



**SUBJECT:** Partial Advancement of Phase 3 of Markham's New Comprehensive Zoning By-law Project & Proposed Sole Sourcing of Consultants, PR 13 128340

**PREPARED BY:** Anna Henriques, MCIP, RPP, Senior Planner – Zoning & Special Projects, ext. 7922

**REVIEWED BY:** Tom Villella, MCIP, RPP, Manager – Zoning & Special Projects, ext. 2758

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**RECOMMENDATION:**

- 1) THAT the report titled, "Partial Advancement of Phase 3 of Markham's New Comprehensive Zoning By-law Project & Proposed Sole Sourcing of Consultants, PR 13 128340" dated March 1, 2016, be received; and,
- 2) THAT Staff be authorized to advance work on a portion of Phase 3 of the Project (drafting and processing of the New Comprehensive Zoning By-law) to complete work on new zoning and licensing regulations for short term residential rental accommodations (i.e., AirBnB), rooming houses and secondary suites (Phase 3a); and,
- 3) THAT the tendering process be waived for Gladki Planning Associates ("GPA") in accordance with Purchasing By-Law 2004-341, Part I, Section (7) Non Competitive Procurement, item 1(c) "when the extension of an existing contract would prove more cost-effective or beneficial"; and,
- 4) THAT the Contract for 043-S-16: Consulting Services for (drafting and processing of the New Comprehensive Zoning By-law) to complete work on new zoning and licensing regulations for short term residential rental accommodations (i.e., AirBnB), rooming houses and secondary suites (Phase 3a), be awarded to GPA in the amount of \$105,372.48 inclusive of HST; and,
- 5) THAT a contingency in the amount of \$10,537.25 (10%), inclusive of HST impact to cover any additional project costs be approved, and that authorization be granted to approve expenditures of this contingency amount up to the specified limit in accordance with the Expenditure Control Policy; and,
- 6) THAT the award to GPA in the amount of \$115,909.73 (\$105,372.48 + \$10,537.25) inclusive of HST impact be funded from 620-101-5399-16001 "Consolidated Zoning By-Law Program – Phase 3 of 4"; and,
- 7) THAT Staff be authorized to establish an inter-departmental Staff working group to work with GPA on Phase 3a (as noted above), as required;
- 8) AND THAT Staff be authorized and directed to do all things necessary to give effect to this resolution.

**PURPOSE:**

The purpose of this report is to provide an update on the status of Markham's New Comprehensive Zoning By-law Project and to authorize Staff to:

- 1) Advance work on a portion of Phase 3 (drafting of the New Comprehensive Zoning By-law) to prepare new zoning regulations for short term residential rental accommodations (i.e., AirBnB), rooming houses and secondary suites, as well as licensing regulations (Phase 3a); and,
- 2) Retain GPA as the lead consultant to complete work on Phase 3a.

**BACKGROUND:****Markham's New Comprehensive Zoning By-law Project**

The purpose of Markham's New Comprehensive Zoning By-law Project is to review, consolidate and update, where appropriate, the City's parent zoning by-laws into one (1) comprehensive zoning by-law that conforms with and implements the City's New Official Plan. A key objective of the Project is to develop an innovative, web-based and user-friendly zoning by-law that responds to current and emerging sustainable planning and development trends, to guide future development in Markham. This is a phased, multi-year Project, as outlined below:

Phase 1: Zoning Issues Analysis (work on Phase 1 almost complete; target completion end of March 2016)

Phase 2: Strategic Direction (work on Phase 2 underway; target completion in June 2016)

Phase 3: Drafting and Processing of New Comprehensive Zoning By-law (work on Phase 3 targeted to commence Fall 2016; target completion end of 2017/early 2018)

Phase 4: Potential OMB Appeals (2018 – 2019)

In April 2014 (via Request for Proposal 003-R-14), Gladki Planning Associates ("GPA") was retained by the City as the lead consultant, managing a team of sub-consultants, to complete the required work for Phase 1 (Zoning Issues Analysis) and Phase 2 (Strategic Direction).

**Work on Phase 1 complete**

The consulting team has completed work on Phase 1 which includes twenty (20) draft discussion papers that examine specific zoning issues and topics, including potential options for addressing identified issues in the new comprehensive zoning by-law. The draft discussion papers are outlined in Appendix A (attached) and are available on the Project webpage on the City's website, [www.markham.ca](http://www.markham.ca) (Click on "Learn About Major City Projects" and "New Zoning By-law Project").

The twenty (20) draft discussion papers will be summarized in a Zoning Issues Analysis (ZIA) document, along with a summary of input received from members of the public and stakeholders at the Phase 1 Open Houses (discussed further below). The ZIA will be presented to Development Services Committee (DSC) in March, 2016 for endorsement. DSC endorsement of the ZIA is a key Project milestone, officially marking completion of

Phase 1. It is noted that prior to the ZIA being presented to DSC for endorsement in March 2016, a council work session will be held to summarize and discuss input received at the three (3) Phase 1 Open Houses, consistent with the direction received at the May 19, 2015 DSC meeting.

It is intended that the work completed in Phase 1, along with the input received from the public and stakeholders, will inform the overall strategy (Phase 2) to guide the drafting and processing of the New Comprehensive Zoning By-law (Phase 3). Work on Phase 2 (Strategic Direction) is now underway and is expected to be completed in June 2016. Phase 3 (drafting and processing of new comprehensive zoning by-law) is anticipated to begin in the Fall of 2016 (after a competitive bid process and a contract awarded) and is targeted for completion by the end of 2017 or early 2018.

### **Phase 1 Open Houses held**

Three (3) Open House meetings were held in November and December, 2015 (November 5<sup>th</sup>, November 12<sup>th</sup> and December 8<sup>th</sup>) to obtain public and stakeholder input on the draft discussion papers prepared for Phase 1. The Open Houses were organized to discuss each of the draft discussion papers prepared, as outlined in Appendix B (attached).

At the December 8<sup>th</sup> Open House there was considerable discussion on shared and affordable housing, as well as student housing. Specifically, the discussion focused on short term residential rental accommodations (i.e., AirBnB), rooming houses and secondary suites. With respect to AirBnB rental accommodations, residents raised concerns relating to impacts on nearby properties such as safety, noise and parking. With respect to secondary suites and rooming houses, concerns were raised relating to matters such as occupant safety, burden on community services, housing for York University students and enforcement of existing by-laws (zoning and licensing).

Given the concerns identified at the December 8<sup>th</sup> Open House, many of which were recently previously raised to members of Council (individually and as a group), several members of Council present at the December 8<sup>th</sup> Open House requested that Staff advance work on developing new zoning and licensing regulations, for short term residential rental accommodations, rooming houses and secondary suites (Phase 3 work to be advanced and referred to as Phase 3a). It was felt that these matters were of an urgent nature, requiring resolution prior to completion of the drafting of the New Comprehensive Zoning By-law (Phase 3) which is targeted for the end of 2017 or early 2018.

## **DISCUSSION**

### **Next Steps**

Staff is now seeking authorization to move forward with the direction provided at the December 8<sup>th</sup> Open House. To advance work on new zoning regulations for short term residential rental accommodations, rooming houses and secondary suites (Phase 3a), Staff recommend the following next steps:

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1. Retain GPA as lead consultant

Staff recommend that GPA be awarded the contract, to complete the required work for Phase 3a. GPA is a land use planning firm that provides a full range of planning services for private and public clients in Canada and abroad, with strong expertise managing multi-disciplinary teams on complex projects.

GPA has assembled a team of sub-consultants with planning, zoning, licensing, facilitation and legal expertise and has provided a scope of work which has been reviewed to the satisfaction of Staff.

The scope of work includes the following:

- Review of existing Markham by-laws (zoning and licensing);
- Review of background work and studies completed by the City thus far;
- Review of best practices from other municipalities;
- Drafting new regulations (zoning & licensing)
- Undertaking public consultation to obtain feedback prior to the new regulations being presented to DSC and Council for adoption

GPA will also work closely with a Staff working group (discussed further in this report) to provide context and input throughout the entire process.

Staff is recommending awarding this contract to GPA for the following reasons:

- **Synergies:** In 2010, GPA was retained by the City to assist with the preparation of the new Official Plan. In May 2014, the City retained GPA (via RFP 003-R-14), with the highest technical score and lowest bid price, to complete work on Phase 1 and 2 of Markham's New Comprehensive Zoning By-law Project. Thus far, GPA has completed all the background work for Phase 1 which includes a review of Markham's existing zoning by-laws as well as a review of specific zoning issues including affordable and shared housing. In addition, GPA led three (3) Open House meetings for Phase 1 of the Project and is well aware of issues and concerns associated with the subject matter. Given the above, GPA is well suited to competently, expeditiously and seamlessly transition into the next Phase of the Project which encompasses the development of a strategy and new zoning regulations for short term residential rental accommodations, rooming houses and secondary suites. Lastly, retaining GPA is also more cost-effective for the City as there will be no need to fund consultant hours to get up to speed with Markham's zoning by-laws and the work completed thus far on the New Comprehensive Zoning by-law Project.
- **Quality Services:** GPA has a proven track record for quality service with the municipality, specifically for their work on the new Official Plan and Phase 1 of the New Comprehensive Zoning By-Law, as awarded via Contract 003-R-14.
- **Project Manager's Experience:** Mr. John Gladki (Principal) will be the lead for this project. As a Project Manager Mr. Gladki brings to this study a wealth of knowledge with 40 years experience in planning, specifically with zoning by-law amendments and

matters pertaining to affordable and shared housing. Mr. Gladki's past clients include the Province of Ontario, the City of Toronto, the City of Mississauga, and the World Bank.

- **Price Comparison:** Staff undertook an analysis of the price provided to ascertain its competitiveness. Other Planning firms typically charge between \$175.00 and \$225.00 per hour for firm partners. The recommended proponent is providing an hourly rate of \$225/Hour, which is a competitive price within the industry.

2. Establish an Inter-Departmental Staff Working Group

A working group with Staff from various City departments that have an interest in, or work closely on matters relating to short term residential rental accommodations, rooming houses and secondary suites, will be established to work closely with the retained consultant to provide valuable insight and feedback throughout the process. It is recommended that Staff from the following departments be included in the working group:

- Planning
- Building
- Clerks
- By-law Enforcement and Licensing
- Fire
- Legal
- Corporate Communications

Staff is seeking authorization to proceed with retaining GPA and establishing an interdepartmental Staff working group as a means to advance work on developing new zoning and licensing regulations for short term residential rental accommodations, rooming houses and secondary suites, consistent with the direction provided at the December 8<sup>th</sup>, 2015 Open House.

**FINANCIAL CONSIDERATIONS:**

Total Budget available for this project (Phase 3)	\$882,500.00	620-101-5399-16001 Consolidated Zoning By-Law Program – Phase 3 of 4
Less: Consulting Services	\$105,372.48	Gladki Planning Associates
Less: 10% Contingency	\$ 10,527.25	Gladki Planning Associates
Total Cost	\$115,909.73	Inclusive of HST Impact
Remaining Budget*	\$766,590.27	

\*The remaining budget of \$766,590.27 will be used for continuation of Phase 3 work and internal Staff recoveries. Staff anticipate that the remaining budget will be sufficient to complete all Phase 3 budgeted items.

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**HUMAN RESOURCES CONSIDERATIONS:**

N/A


**ALIGNMENT WITH STRATEGIC PRIORITIES:**

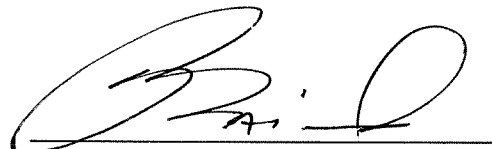
This Project aligns with the City's strategic priority of Growth Management by implementing the New Official Plan and establishing a zoning framework to guide future development in the City. This Project also aligns with the City's strategic priorities relating to quality customer service by providing improved access to up-to-date zoning information.

**BUSINESS UNITS CONSULTED AND AFFECTED:**

This City-wide Project affects many City Departments. All relevant City departments have and will continue to be consulted throughout each Phase of this Project, as appropriate.

**RECOMMENDED BY:**

  
Biju Karumanchery, M.C.I.P., R.P.P.  
Director, Planning & Urban Design

  
Jim Baird, M.C.I.P., R.P.P.  
Commissioner, Development Services

**ATTACHMENTS:**

Appendix 'A' – Phase 1 Draft Discussion Papers  
Appendix 'B' – Phase 1 (2015) Open Houses

# **APPENDIX A**

## **PHASE 1 DRAFT DISCUSSION PAPERS**

- Guiding Principles (Task 1)
- Official Plan Conformity (Task 2)
- Existing Zoning By-laws: format, structure, layout, etc (Task 3)
- Zoning By-law Amendments: Site Specifics (Task 4a)
- Minor Variances (Task 4b)
- Zoning By-law Definitions (Task 5)
- Geographic Information Systems (GIS) (Task 6)
- Automotive Uses (Task 7)
- Drive Through Facilities (Task 8)
- Parking Standards (Task 9)
- Residential Accessory Structures & Amenity Space (Task 10)
- Home Occupations (Task 10)
- Residential Infill & Compatibility Issues Between Residential and Non-Residential Uses (Task 12)
- Affordable & Shared Housing & Secondary Suites (Task 13a)
- Student Housing (Task 13b)
- Places of Worship (Task 14)
- Greenway System, Hazard Lands & Special Policy Areas (Task 15)
- Medical Marihuana Production Facilities (Task 16a)
- Addiction and Recovery Centres (Task 16b)
- Adult Entertainment & Sex Industry Uses (Task 17)

## APPENDIX B

### PHASE 1 (2015) OPEN HOUSES

#### Thursday, November 5

- Guiding Principles
- Official Plan Conformity
- Existing Zoning By-laws
- Site Specific Amendments
- Minor Variances
- Zoning By-law Definitions
- Geographic Information Systems

#### Thursday, November 12

- Infill Housing
- Interface Issues Between Residential and Non-Residential Uses
- Residential Accessory Structures & Amenity Space
- Home Occupations
- Greenway System // "O& Special Policy Areas
- Parking Standards
- Places of Worship
- Geographic Information Systems

#### Tuesday, December 8

- Automotive Uses
- Drive Through Facilities
- Affordable & Shared Housing
- Student Housing
- Adult Entertainment & Sex Industry Uses
- Medical Marihuana Manufacturing Facilities
- Addiction & Recovery Facilities
- Geographic Information Systems