

**LAND USE AMENDMENT
HIGHFIELD - WARD 9
BLACKFOOT TRAIL SE NORTH OF 42 AVENUE SE
BYLAW 20D2014**

MAP 2C

EXECUTIVE SUMMARY

This land use application proposes to redesignate (rezone) three adjacent parcels in the southeast Highfield Industrial from their existing light industrial based Industrial – General (I-G) District to an Industrial – Commercial (I-C) District that allows for a more commercially oriented range of permitted and discretionary uses. The Applicant's submission materials identify a desire to redevelop these parcels into a comprehensively designed industrial-business park.

PREVIOUS COUNCIL DIRECTION

No previous Council direction.

ADMINISTRATION RECOMMENDATION(S)

2014 January 16

That Calgary Planning Commission **APPROVE** the proposed Land Use Amendment.

RECOMMENDATIONS OF THE CALGARY PLANNING COMMISSION

That Council hold a Public Hearing on Bylaw 20D2014; and

1. **ADOPT** the proposed redesignation of 3.71 hectares \pm (9.17 acres \pm) located at 4040 Blackfoot Trail SE and 4015 and 4027 – 7 Street SE (Plan 9810597, Block 1, Lots 3, 6 and 7) from Industrial – General (I-G) District **to** Industrial – Commercial (I-C) District, in accordance with the Corporate Planning Applications Group recommendation; and
2. Give three readings to the proposed Bylaw 20D2014.

REASON(S) FOR RECOMMENDATION:

The I-C District retains the capacity for these parcels to be utilised for light industrial purposes while also allowing for additional commercial use flexibility for commercial uses that are supportive to industrial employees in the area and compatible and complementary within the context of the existing surrounding industrial area.

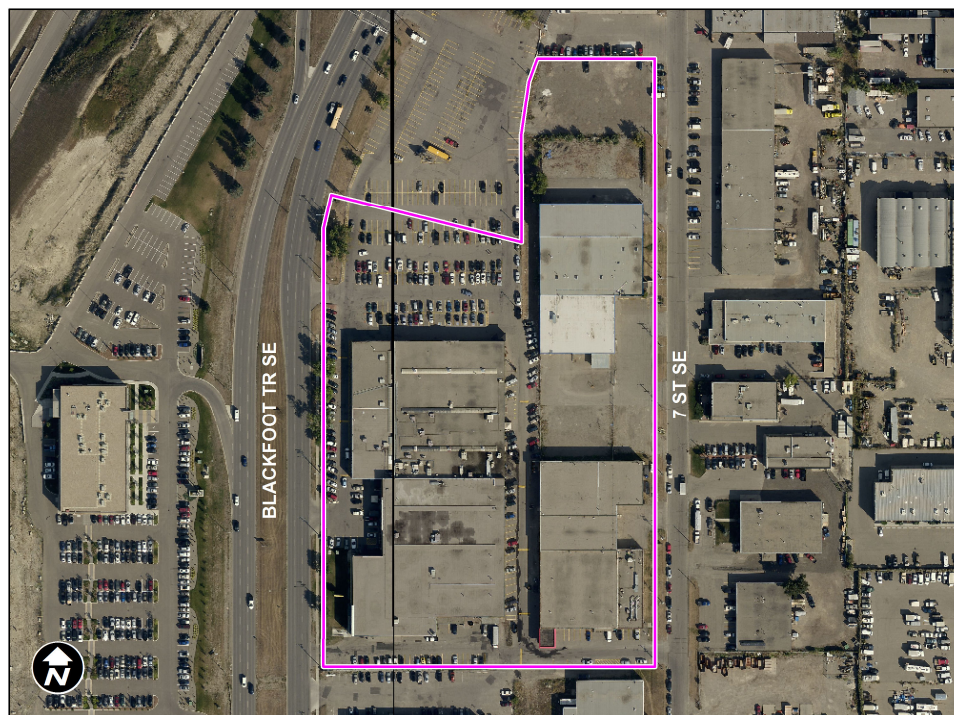
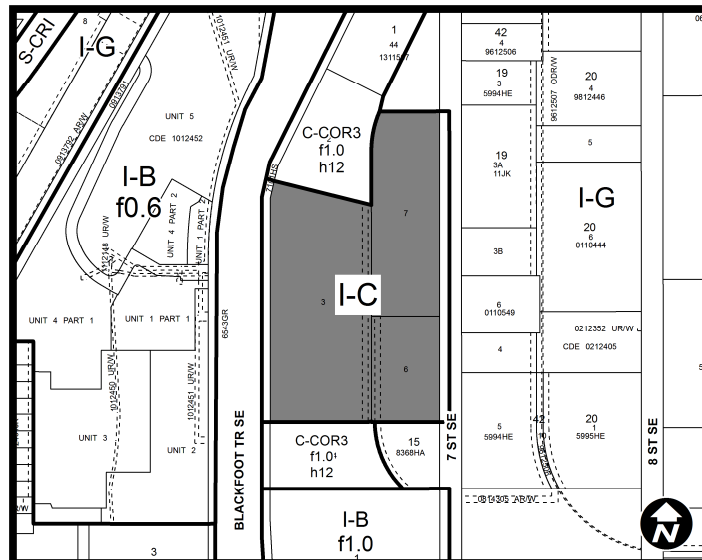
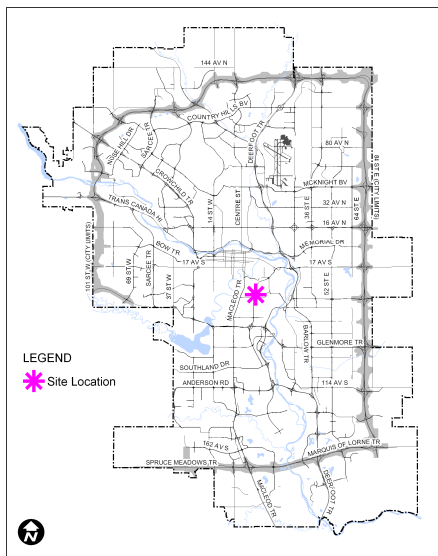
ATTACHMENT

1. Proposed Bylaw 20D2014.

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LOCATION MAPS



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ADMINISTRATION'S RECOMMENDATION TO CALGARY PLANNING COMMISSION

Recommend that Council **ADOPT**, by bylaw, the proposed redesignation of 3.71 hectares \pm (9.17 acres \pm) located at 4040 Blackfoot Trail SE and 4015 and 4027 – 7 Street SE (Plan 9810597, Block 1, Lots 3, 6 and 7) from Industrial – General (I-G) District **to** Industrial – Commercial (I-C) District.

Moved by: P. Battistella

Carried: 6 – 2
(R. Wright and R. Honsberger)

Reason of opposition from R. Wright:

- The approval of I-C is inappropriate for 2 basic reasons:
 - The I-C district introduces many new “permitted” uses that are basically commercial in nature including offices and retail and consumer - no ability of approving authority to turn those types of uses down. Such uses create instability, are disruptive to existing industrial users, can increase interface conflicts including traffic.
 - Secondly, office uses in particular, which this application has already indicated it wants to create an office park cause a strategic problem in terms of population/jobs balance. Office uses are more footloose and should be used to shift job locations to help with balance, to take advantage of transit. The site is not within employee intensive area. Recent monitoring document suggests that 14 criteria, 3 have lost ground, including the population/job balance, this application contributes making this balance even worse.

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Applicant:

Stantec Consulting Ltd

Landowner:

AGC Building Ltd
Hampton Development Ltd

Planning Evaluation Content	*Issue	Page
Density <i>Is a density increase being proposed.</i>	No	
Land Use Districts <i>Are the changes being proposed housekeeping or simple bylaw amendment.</i>	No	6
Legislation and Policy <i>Does the recommendation create capital budget impacts or concerns.</i>	No	7
Transportation Networks <i>Do different or specific mobility considerations impact this site</i>	No	7
Utilities & Servicing <i>Is the site in an area under current servicing review and/or has major infrastructure (water, sewer and storm) concerns.</i>	No	7
Environmental Issues <i>Other considerations e.g. sour gas or contaminated sites</i>	No	8
Growth Management <i>Does this site have the appropriate growth management direction.</i>	Yes	8
Public Engagement <i>Were major comments received from the circulation.</i>	No	8

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PLANNING EVALUATION

SITE CONTEXT

Located in the southeast, Highfield Industrial is one of the city's older centrally located general light industrial areas. The parcels subject to this application form a ±3.71 hectare area and are currently developed with three older one and two storey industrial buildings. A casino operates in the largest building with a large surface parking area which serves this use. The two other buildings house a number of other smaller scaled industrial business uses with warehousing, storage, light manufacturing, commercial retail and office components.

Public transit bus service exists along 7 Street SE with a northbound bus stop located adjacent to the northeastern most parcel. Bus transit service also operates along 42 Avenue SE which is located approximately 220 metres to the south of the parcels. The 39 Avenue LRT station is located approximately 1.2 kilometers walking distance from the parcels to the west along 42 Avenue SE.

Land use and development in the surrounding area including within Highfield Industrial and Manchester Industrial, which is located to the west of Blackfoot Trail SE, is comprised mostly of low and medium intensity and scale general light industrial developments on Industrial – General (I-G) District designated lands. Some lower scaled office developments and industrially oriented commercial retail uses also exist in the area on Industrial – Business (I-B) District and Commercial – Corridor 3 (C-COR3f1.0h12) District lands respectively.

Centrally Located Industrial Areas

In recent years, many of the city's centrally located older industrial areas including Highfield Industrial and Manchester Industrial have experienced considerable market interest and resultant pressure to transition from their established industrially based land use character to a wider range of commercial and in some cases residential land use orientations.

Therefore, in 2009, Council made a notice of motion directing Administration to investigate these matters in greater detail through the development of a work plan and study designed to identify issues and opportunities facing inner-city industrial areas.

This study entitled the 'Central Industrial Areas Land Review' has recently been completed and was received for information by Council at the Special Committee on Planning and Urban Development on 2013 September 06 (PUD 2013-0570).

The general findings of the study suggest that: 1) Calgary has economically viable and healthy central industrial areas which are profitable for both landowners and tenants, 2) that as a whole, the city has a relatively large industrial land area and supply, and 3) that the retention of centrally located industrial lands is an important component for the overall wellbeing of the local economy.

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Administration is in agreement with these general findings and is currently conducting work on this matter to further refine industrial area planning policy. In the short term, Administration will consider land use redesignation proposals in inner-city industrial areas within the 'palette' of existing industrial districts in Land Use Bylaw 1P2007 on a case-by-case basis.

LAND USE DISTRICTS

The existing I-G district allows for a range of medium and light industrial uses with a limited number of support commercial uses with limitations on sales and office activities to preserve a diverse industrial base.

The proposed Industrial – Commercial (I-C) District is intended for locations on the perimeter of industrial areas along major streets or expressways. The district allows for light industrial uses that are unlimited in size, as well as for small scale commercial uses that are intended to be compatible with and complement light industrial uses.

The district contains a maximum floor area ratio of 1.0, a maximum use area for individual retail and consumer service uses of 930.0 square metres and a maximum building height of 12.0 metres. When a maximum floor area ratio of 1.0 is applied across the three parcels, this would theoretically allow for approximately 37100 square metres (399341 square feet) of development. However, as the existing I-G district also allows for a maximum floor area ratio of 1.0, the main aspect of this land use redesignation proposal is the change of uses.

Land Use District Analysis

From a use and location perspective, the proposed I-C district is appropriate as it allows for the retention of these lands for light industrial purposes while also allowing for commercially oriented uses that are intended to be supportive to industrial employees in the area and compatible with and complementary to the existing light industrial uses.

As identified in the Applicant's Submission, this land use is intended to allow for redevelopment of these parcels as a comprehensively designed industrial – business park. While this scheme may be possible from a discretionary use perspective under the proposed I-C district, the overall concept with a considerable stand-alone office use component is not necessarily in keeping with existing MDP policy for Standard Industrial areas which discourages stand-alone office uses and regional retail developments within these areas. The approval of this land use change is not an approval of a development permit or a business park.

This application was originally submitted with alternate proposed industrial and commercial land use districts (I-Bf1.0h16 and C-COR3f1.0h12). However, in assessing anticipated development outcomes associated with these districts, their alignment with existing MDP industrial policies and the findings in the 'Central Industrial Areas Land Review' study, and Administration's expected land use recommendation, the application was amended by the Applicant to the current I-C district proposal.

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At this time, and in lieu of delaying an Administrative recommendation until greater refinement of a central industrial area and/or city-wide industrial policy is developed, the proposed I-C district is appropriate. With respect to the abovementioned aspect of incompatibility between the Applicant's current conceptual redevelopment materials and existing MDP industrial policy, a detailed discretionary use evaluation to determine ultimate development and use feasibility will be required by the Development Authority at future development permit stages.

LEGISLATION & POLICY

Municipal Development Plan (MDP) (Adopted by Council 2009)

The MDP identifies that industrial areas provide for a broad variety of industrial uses and intensities that support businesses in Calgary. As such, these areas must offer the flexibility to support a variety of existing and future uses while also remaining predominantly industrial and resisting the encroachment of non-industrial uses into them including residential, office and retail (Section 3.7 Industrial Areas).

The subject parcels are located within an area identified as a Standard Industrial Area (MDP Map 1: Urban Structure). Standard Industrial Areas are existing planned areas that contain a mix of industrial uses at varying intensities. As these areas redevelop, it is intended that their industrial character be maintained (Section 3.7.1 Standard Industrial Area, p. 3-23). Specific land use policies identify that industrial uses should continue to be the primary uses in these areas with opportunities for the development and retention of a broad range of industrial uses and industrial parcel sizes. Uses that support the industrial function of these areas and cater to the day-to-day needs of area businesses or their employees may also be supported, while stand-alone office uses and large scale regional retail developments are discouraged.

Some portions of the Standard Industrial Areas may be appropriate for redevelopment as non-industrial or mixed-residential business areas, given their proximity to existing communities and the Primary Transit Network. However, any proposals for this type of change require an amendment to relevant local area plans or, if there is no local area plan, an amendment to the MDP to indicate that the area is no longer required for Standard Industrial purposes. There is no local area redevelopment plan in place for the area.

TRANSPORTATION NETWORKS

A Transportation Impact Assessment or Parking Study was not required. These studies may be required at a future planning stage and the developer/owner(s) will be responsible for any requirements and/or improvements that may be necessary to support redevelopment.

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UTILITIES & SERVICING

Site servicing for utilities are available. At the time of this proposal's review, there were no major servicing infrastructure concerns identified in this area. A sanitary servicing study may be required at a future development planning stage and the developer/owner(s) will be responsible for any necessary off-site improvements that may be required to support redevelopment.

ENVIRONMENTAL ISSUES

A Phase I and Phase II Environmental Site Assessment (ESA) were submitted to Environment and Safety Management in support of the proposal. No issues were identified in relation to this redesignation. If at any time, the developer, owner or any of their agents becomes aware of any contamination, immediate notification of the appropriate regulatory agencies is required and appropriate environmental assessment and remediation or risk management shall be undertaken.

ENVIRONMENTAL SUSTAINABILITY

Not applicable. A detailed analysis regarding environmental sustainability, including development related site specific measures was not conducted or required at this stage.

GROWTH MANAGEMENT

This proposal is in alignment with MDP references associated with growth management and Administration's current work on a Corporate Framework for Growth and Change.

PUBLIC ENGAGEMENT

Community Association Comments

There is no Community Association in this area.

Citizen Comments

No comments received by the CPC report submission date.

Public Meetings

There were no public meetings associated with this land use application proposal.

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APPENDIX I

APPLICANT'S SUBMISSION

On behalf of Ronmor Developers Inc. ('Ronmor'), Stantec Consulting Ltd. ('Stantec') is pleased to submit the enclosed Land Use Redesignation application. The application proposes to redesignate industrial lands along Blackfoot Trail and 7th Street SE to redevelop the parcels into a comprehensively designed industrial-business park. These lands are located at 4040 Blackfoot Trail SE, and 4027 and 4015 7th Street SE; herein referred to as the 'Blackfoot Centre.'

Currently a mix of commercial and industrial-oriented tenants, including the Cash Casino, on Lots 3 and 6 utilize the site. Lot 7 is currently vacant. The Blackfoot Centre's existing tenants and uses are as follows:

- | <u>Lot 3</u> | <u>Lot 6</u> | <u>Lot 7</u> |
|--|--|---|
| <ul style="list-style-type: none">• Cash Casino (quasi industrial/ commercial use)• Blackfoot Self-Storage (consumer service)• Medichair (commercial/ manufacturing use) | <ul style="list-style-type: none">• Transit Warehouse (Industrial use)• Storage (consumer service)• B.A. Robinson Plumbing (industrial warehouse and distribution use)• Medichair (office use)• Honey Pixel (office use) | <ul style="list-style-type: none">• AGC Glass Building – currently vacant (commercial/ manufacturing/ office / outdoor storage use) |

Each of the three lots contains one existing building, each in various states of repair. A redesignation to the Industrial – Commercial (I-C) District is required as the first step to accommodate the development intent for an industrial business park.

As stated in Land Use Bylaw 1P2007, the I-C district is intended to be characterized by:

- a) locations on the perimeter of industrial areas, along major streets or expressways;
- b) light industrial uses that are unlimited in size;
- c) small scale commercial uses that are compatible with and complement light industrial uses;

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- d) controls to ensure that developments provide a transition between other land use districts and the Industrial – General District or between highly visible industrial parcels and the Industrial – General District;
- e) setbacks, screening, landscaping and building design that addresses aesthetic concerns associated with highly visible locations; and
- f) parcels located within 200.0 metres of a major street or expressway.

The Blackfoot Centre is currently designated under the Industrial – General (I-G) land use district that does not allow for office space to be a primary use. Ronmor intends to retain ownership of the Blackfoot Centre after redevelopment and would like to accommodate interested office/ industrial tenants in the existing building on Lot 7 within the first quarter of 2014.

The redesignation proposal matches the intent of the I-C District, including being characterized by parcels near major streets and to provide aesthetically pleasing industrial developments that will transition from highly visible roadways, such as Blackfoot Trail, to general industrial parcels, like those east of 7th St. SE.

As a comprehensively designed industrial/employment area, the Blackfoot Centre may also accommodate restaurants of an appropriate scale, to compliment the industrial businesses. It is anticipated that discussions with City Administration throughout this application process and subsequent development stages will further inform the final concept plan.