We Grow, Edmonton's Municipal Development Plan
- The Way We Green, Edmonton's Environmental Strategic Plan
- North Saskatchewan River Valley Area Redevelopment Plan (Bylaw 7188)
- City Policy C542 Development Setbacks From River Valley/Ravine Crests
- City Policy C531 Natural Area Systems
- Natural Connections Strategic Plan (2007)
- Urban Parks Master Plan (2006)
- Ribbon of Green Master Plan (1992)

Corporate Outcomes

This report contributes to the corporate outcome "Edmonton is an environmentally sustainable and resilient city" by establishing policy direction for meeting the City's hazard protection, ecological network, and parkland needs in the river valley and ravine system.

Page 5 of 7 Report: CR_3418

Risk Assessment

| Risk Element | Risk Description | Likelihood | Impact | Risk Score | Current Mitigations | Potential Future Mitigations |
|-----------------------|---|---------------|--------------|----------------|---|---|
| Project Management | The City is not able to fully realize the policy objectives of C542, the North Saskatchewan River Valley Area Redevelopment Plan, and the Municipal Development Plan Continued uncertainty for the City and the development industry, leading to delays and additional costs during the land use planning process Potential for legal challenges related to the City's application of Section 664 of the Municipal Government Act | 4 - Likely | 3 - Major | 12 - Medium | Continue to work with the development industry to identify appropriate planning approaches on a case-by-case basis. Continue to work with the provincial government to ensure that current planning practices are consistent with Section 664 of the Municipal Government Act. | Ensure coordination occurs between the City of Edmonton, the development industry, and the provincial government to ensure to identify alternative planning approaches. |

Metrics, Targets and Outcomes

| Metrics | Approximately 61 kilometres, or 13 percent, of the entire 465 kilometres perimeter of the river valley and ravine system are located adjacent to planning areas for which detailed planning and establishment of development setbacks have not been completed and for which a top of bank line may be difficult to establish under the current policy. | |
|----------|--|--|
| Targets | Mitigation of risks associated with geotechnical hazards, flooding, wildfire, pollution, and biodiversity loss, whether through current planning practices or an amended policy approach, is achieved in 100 percent of planning areas adjacent to the river valley and ravine system. | |
| Outcomes | Urban development is reasonably safe from environmental hazards, the impacts of urban development on the river valley and ravine system are minimized, and operational and public access are provided. | |

Page 6 of 7 Report: CR_3418

Justification of Recommendation:

Approval of the revised Policy C542 - Development Setbacks from River Valley/Ravine Crests is required to comply with the motion passed at the February 16, 2016, City Council meeting.

Attachments

- 1. Policy C542 amended to remove the word "Uppermost"
- 2. Applicability of Policy C542 to Lands in the North Saskatchewan River Valley Area Redevelopment Plan
- 3. Implementation Challenges with the Current Policy
- 4. Policy C542 and the Municipal Government Act
- 5. Overview of Functional Considerations for Lands Abutting the North Saskatchewan River Valley and Ravine System

Others Reviewing this Report

- T. Burge, Chief Financial Officer and Deputy City Manager, Financial and Corporate Services
- C. Campbell, Deputy City Manager, Communications and Public Engagement

Page 7 of 7 Report: CR_3418