

LACOMBE COUNTY

Highway 2 Corridor

Economic Development Study

Phase 1 Background Report

September 2002

LACOMBE COUNTY
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Background Report
Table of Contents

1. Introduction.....	1
2. The Highway 2 Corridor	3
2.1 CANAMEX.....	3
2.2 Alberta Transportation Authority	3
3. Lacombe County	6
3.1 Agricultural Land Use	6
3.2 Non-Agricultural Use.....	6
3.3 Future Commercial/Industrial Development.....	7
4. Neighbouring Municipalities.....	8
4.1 Town of Lacombe	8
4.2 Town of Blackfalds.....	9
4.3 Ponoka County	9
4.4 Red Deer County	10
5. Public Input.....	11
5.1 Introduction	11
5.2 Summary of Survey Results	11
5.3 Comment Sheet Responses	12
5.4 Public Input Conclusions	13
6. Conclusions and Recommendations.....	14
6.1 Existing Highway Commercial Developments	14
6.2 Location, Location, Location	14
6.3 Select New Locations	15
6.4 Development Synergies.....	16
6.5 Compatible Development	17
6.6 Planning Considerations.....	17
6.7 High Volume, High Visibility, High Standards	18
6.8 Municipal Services.....	19
6.9 Phase 2 or Not Phase 2.....	20
Appendix A Excerpts from the Municipal Government Act and Subdivision and Development Regulation	
Appendix B Checklist for a Traffic Impact Assessment	
Appendix C Open House Comment Sheet	

1. INTRODUCTION

Recently cited as the fastest growing region in the nation, the Highway 2 Corridor between Edmonton and Calgary is a magnet for commercial growth and development. Its role as a critical link in the North American Trade Corridor (CANAMEX) suggests that demand for such development along the Corridor will intensify in future. By initiating the Highway 2 Economic Development Study, Lacombe County is assuming a proactive approach in planning and properly locating commercial and industrial land uses within the corridor. For the purposes of this study, the corridor is defined as being the lands located within 1.0 mile (1.6 kilometres) of Highway 2 (see Figure 1).

Highway 2, with an average daily traffic volume of between 20,000 and 30,000 vehicles, is a major attractor for those commercial and industrial uses which rely on high visibility and handy vehicular access. However, because of the regional, provincial, national and international importance of this roadway to free flow traffic, the opportunities for development are limited to segments of the highway where *right of entry* is safe and convenient. Alberta Transportation's stringent safety requirements and future highway development plans are critical for determining opportunities and issues related to encouraging development adjacent to the highway.

The opinions and development aspirations of adjacent counties and the Towns of Blackfalds and Lacombe are also important considerations in planning that portion of the corridor extending through the County. Opportunities for common standards and corridor development guidelines should be explored. As well, the development industry and affected landowners play a major role in shaping future corridor land use patterns. This study provides opportunities for meaningful input from affected agencies and landowner stakeholders in shaping the corridor's future.

The Highway 2 Corridor Economic Development Study comprises two phases:

1. **Phase 1** – This phase considers opportunities for industrial or commercial development within the corridor, and the planning issues and implications of such development in the context of potential benefits to Lacombe County.
2. **Phase 2** – This phase of the study will proceed if County Council determines that, based on the conclusions and recommendations resulting from Phase 1, the County may potentially benefit from corridor development. The second phase of the study will investigate select sites that are particularly well suited for accommodating corridor related economic development. Factors that will be considered in evaluating these sites include their physical and environmental characteristics, visibility and ease of accessibility, servicing options, and compatibility with adjacent uses.

A concept plan will be prepared for each site to illustrate the size of the site, as well as possible access and internal circulation configurations. Site specific land use and design standards will be proposed, along with a list of appropriate uses. Guidelines for highway interface development, focussing on balancing visibility opportunities with aesthetic and safety features, will be considered.

Stakeholder involvement in the second phase of the study will include those participants involved in the Phase 1 public and agency consultation process. Alberta Transportation will be asked to provide comment on each concept plan. Recommendations for implementing the concept plans, which could include the need to amend the Municipal Development Plan or Land Use Bylaw, will also be provided.

This report documents the findings of Phase 1 of the Highway 2 Economic Development Study and, as such, describes:

- Alberta Transportation’s position on corridor development;
- Existing and future land use patterns within the corridor as per the County’s Municipal Development Plan, Land Use Bylaw, the Lacombe/Blackfalds Area Outline Plan, Milton-Morningside Area *Residential Development* Study and the Lacombe Intermunicipal Development Plan;
- Future land uses proposed by adjacent municipalities; and
- The input of the development industry and affected landowners.

Based on these findings, conclusions and recommendations in regard to future corridor development within Lacombe County are provided.

Also, although appropriate sites for future economic development are to be identified in Phase 2 of the study, some specific sites have been identified based on the findings of Phase 1. The suitability of these, and other potential sites, will be verified in Phase 2.

2. THE HIGHWAY 2 CORRIDOR

2.1 CANAMEX

The term *CANAMEX* is derived from the names of the three countries involved in the North American Free Trade Agreement (NAFTA): **CAN**ada, **A**merica and **MEX**ico. The *CANAMEX* Trade Corridor links these countries and extends some 3,800 miles (6,000 kilometres) from Anchorage, Alaska to Mexico City. The *CANAMEX* Corridor, therefore, functions as the principal highway trade linkage through western North America.

Under NAFTA, international trade has grown rapidly, placing increased demands on transportation carriers and infrastructure to reach new markets in Mexico, the United States and Canada. Over \$2 billion in trade is transported by truck across the Canada/U.S. border daily. Across Western Canada, approximately 6,000 north-south truck trips occur per day.

Alberta is Western Canada's largest exporter and transports over 80 percent of its exports to the U.S. From Alberta, the value of truck exports to the U.S. and Mexico amount to about \$8 billion annually, while some \$5 billion worth of imports enters Alberta from the U.S. and Mexico. At the Coutts/Sweetgrass border crossing on the *CANAMEX* Trade Corridor, truck volumes have increased on average by 9.1 percent per annum over the last decade.

According to Statistics Canada, Alberta's population grew by 10 percent between 1996 and 2001. Most of this growth is concentrated in Central Alberta, particularly in the Edmonton and Red Deer regions. The importance of the *CANAMEX* Corridor in the context of international and provincial trade, combined with the growth being experienced in Central Alberta, suggest that pressure for development along the corridor will grow within Lacombe County.

2.2 Alberta Transportation Authority

Alberta Transportation is the road authority for Highway 2 and, therefore, for Alberta's portion of the *CANAMEX* Trade Corridor. The Department's mandate is to upgrade the existing corridor to a freeway standard. Freeway standard means that no at-grade intersections with the highway will be permitted and all existing at grade accesses will be removed. Major intersections with the corridor will be grade separated interchanges spaced at 6-10 mile (10-16 kilometre) intervals in rural areas. The spacing between interchanges may be reduced in urban areas, where higher traffic volumes result in increased access demands.

Although Alberta Transportation is committed to developing Highway 2 to a full freeway standard, the staging of the improvements required to bring the roadway to the desired standard is dependent on the availability of funding for interchange construction. Construction projects are prioritized based on collision rates and a demonstrated need for an increase in system capacity.

Regardless of the status of funding availability or sequencing of interchange construction, Alberta Transportation will not support development that relies on existing at-grade intersections with Highway 2 as the primary means of access. As well, the Department does not support the use of good agricultural lands for the linear development of *high visibility* type commercial or industrial uses along Highway 2 that desire exposure to highway traffic, but do not require highway access.

Alberta Transportation does support development of highway related land uses in the immediate vicinity of existing interchanges. This strategy, modelled on the interstate system in the United States, is intended to focus highway related land use at points of access to the freeway.

Typically, highway related uses include commercial developments such as restaurants and hotels that cater to the needs of the travelling public, or industrial uses, such as light manufacturing operations or warehousing and distribution centres that are dependent on the highway to link them with international markets.

Although municipalities have exclusive authority over land use, Alberta Transportation controls access to the Highway 2, at the time of development, through the Public Highways Development Act and, at the time of subdivision, through the Subdivision and Development Regulation of the Municipal Government Act (see Appendix A for relevant excerpts).

The Subdivision and Development Regulation requires that municipalities refer all subdivision applications within ½ mile (800 metres) of a highway to Alberta Transportation, and that the local subdivision authority approve an application only if Alberta Transportation also approves it. The Public Highways Development Act and Municipal Government Act allow the Department to require that specific information be provided pursuant to an application for subdivision, and that any conditions required by the Department be listed as conditions of subdivision approval.

The information typically requested by Alberta Transportation includes a traffic impact assessment (see Appendix B - Checklist for a Traffic Impact Assessment), as well as details on the proposed use and subdivision pattern. Departmental approval is contingent on implementing the recommendations of the traffic impact assessment, and may include the construction of any required highway/intersection improvements. On-site traffic remedies also may be required.

A municipality is not required to refer a subdivision application to Alberta Transportation if the land that is the subject of the application is contained within an approved Area Structure Plan. An Area Structure Plan is a statutory plan as provided for under Part 17 of the Municipal Government Act, and is approved as a municipal bylaw. Its primary purpose is to provide a framework for subsequent subdivision and development.

Section 633 of the Act requires that an area structure plan must describe:

- The sequence of development proposed for the area,
- The land uses proposed for the area, either generally or with respect to specific parts of the area,
- The density of population proposed for the area either generally or with respect to specific parts of the area, and
- The general location of major transportation routes and public utilities.

In addition, the area structure plan must be consistent with the County's Municipal Development Plan (MDP) and the Provincial Land Use Policies, and may also address any other matters that Council considers necessary.

The regulated process for preparing and approving an Area Structure Plan ensures that adjacent landowners and municipalities, and affected agencies such as Alberta Transportation, are contacted, and provided an opportunity for meaningful input. The statutory nature of this type of plan also provides for certainty and a commitment to the municipality, landowners, the developer

and approving agencies regarding future use and access opportunities. Amendments to an Area Structure Plan must follow a process similar to the approach used for preparing a plan, and must be approved by bylaw.

The Municipal Government Act requires that an Area Structure Plan for lands within ½ mile (800 metres) of a primary highway be approved by the Minister of Alberta Transportation, as well as by the municipality. However, as is noted above, once ministerial approval is granted, subsequent subdivision(s) for the lands affected by the Area Structure Plan do not need to be referred to the Department, as long as the subdivision(s) conforms to the approved Area Structure Plan.

It is important to note that, whereas Alberta Transportation's direct involvement in subdivision approval is legislated by the Municipal Government Act, the Department is typically not involved in amendments to the Land Use Bylaw that result in changes in land use. However, because any development permit application for lands located within 1,000 feet (300 metres) of a primary highway, and within ½ mile (800 metres) of a highway intersection must be referred to the Department pursuant to the Highway Development Act, many municipalities, including Lacombe County, involve Alberta Transportation prior to approving a change in land use.

In reviewing an application for a development permit along a highway, Alberta Transportation considers factors such as appropriate lighting, fencing, landscaping, signage and any other features required to maintain the integrity of the highway.

It is also important to note that, under the Public Highways Highway Development Act, all highway approaches and access points are temporary, and that the Department typically requires that the cost of all improvements necessary to serve a development are paid for by the developer and/or the municipality.

3. LACOMBE COUNTY

Approximately 16 miles (30 kilometres) of the Highway 2 Corridor extends through Lacombe County. Existing land use designations within the County, as well as those land use designations committed to in an outline plan or area structure plan are shown on Figure 1, and are described below.

3.1 Agricultural Land Use

Most of the lands within the corridor are used for agriculture and are appropriately districted as Agricultural (A) under the County's Land Use Bylaw. The Agricultural District allows some discretionary uses that may be classed industrial or commercial. However, these uses are typical of agricultural communities and are common in a rural setting. Examples include auto wreckers, minor businesses or trades, and trucking and storage. However, such non-agricultural uses are not evident within the Highway 2 Corridor portion of the Agricultural District.

The Land Use Bylaw contains no specific provisions for uses in the Agricultural District located adjacent a highway. Requirements for site landscaping and fencing are at the discretion of the development authority.

3.2 Non-Agricultural Land Use

Non-agricultural land use districts within the corridor include highway commercial, industrial, country residential, hamlet and recreational facility.

Sites currently zoned as Highway Commercial (HWYC) by the Land Use Bylaw are all located adjacent the west side of Highway 2, and include:

- The 3 Chicks Diner site (NE ¼ 4 - 40 - 27 W4M);
- The Wolf Creek Inn site (NE ¼ 6 - 41 - 26 W4M); and,
- An undeveloped site (SE ¼ 26 - 40 - 27 W4M).

The two developed sites date from the inception of Highway 2, and were developed to provide services to the traveling public. The 3 Chicks Diner has operated as a service station for decades, while the Wolf Creek Inn was formerly operated as the Juniper Lodge and included a service station. Although these sites are currently developed with highway commercial businesses, Alberta Transportation does not favour any further intensification of use that may significantly increase traffic and potentially jeopardize the safety of the highway. As well, the Department will not support the use of the existing access points to these developed sites by offsite developments. This means that access off the highway to the existing undeveloped parcels located north and south of the 3 Chicks Diner site will need to be negotiated with Alberta Transportation when a development permit application is made.

No permitted uses are listed under the County's Highway Commercial District. The District instead includes only discretionary uses, which are typical highway oriented commercial businesses, such as drive-in restaurants, service stations and motels. All the regulations for the District dealing with, among other things, setbacks, landscaping, parking and loading, and the design and appearance of buildings are at the discretion of the development authority.

The Industrial (I) District of the County's Land Use Bylaw also lists no uses as being permitted. However, a wide range of industrial businesses may be considered as discretionary uses.

The only lands zoned Industrial within the Highway 2 Corridor are those parcels located in the southeast quadrant of the Highway 2/Secondary Highway 597/Aspelund Road interchange. Existing uses include contractors and equipment storage. Access to these properties is from Secondary Highway 597.

Other non-agricultural land uses within the corridor include Country Residential (CR2), Hamlet (H), and Recreational Facility (RF). The majority of these uses, although within the study area, have no direct highway access.

Country residential subdivisions are concentrated on the east side of Highway 2, north of the Town of Lacombe. The CP railway line separates these subdivisions from the highway.

The Hamlet designation is applied to the community of Rosedale Valley, which is well removed from the highway. Recreational facilities and country residential acreages are located between Highways 2 and 2A, surrounding Lacombe Lake. A campground and nine-hole golf course, part of the Wolf Creek Golf Resort, has been built in the south west quadrant of the Highway 2A and Secondary Highway 604 intersection. Access to this development is obtained from Secondary Highway 604. There is also a provincial campsite located south of the Wolf Creek Campground. Access to the campsite is from Highway 2A.

3.3 Future Commercial/Industrial Development

Alberta Transportation's requirement that new highway oriented commercial or industrial developments adjacent Highway 2 be accessed from interchanges focuses the investigation of development opportunities on the lands surrounding existing highway interchanges. Existing interchange locations and potential sites for development opportunities are shown on Figure 1, and include:

- The south quadrants of the interchange of Highway 2, at Secondary Highway 604 (S½ 34 - 41- 26 W4M). The north quadrants of this interchange are located within Ponoka County.
- The lands between Highways 2 and 2A, south of Morningside (NE ¼ 27 - 41- 26 W4M).
- The lands surrounding the interchange for the C&E Trail, and between Highways 2 and 2A (S ½ 9 - 41 - 26 W4M and NW ¼ 4 - 41 - 26 W4M).
- The lands west and south of the Highways 2 and 12 interchange located at the west entrance to Town of Lacombe (S ½ 26 - 40- 27 W4M and N ½ 23 - 40- 27 W4M).
- The lands west and south of the Highway 2 and Secondary Highway 597/Aspelund Road interchange located at Blackfalds (SE ¼ 28 - 39 - 27 W4M; NE ¼ 21 - 39 - 27 W4M and NW ¼ 22 - 39 - 27 W4M)

Commercial and industrial development at these interchanges will require Alberta Transportation's approval as well as the approval of Lacombe County.

The County's Municipal Development Plan contains locational and other policies for directing commercial and industrial development to suitable locations. These policies are supportive of Alberta Transportation's regulatory requirements in this regard.

4. NEIGHBOURING MUNICIPALITIES

Neighbouring municipalities that share jurisdiction over lands within the Highway 2 Corridor include Ponoka County to the north, Red Deer County to the south, and the Towns of Lacombe and Blackfalds.

Members of the administration of these municipalities were interviewed as part of this study to determine past experiences and level of support of each municipality for non-agricultural development within the Highway 2 corridor.

4.1 Town of Lacombe

In 1999, the Town of Lacombe annexed some lands adjacent the Highway 2 Corridor. These lands may potentially be developed for highway commercial purposes and are located in the northeast quadrant of the Highways 2 and 12 interchange (SW ¼ 27 - 40 - 27 W4M). Portions of the Canadian University College lands also lay adjacent to Highway 2 (see Figure 1) and may be suited for highway commercial uses.

The Town has no direct experience in approving and administering commercial and industrial lands adjacent Highway 2. However, its Municipal Development Plan has been amended to include potential highway commercial land in the corridor adjacent Highway 2. As well, land within the Town, at the Highways 2 and 12 interchange, is included within the Lacombe West Area Structure Plan. This plan shows highway commercial development for those lands adjacent the highways.

Although the Town has no direct experience with commercial development along Highway 2, it has considerable experience in managing such development along Highways 2A and 12. The Town's Land Use Bylaw contains a Highway Commercial District (C2) the purpose of which is *to provide for commercial and other uses, which require large areas for parking or display and which create an attractive environment, primarily accessible to motor vehicles.*

The permitted uses for this district include a combination of highway related commercial and industrial uses such as auto/RV sales and service, hotels/motels and restaurants, recreation and entertainment facilities, bake shops and veterinary clinics. Discretionary uses provide for a broader array of uses including building supply outlets, campground/RV parks, greenhouses and liquor stores. District standards regulate floor area, screening and buffering, signs, and building design.

Future Highway 2 commercial development within the Town will be serviced with Town sewer and water services, and will be of high quality and likely tourist oriented. As such, the Town does not want to see *ugly or smelly* developments in the adjacent, quadrants of the Highways 2 and 12 interchange. The Town feels that while the County's mill rate provides the County with a competitive advantage when attracting commercial or industrial operations, the County does not provide serviced land and, therefore, should not be competing directly with the Town.

The Town suggests that the County prepare a new land use district to specifically address uses for the Highway 2 Corridor that are mutually agreed to between the two municipalities. Also, the Town would like to see planning controls, such as Area Structure Plans or Direct Control type districting, for commercial or industrial lands adjacent Highway 2 within the fringe area of the Town. Controls should limit the types of uses, the size of lots (density) and specify a high standard of landscaping/buffering.

Three of the four quadrants surrounding the Highways 2 and 12 interchange are within Lacombe County and, with the exception of a small portion of the SE ¼ 26 - 40 - 27 W4M that has been designated for highway commercial use, are still under the Agricultural District. The portion districted Highway Commercial is undeveloped.

As well, the Town of Lacombe's Municipal Development Plan designates lands located just within the northeast boundary of the Town as Highway Commercial. However, these lands are not easily accessed from Highway 2 and are low lying, so that physical constraints to development exist.

4.2 Town of Blackfalds

Similar to the Town of Lacombe, Blackfalds has recently annexed lands from Lacombe County within the Highway 2 Corridor. The newly annexed lands are located in the northeast quadrant of the interchange at Highway 2 and Secondary Highway 597, and extend north along Highway 2 as well as east along Secondary Highway 597 (see Figure 1). Those parcels located closest to the interchange are developed for industrial uses, including trucking and storage facilities. The lands have not yet been redistricted under the Town's Land Use Bylaw, and therefore still retain the zoning as Industrial District under the County's Land Use Bylaw.

The lands located along Highway 2 north of the industrial parcels are currently in agricultural use. The future land use concept contained in the Town's approved Growth Management Study designates the majority of these lands for residential development.

The Growth Management Study also suggests that the industrial lands located next to the Highway 2 interchange remain unserved for the foreseeable future, and continue to be used for low intensity type industrial uses such as warehousing, distribution and storage. It was recognized, however, that the proposed construction of a new school in this area could significantly advance the extension of sewer and water services to the area.

The Town sees the potential for a planned business/commercial park between Highway 2 and 2A, along the north side of Secondary Highway 597.

Town officials made similar comments to those of the Town of Lacombe that, because of the mill rate difference between the Town and the County, Blackfalds cannot compete with the County for industrial or commercial development, and must provide serviced lands to attract some share of the regional economic growth.

4.3 Ponoka County

Ponoka County has had limited experience with highway commercial development, and is not experiencing significant pressure to support such development. The County's experience with industrial and commercial development along Highway 2 is limited to two farm implement dealerships (Don Laing and the Parts Barn) located in the northwest quadrant of the interchange of Highways 2 and 53, west of the Town of Ponoka.

Although the County's Land Use Bylaw contains no provisions to ensure a high standard of development adjacent the highway, the County has required that the recently approved farm implement dealers undertake a high standard of landscaping and that, where appropriate, the developments be buffered from public view. These enhancements are supported by Alberta Transportation and are generally viewed as a *good model* for commercial and industrial development adjacent to Highway 2.

Ponoka County's economy is primarily agri-based, and the County is not interested in developing business parks. According to County representatives, business parks are more easily accommodated in urban areas. Regardless, the County does support agri-based industrial or commercial development. However, these types of land uses do not usually require the type of exposure highway frontage provides. The County is also concerned about the servicing requirements of large commercial uses, and is particularly wary of developments that consume large amounts of scarce groundwater.

The County feels that the demand for industrial and commercial facilities emanate from the larger urban centres of Calgary, Edmonton, and Red Deer. The County's location between the Edmonton and Red Deer means that many intervening opportunities exist for development, which significantly reduces the demand for commercial or industrial operations to locate adjacent to Ponoka County's portion of the Highway 2 Corridor.

4.4 Red Deer County

Red Deer County has the greatest experience with industrial and commercial uses locating adjacent Highway 2. *Gasoline Alley* is the County's most significant such development and is well used by the motoring public. However, although successful in terms of serving motorists, it also has been a source of controversy and some dispute between the City and the County. The commercial uses comprising *Gasoline Alley* were located based on ad hoc decisions with no clear strategy or consideration for the long-term implications of continued unplanned, incremental development, particularly in regard to the provision of municipal services.

Gasoline Alley is now included within the South Hills Area Structure Plan. The Area Structure Plan anticipates more development occurring and the extension of full municipal services. Although the area generates municipal revenue through property taxes, these revenues do not cover the full cost of providing and operating such services. Some of the more recent commercial developments in *Gasoline Alley* are *big box* retailers catering to a regional market, rather than to the travelling public.

The County has anticipated and planned for development pressure along other parts of the Highway 2 Corridor close to Red Deer, and has completed more detailed planning studies that provide direction and a framework for future growth.

Area Structure Plans prepared for the Central Park and Crossroads areas, located on the east and west sides respectively of Highway 2, and extending north of Highway 11A to the County boundary (Blindman River), do not provide for any industrial or commercial development within the corridor.

However, the recently approved Burnt Lake Area Structure Plan, located on the west side of Highway 2 (also the west boundary of the City of Red Deer) and south of Highway 11A to the Red Deer River, does allow for agri-based industrial/commercial developments along this part of the Highway 2 Corridor. A major developer within this business park has attracted a cluster of agri-business operations.

The Burnt Lake Area Structure Plan contains general policy requirements for landscaping, fencing and lighting adjacent the bordering highways. Specific regulations in that regard are included in the City and County of Red Deer Intermunicipal Development Plan and the County's Land Use Bylaw. The Land Use Bylaw, in particular, contains regulations that are designed to ensure high standards for development located adjacent to all major entryways and highway corridors.

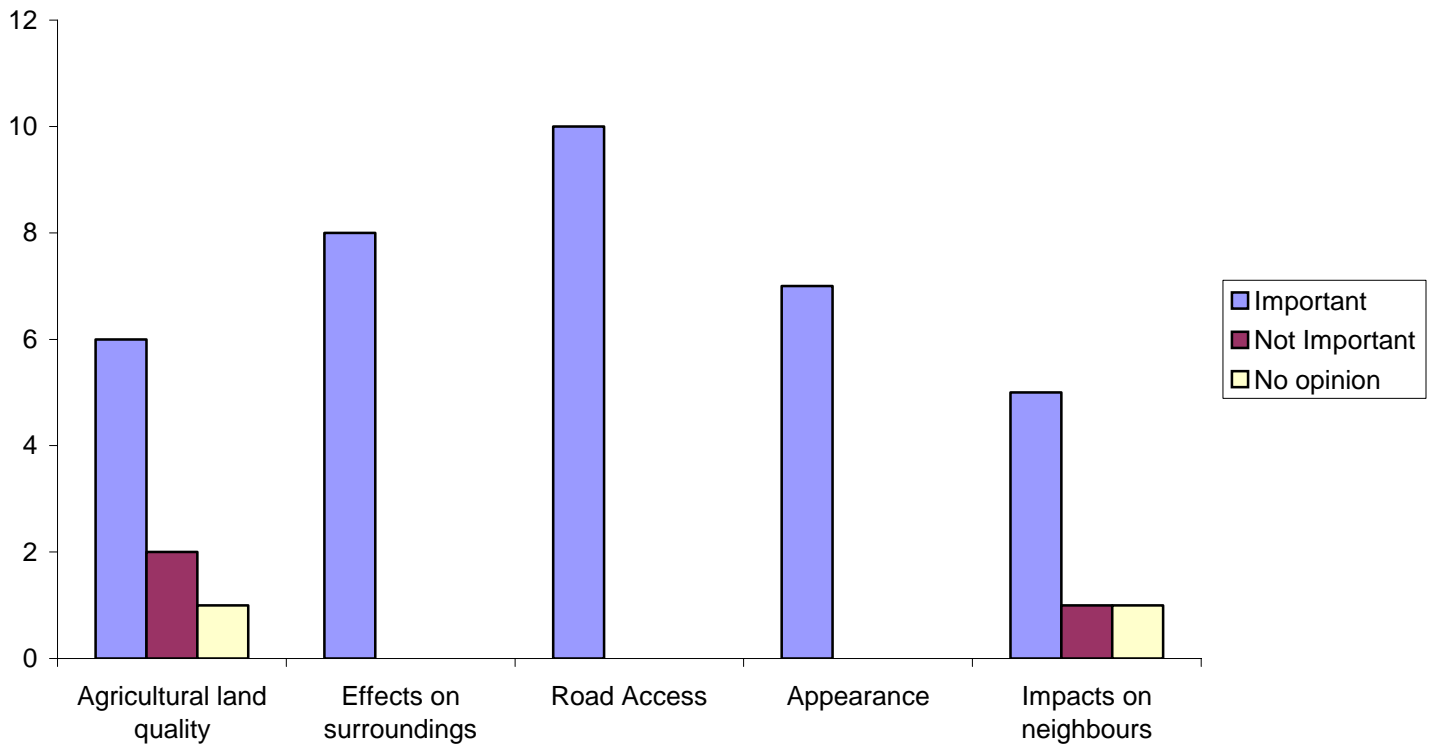
5. PUBLIC INPUT

5.1 Introduction

At an open house held on June 19, 2002, the public was asked for their views on further commercial and industrial development within the Highway 2 Corridor. The majority of comments centred on the requirements for road access, and most participants agreed that the best location for future industrial and commercial development is at the existing highway interchanges. Issues relating to the preservation of agricultural land and the impact of development on neighbours were also discussed.

5.2 Summary of Survey Results

- 15 people attended the meeting.
- 10 surveys were returned.
- 8 respondents live or own property in the County; 2 do not.
- 7 respondents were in favour of the County providing more opportunities for industrial and commercial development along Highway 2; 2 were not.
- 6 respondents felt development should be restricted to only major highway interchanges (cloverleaves/overpasses).
- 2 respondents felt development should be considered on any lands adjacent to Highway 2.
- 6 respondents felt agricultural land quality was important; 2 felt it was not important; and 1 had no opinion.
- 8 respondents felt effects on surrounding residents was important; 1 had no opinion.
- 10 respondents felt road access was important.
- 7 respondents felt building design and property appearance was important.
- 5 respondents felt impacts on neighbouring municipalities was important; 1 felt this was not important; 1 had no opinion.



5.3 Comment Sheet Responses

The following responses are the unedited *additional comments* provided on the comment sheets that participants were asked to complete:

- Agricultural land is being used every day for residential and commercial uses. I feel that restricting development to interchanges makes more sense than letting development grow helter-skelter in the municipalities.
- With further development along highway 2 corridor: towns loose revenue from outside development (outside of Town limits); loss of agricultural land; if allowed it will eventually creep away from interchanges calling for more land to be used for service road and industrial development; there is not a lack of industrial and commercial land available in Lacombe, Blackfalds and Ponoka in fact Lacombe has 100 acres plus 7 lots available for use, Ponoka has land on west side of Town, Blackfalds just increased there land base so has land available. We should not sacrifice our agricultural land for the sake of industrial and light commercial industry when there are other alternatives.
- There are still considerable lands within the county that have much less agricultural value than the land on site 1, 2 & 3.
- I fully agree that the future for development along Hwy 2 should be confined to overpasses. I also wish to point out that normally, when there are objectives to a development or hearing, larger groups of people attend these types of meetings to object.

- I believe there are other areas that are more suitable for industrial development – e.g. – Blackfalds east. Highway 11 – Section 11 – 12 – Chevron – all excellent access and visibility. If service roads are built – then development will extend along these roads. Industrial – Commercial – should be in town, city limits. The only reason for going outside of urban centres is cost of land – they don't have to put in services – curbs – etc. and no consideration is given to the quality of land but cost only.
- We are under the jurisdiction of the County, the town and the Department of Highways, so any consideration to develop our property becomes very difficult. We are unable to develop any intensive operation, and 80 acres of farmland for grain production is hardly viable. It would be nice if there was a plan in place and not be at the mercy of the THREE authorities separately.
- As the owner of Lot 2 in NE 21-39-27-4, which is immediately adjacent to Hwy 2 on SE corner of the intersection of Hwy 2 & Hwy 597, I feel my land is suitable for a range of highway commercial and appropriate light industrial land uses, as well, the parcels of land to the south adjacent to Hwy 2 have similar potential for future development. My parcel has excellent visibility from Hwy 2 and excellent access from Hwy 597. Presently, there are land uses adjacent and in the immediate vicinity that would be compatible with the development of my parcel for highway commercial and/or light industrial uses. Development of my land as larger, privately serviced parcels would complement the growth and development within Blackfalds as well as provide service & supply opportunities from businesses within Blackfalds. My parcel contains 10.36 ha. Some gravel was previously removed and the land consists of poorer agricultural soils.

5.4 Public Input Conclusions

- Although the event was well advertised through letters to stakeholders; an ad and article in the County News; a news release that was published by the Red Deer Advocate and the Lacombe Globe; and, Public Service announcements on CKRD, a relatively small number of participants attended the open house. This means that the work shop dialogue and comments sheet results may not be representative of the views of all County residents and stakeholders.
- The discussion and comment sheet results are similar to those gathered at a previous open house hosted by the County on April 25, 2001.
- Regardless of the relatively low turn-out at the July 19, 2002 Open House, it is important to note that a significant number of adjacent landowners attended.
- The workshop format provided a useful forum for Councillors and participants to gather information and develop a better understanding of the issues.
- The results of the workshop provides one of several inputs that Council will need to consider in determining if a need exists to undertake the Phase 2 of this study.

6. CONCLUSIONS AND RECOMMENDATIONS

6.1 Existing Highway Commercial Developments

The 3 Chicks Diner and Wolf Creek Inn sites support existing highway commercial type operations that comply with the County regulatory requirements. Although further subdivision at these locations is likely not feasible, additional development opportunities do exist. New development will be subject to the scrutiny of the County and Alberta Transportation.

Recommendation: *The expansion and intensification of existing Highway Commercial developments should be supported, subject to the regulations and standards of the Land Use Bylaw, and the access requirements of Alberta Transportation.*

6.2 Location, Location, Location

The development potential adjacent the **CANAMEX** Trade Corridor is international in scope. The corridor links the important Alberta cities of Lethbridge, Calgary, Red Deer, Leduc, Edmonton, Spruce Grove and Grande Prairie, with Anchorage Alaska and Mexico City. The 3,800 mile (6,000 kilometre) long corridor will become the focus for more than \$2.0 billion dollars in annual cross border trade.

Approximately 16 miles (30 kilometres) of the corridor's total length extends through Lacombe County, with portions of the highway's frontage shared with the Towns of Blackfalds and Lacombe. The corridor, therefore, is also a significant regional facility carrying between 20,000 and 30,000 vehicles a day, more than any other highway in the Province and ranking among the top ten corridors nationally. As such, the corridor functions as an important municipal resource, and provides a unique and finite economic development opportunity. This means that land located adjacent the corridor, by virtue of the importance of the highway, is a valuable commodity to the municipality for uses other than for agriculture.

The pressure to develop adjacent the corridor will continue to grow as businesses in the expanding regional economy attempt to take advantage of the exposure that visibility from the corridor may provide. However, the number of locational opportunities for development along the corridor is limited. As such, these opportunities should be considered as important elements of the County's comprehensive economic development strategy.

The benefits to the County of allowing commercial or industrial developments to proceed within the Highway 2 Corridor include increases in assessment and municipal revenue, increases in local employment opportunities, and increases in spin-off employment (additional jobs generated to support each permanent job).

There are obviously some higher municipal costs associated with corridor development, such as the provision of emergency services to new businesses and increased road maintenance. The loss of good quality agricultural lands may also be considered a cost. The magnitude of such costs would need to be assessed on a site-specific basis. On a broader scale, more details are required regarding the number and type of businesses is required to assess the benefits and costs associated with non-agricultural economic development within the corridor.

Existing and/or approved land uses within the corridor suggest that commercial and industrial development has been supported in the past. Examples of such uses include industrial developments that have developed in the southeast quadrant of the Highway 2 and Secondary Highway 597 interchange, the expansion of the highway commercial zoning north of the 3 Chicks Diner, and the highway commercial zoning of lands located in the northwest quadrant of the Highways 2 and 12 interchange.

The precedent established at these locations, combined with the limited number of locational opportunities for future economic growth within the Highway 2 Corridor, suggest that the question is not **if** development should occur, but **when**. Preparing to assess and direct proposals for commercial and industrial developments is the primary objective of Phase 2 of this study.

Finally, it is important to note that the open house questionnaire respondents (see Section 5.0) consistently ranked roadway access as being an important planning consideration for industrial and commercial development purposes, and ranked considerations such as agricultural land quality as being less important. These rankings support non-agricultural uses as being the highest and best use of at least some the lands within the corridor.

Recommendation: *In order to maximize the use of its municipal resources, the County should support commercial and industrial developments adjacent Highway 2.*

6.3 Select New Locations

Although the opportunities for commercial or industrial development adjacent Highway 2 could theoretically occur at any point along its frontage, access considerations suggest that development is limited to those areas in the vicinity of existing interchanges. Alberta Transportation, as the highway's road authority, will no longer allow direct access to Highway 2. Access to adjacent lands off the highway will be allowed only at approved intersections. Because the highway is being designed to freeway standards, all intersections will occur at planned grade separated interchanges.

No new interchanges are planned on the portion of the corridor within Lacombe County, and Alberta Transportation does not support new development using an existing at grade access with Highway 2. Consequently, such development should be directed to the existing interchange locations.

This is consistent with the feedback received at the open house where most respondents preferred that development be clustered around the interchanges, and that the remaining lands extending along the corridor continue to be used for agricultural purposes.

Recommendation: *Commercial and industrial development opportunities should be limited to the following four locations within the County. These locations will need to be verified as part of Phase 2 of the study.*

- The south quadrants of the interchange of Highway 2 at Secondary Highway 604, and lands to the south located between Highways 2 and 2A;
- The lands south of the Highways 2 and 2A interchange, next to the intersection with the C&E Trail

- The lands west and south of the Highways 2 and 12 interchange, located at the west entrance to Town of Lacombe;
- The lands west and south of the Highway 2 and Secondary Highway 597/Aspelund Road interchange at Blackfalds.

6.4 Development Synergies

Existing and potential land uses located within the select locations listed in Section 6.3 create the *synergies* necessary for specialized nodes of future commercial and industrial growth. Contributing factors to such synergies are as follows:

- There is already industrial development in the southwest corner of the Town of Blackfalds, adjacent to the Highway 2 and Secondary Highway 597/Aspelund Road interchange. The development is not connected to the Town's water and sewer services. However, more intensified use is planned which could be accommodated by extending the Town's municipal services. Industrial uses also exist on the other side of Secondary Highway 597 on lands within the County. These developments also have their own on site services. It is suggested that this interchange location could be developed as a node of urban and rural industrial use.
- The Town of Lacombe's Municipal Development Plan designates the lands adjacent to the Highways 2 and 12 interchange for future commercial development. It is intended that the development be serviced to urban standards. The quality of development is expected to reflect the standards being implemented further east along Highway 12, near Michener Park. No development has occurred on the west side of the interchange. The County can best support the Town's initiative for high quality development by promoting compatible highway commercial development.
- Lands on the south side of Highway 2 next to the interchange with Highway 2A, north of the Town of Lacombe relate to nearby lands designated for highway commercial use to the west as well as within the Town of Lacombe. However, the area is low lying, and not conveniently accessible from Highway 2. Similar restrictions affect the lands on the north side of Highway 2.
- The Wolf Creek Golf Resort creates opportunities for attracting additional recreation commercial development at the Highway 2 and Secondary Highway 604 interchange. A recreational vehicle park has been proposed in the past, and the physical characteristics of the lands surrounding the interchange are certainly suited to such development. The physical features and proximity of the area east of Highway 2, north of the interchange at Highways 2 and 2A, suggest this area also be included as part of a potential recreational development node.

Recommendation: *Although the designation of the types of uses appropriate to specific sites will be considered as part of Phase 2 of this study, the County should recognize and encourage, to the extent possible, future compatible types of commercial and industrial uses that build on the synergies created by existing and potential development at the different interchange locations. This means that:*

- Industrial development should be encouraged at the Highway 2 and Secondary Highway 597/Aspelund Road location.
- Highway commercial development should be encouraged at the Highways 2 and Highway 12 location.
- Commercial recreational development should be encouraged at the Highway 2 and Secondary Highway 604 location, and should include the area east of Highway 2 and north of the interchange at Highways 2 and 2A.
- Highway commercial development **should not be** encouraged at the south side of Highway 2, near the intersection of the C&E Trail and Highway 2A, because of poor highway access and the physical development constraints.

6.5 Compatible Development

Ensuring compatibility between industrial and commercial uses and adjacent uses is an important consideration for future economic growth. The designation of lands surrounding an interchange shared with Blackfalds or Lacombe must be sensitive to commitments made in statutory documents. Coordination of land use and cooperation in setting development standards will prove mutually beneficial to both municipalities.

An important consideration for the Towns is that future commercial or industrial development located in the fringe areas of the Towns does not compromise urban investments in infrastructure. Specifically, such development should not conflict with the use, enjoyment or value of the adjacent properties.

Although the Municipal Government Act and accompanying Provincial Land Use Policies emphasize the coordination of land use decisions between municipalities, compliance with adjacent land use plans is at the discretion of the approving municipality. Policies for encouraging a planned, cooperative approach to the development of areas near the Town exist in the Lacombe Intermunicipal Development Plan. Similar policies likely will be included in the Intermunicipal Development Plan being proposed for the Blackfalds fringe area.

Recommendation: *Municipal cooperation in ensuring compatible land uses in the fringe areas should continue to be encouraged and implemented through existing and proposed statutory plans.*

6.6 Planning Considerations

The development history of the region has demonstrated that development *success* is associated with municipal forethought. Municipalities can lead development by using the powers of the Municipal Government Act to put in place a land use strategy for an area that recognizes the aspirations of landowners, the requirements of other authorities, as well as the concerns of adjacent residents. The strategy may be formalized as a statutory or non statutory plan, enacted through changes to the Land Use Bylaw, and implemented through subdivision and development permit approvals.

Area structure plans provide a statutory approach to directing future land use strategies and require intermunicipal coordination, pursuant to Section 636(1)(e) of the Municipal Government Act, not to mention public input in accordance with Section 636(1)(b) of the Act. The Act also

regulates the contents and process involved in preparing an Area Structure Plan, including a process for amendment. Such plans are passed as municipal bylaws, and are therefore binding on present and future Councils and landowners. Changes to the Plan may be accommodated through a regulated amendment process.

Area structure plans dealing with lands adjacent to a highway also require the approval of the Minister of Transportation. However, once approved by the Minister, subsequent subdivision and development proposals that comply with the approved area structure plan do not require further approvals by Alberta Transportation. Such plans are particularly important in providing planning direction and certainty, and are valued by Alberta Transportation as an effective approach for managing future economic growth along Highway 2.

Although an area structure plan is approved as a municipal bylaw, it is general practice for the proponent of a development to prepare the document. The role of the municipality is to ensure compliance with municipal policy and regulations, and that the proposed development is compatible with surrounding land use. The proponent is then required to demonstrate the site suitability, and that the development standards meet the expectations of Alberta Transportation, affected residents and the municipality. The adoption of the plan as a bylaw formalizes its provisions.

The County has historically required the preparation of outline plans, as opposed to area structure plans, to provide a framework for future subdivision and development over a large area. Once again, the contents and purposes of both these types of planning documents are similar. However, the outline plan is not recognized as a statutory plan by the Municipal Government Act and, therefore, may not be as sensitive to the needs of affected landowners, adjacent municipalities or government agencies.

Lacombe County's Municipal Development Plan Policy 8.5 states that the developer of new rural industrial parks may be required to prepare site specific plans. This means that developers are expected to bear the cost of preparing and amending site-specific plans, which will support land use, subdivision and development approvals in compliance with the Municipal Development Plan. The requirements of a site-specific plan are outlined in the Municipal Development Plan, and are similar to the requirements for an area structure plan.

Recommendation: *Terms of reference should be prepared to direct the planning process and plan contents for the site specific plans required for the locations listed in Section 6.4. These terms of reference should be developed in concert with Alberta Transportation, and include consultation with adjacent landowners and urban municipalities, similar to the statutory requirements of an area structure plan.*
If deemed appropriate by the County, some or all of the site specific plans may be approved as area structure plans pursuant to the Municipal Government Act.

6.7 High Volume, High Visibility, High Standards

Traffic volumes on Highway 2 through Lacombe County are between 20,000 and 30,000 vehicles a day, which means that land adjacent the highway is visible to more than 11.0 million people

annually. This high level of visibility attracts commercial and industrial operations, and also pressures developers and approving municipalities alike to *put on their best face* by either screening developments from view, or by requiring a high standard of development. Although there is an expectation that developments next to the highway should be aesthetically pleasing, the County currently has no specific standards or rules that require such developments to be treated any differently from what might be proposed in other parts of the municipality.

Higher aesthetic standards are frequently imposed on developments by urban municipalities at major entrances or adjacent to high visibility corridors. To ensure a high aesthetic quality, development standards typically consider such matters as more dense landscaping requirements; the buffering (or screening) of parking or display areas, architectural controls, the screening of rooftop mechanical equipment, regulations on the placement of loading and trash facilities and restrictions on the number and size of signs.

Alberta Transportation may, through its statutory powers, impose development conditions that include aesthetic considerations. As well, Red Deer County has special provisions regarding High Visibility Corridors. These regulations are shared with the City of Red Deer, and are included in the City and County of Red Deer Intermunicipal Development Plan.

Recommendation: *The County should develop, in concert with Alberta Transportation and its urban and rural neighbours, development standards to ensure aesthetically pleasing developments. The standards should recognize the importance of the corridor, ensure that the integrity and safety of the highway are protected, and, should be capable of consistent application and enforcement with all adjacent municipalities.*

The standards should be implemented through the Land Use Bylaw as an overlay for the selected corridor development locations.

6.8 Municipal Services

Until recently, the County did not support the development of communal sewer or water systems. This policy was amended to allow for consideration of such systems where provided for in approved local plans. The Municipal Development Plan amendment was done with lakeshore development in mind. Council could extend the provision to lands adjacent to urban municipalities where such services are provided. However, the County has traditionally assumed that urban municipalities will provide urban levels of services.

Densities of development, therefore, should allow for on-site servicing and discourage the provision of communal services. Those types of commercial and industrial uses that require communal services should be directed to the Towns. Extension of communal services to areas within the County should be supported in an Intermunicipal Development Plan prior to approval of subdivision or development.

Lot sizes, and permitted and discretionary use types should be tailored to encourage development that can be serviced on-site. Larger lots and restrictions on uses will also ensure that the County is not competing with the Towns for the same developments.

Recommendation: *The Land Use Bylaw should be amended to allow for minimum lot sizes for industrial or commercial uses on lands adjacent to Highway 2. The list of discretionary uses in the Highway Commercial District and in the Industrial District of the County's Land Use Bylaw should also be amended to discourage the types of uses that may require urban communal services and, therefore, may be best suited to urban locations.*

6.9 Phase 2 or Not Phase 2

On July 30, 2002, County Council decided to proceed with the second phase of the Highway 2 Corridor Economic Development Study. The purpose of this second phase is to prepare planning guidelines and standards to be applied to future industrial and commercial developments along Highway 2.

Specific tasks to be completed in Phase 2 of the Corridor Development Study include:

- Establishing geographic limits around suitable interchange locations for accommodating future development;
- Identifying appropriate types of uses for each interchange location;
- Preparing detailed terms of reference to guide the preparation of more detailed site specific plans;
- Providing a common set of standards for landscaping, building design, signs, and lighting that will result in a high quality of development within the corridor; and,
- Recommending methods for implementing the study findings.

Appendix A - Excerpts from the Municipal Government Act and Subdivision and Development Regulation

Road access

- 8 Every proposed subdivision must provide to each lot to be created by it
- (a) direct access to a road, or
 - (b) lawful means of access satisfactory to the subdivision authority.

Section 616 (Municipal Government Act)

- (aa) **road** means road as defined in section 1(1) but does not include highway as defined in this Part;
- (h) **highway** means a primary highway and a secondary road numbered between 900 and 999, as defined in the Public Highways Development Act;

Distance from highway

- 14 Subject to section 16, a subdivision authority must not in a municipality other than a city approve an application for subdivision if the land that is the subject of the application is within 0.8 kilometres of a highway where the posted speed is 80 kilometres or more unless the land is
- (a) to be used for agricultural purposes,
 - (b) for a single parcel of land to be created from an unsubdivided quarter section to accommodate an existing residence and related improvements and that complies with the land use bylaw,
 - (c) for an undeveloped single residential parcel to be created from an unsubdivided quarter section and located at least 300 metres from the right of way of a highway and that complies with the land use bylaw,
 - (d) contained and permitted within an area where the municipality and the Minister of Transportation and Utilities have a highway vicinity management agreement, or
 - (e) contained and permitted within an area structure plan satisfactory to the Minister of Transportation and Utilities.

Service roads

- 15(1) In this section, provide means dedicate by caveat or by survey or construct, as required by the subdivision authority.
- (2) Subject to section 16, if the land that is the subject of an application for subdivision is within an area described in section 5(3)(d), a service road satisfactory to the Minister of Transportation and Utilities must be provided.

- (3) Subsection (2) does not apply if access to the proposed parcel of land and remnant title is to be by means other than a highway.

Waiver

- 16(1) The requirements of sections 14 and 15 may be varied by a subdivision authority with the written approval of the Minister of Transportation and Utilities.
- (2) An approval under subsection (1) may refer to applications for subdivision or development generally or to a specific application.

Appendix B - Checklist for a Traffic Impact Assessment

General Information

- *Location of project in relation to the highway network.*
- *Site plan of the project (subdivision or development)*

Highway Classification

Highway classification.

Existing Infrastructure

Pavement width, lane and shoulder widths, edge of pavement limits (shown on plan).

Existing intersection/ access configuration (lane configuration, existing radius and tapers, pavement markings, existing signs) (shown on plan).

Width of the existing intersecting road at the edge of the right-of-way boundary.

- *Existing/proposed accesses located in the vicinity.*
- *Location of the access centreline from a referenced location.*
- *Intersection sight distance, stop sight distance and decision sight distances.*
- *Grade of the highway & local road.*
- *Design speed of the highway.*

Other Existing Infrastructure (not typically required)

The existing highway cross-section, right-of-way boundary to right-of-way boundary.

Existing utilities (pipelines, cable, telecommunication, illumination, etc.).

Existing drainage structures (length, diameter, culvert material).

Known pavement design (i.e. depth of acp, subgrade, etc.)

Traffic

Existing/ background highway traffic (volumes and % type of vehicles)

Highway traffics average annual growth rate (5-10 year summary) at the proposed location.

Existing traffic utilizing the access/ intersection (volumes and % type of vehicles).

Projected background traffic (apply average annual growth rate over 5-20 year period).

- *Projected development traffic (volumes and % type of vehicles) over a 5-20 year period.*

Traffic Distribution

Directional traffic split (What direction is the traffic coming / going?)

Vehicle Types

Type of vehicle utilizing the access/ intersection (For example, can a WB 21 or 27 successfully make desired turning movement without interfering with other lanes?)

Passenger vehicle equivalency (PVE). (Has the traffic been converted into PVE?).

Peak Hour Analysis (Typically used in vicinity of Urban Areas)

Critical turning movements for AM and PM peak periods.

Highway Capacity Analysis

Level of service of access/ intersection.

Level of service for each critical movement.

Vehicle delay for each critical movement (seconds/ vehicle).

- *Need for left/ right turn bays (based on warrants in the HGDG).*

Pedestrian Movements

Pedestrian movements crossing the highway.

Recommendation for mitigation of pedestrian movements.

Illumination

Existing illumination in vicinity of access/ intersection.

Need for modification as a result of development.

Signalization

Existing signalization at access/ intersection.

Need for modification as a result of development.

Note: *Alberta Transportation does not support signals in rural areas.*

Conclusions and Recommendations

Required intersection improvements.

Required pedestrian mitigation.

Required illumination.

Required signalization.

Note: *If intersection improvements are required, it must include sub-grade for two highway overlays.*

Appendix C – Open House Comment Sheet

Lacombe County
Phase 1 - Highway 2 Corridor Economic Development Study
Open House Comment Sheet

1. Do you live or own property in the County?
 Yes No

2. Are you in favour of the County providing more opportunities for industrial and commercial development along Highway 2?
 Yes No

3. If you answered yes, please check one of the following that best describes what you consider appropriate location for development.
 Development should be restricted to only major highway interchanges (cloverleafs/overpasses).
 Development be considered on any lands adjacent to Highway 2.

4. If more opportunities are provided for industrial and commercial development along Highway 2, what do you think are important planning considerations in the siting and design of such development?

Consideration	Important	Not Important	No Opinion
Agricultural land quality			
Effects on surrounding residents and uses			
Road access			
Building design and property appearance (including landscaping)			
Impacts on neighbouring municipalities			
Others (please specify)	<hr/> <hr/> <hr/>		

Additional Comments:

Please complete
(optional)

Name: _____

Mailing Address: _____

Phone: _____

email: _____

Thank you for taking the time to participate.

Please deposit your completed comment sheet in the box at the door.

Additional questions or comments can be forwarded to Lovatt Planning Consultants by phone at (780) 452 - 8326, by fax at (780) 452 - 3820, by e-mail to lovattplanning@shaw.ca