

The meeting of the Subdivision and Development Appeal Board was called to order by Chairperson Busaan at 9:00 a.m. on February 26, 2019 in the Council Chambers of the Lacombe County Administration Office.

Present

Present: Members: John Busaan, Garth Yeomans, Denniece Crout and Eric Jerrard; Subdivision and Development Appeal Board Secretary Michael Minchin; Manager of Planning Services Dale Freitag; Senior Planner Anita O'Driscoll and Recording Secretary Allison Noonan.

Aaron Herold, Ben Schmitt, Laura Manzanares, Carman Read, Nancy Read, Lisa Thomson, Ian Thomson, Rollie Lusic and Rick Shouldice were also present.

**SDAB 25/19
Agenda**

Moved by Mr. Yeomans that the agenda be approved as presented.

Carried Unanimously.

Hearing Open

Chairperson Busaan opened the hearing with respect to an appeal by neighboring landowners Carman Read, Rollie Lusic, Dave Summers and Ian Thomson regarding the decision of the Development Authority to approve a cannabis production facility on property legally described as Lot 1 Block 1 Plan 962 2191, Pt. NW 25-39-02-W5M, north of Sylvan Lake on property owned by Brian Reeder. No one present voiced any concerns with the board members present hearing the appeal.

**SDAB 26/19
Notification**

Moved by Mr. Jerrard that the Subdivision and Development Appeal Board accept as information the documents submitted by the Planning and Development Department identifying the parties notified of the Board's hearing of this appeal.

Carried Unanimously.

Ms. O'Driscoll addressed the Board and confirmed that the total parcel size is 2.43 hectares (6 acres) and is zoned Agricultural "A" District under the County's Land Use Bylaw. Ms. O'Driscoll confirmed that there is an existing mobile home and accessory buildings on the property, which will remain. Ms. O'Driscoll explained that the applicants applied to construct two greenhouses, a shop, a soil shelter and an administrative building on the subject property, specifically for use in the business. Furthermore, Ms. O'Driscoll explained that all growing of cannabis and cannabis related activities would be completely contained in the two greenhouses and would be securely fenced as per Health Canada regulations. The site is heavily treed on the north boundary; there are some mature deciduous trees on the west boundary and the south boundary is sparsely treed.

Ms. O'Driscoll reported that the applicants propose that the business will operate 24 hours a day, seven days a week, with one-night shift employee arriving to work from 8:00 p.m. to 8:00 a.m. The on-site employees in the business will include one resident off-site employee, four non-resident on-site employees and two non-resident off-site employees. Furthermore, Ms. O'Driscoll explained that the proposed facility is expected to generate minimal traffic daily consisting of employee vehicles and delivery services and is expected to be a maximum of six vehicle round trips per day with sufficient parking on-site for all vehicles. There is no signage proposed as part of the application.

Ms. O'Driscoll confirmed that the application was pre-circulated to adjacent landowners within one mile of the proposed facility. A number of issues arose from the residents, which included:

- a. transparency surrounding the ownership of Humble Farmers Inc.;
- b. location setbacks, curb appeal and future expansion;
- c. noise, odour and day/night lighting;
- d. traffic, parking and dust;
- e. watershed pollution and water supply; and
- f. security, criminal activity, signage and fire safety.

Ms. O'Driscoll also confirmed that the application was pre-circulated to the County's Operations Department and the County's Fire Chief. Lacombe County's Operations Department advised that the applicants would be responsible for dust control from the property's access north on Range Road 2-1 to Rainy Creek Road. The applicants would also be required to install a STOP sign on private property for exiting traffic. The County's Fire Chief outlined a number of requirements including submission of a Fire Safety Plan, compliance with the Alberta Fire Code and a

required inspection upon final construction.

Ms. O'Driscoll confirmed that the County's Land Use Bylaw defines a Cannabis Production Facility as "a premises authorized by a license issued by Health Canada and used for the production, cultivation, harvesting, processing (including the trimming, drying, and curing of raw materials", storage or distribution of cannabis or its by-products for commercial sale". Ms. O'Driscoll explained that the subject site is located within the Lake Development Area of the *Sylvan Lake Area Structure Plan (ASP)* and the *Sylvan Lake Management Plan: 2000 Update*. Furthermore, Ms. O'Driscoll confirmed that the *Sylvan Lake Management Plan: 2000 Update* is silent with regard to uses on agriculturally zoned lands as it speaks more to considerations for multi-lot residential and recreational development. Ms. O'Driscoll argued that *Sylvan Lake ASP* recognizes that agriculture is the dominant land use in the area, and outlines that it supports a number of agricultural uses on remnant lands that are created from conservation cluster design including specialized crops and/or other specialised agricultural pursuits and green houses. Further, Policy 2.5.9 (2) states 'a range of home-based businesses will continue to be considered on a discretionary basis as a means of augmenting farm income".

Ms. O'Driscoll confirmed that the subject site is heavily treed, and argued that with some additional landscaping to augment the areas with less growth, adequate screening will be obtained, which meets the Highways and County Main Roads Overlay District Standards. Furthermore, Ms. O'Driscoll explained that the proposed buildings and elevation drawings submitted with the application are set back from Range Road 2-1 and are agricultural in nature. Ms. O'Driscoll also confirmed that Condition No. 7 of the MPC's approval would ensure that the mobile home will be restored and repaired to the satisfaction of the County. Ms. O'Driscoll argued that traffic to the site is minimal and would not have an adverse impact on the surrounding infrastructure or neighbours. Furthermore, the applicants would provide dust control in front of any residence who requests it north of the production facility to mitigate any potential negative impact. Ms. O'Driscoll argued that the production facility is small in size with a total growing area of 557 m² (6,000 ft²) which will have minimal impact in terms of noise, odour and water consumption. The applicants have advised that they are going to use blackout curtains on the greenhouses at night to negate light pollution at night.

Ms. O'Driscoll argued that the MPC considered that a cannabis production facility was a compatible use in the Agricultural "A" District as it is a legal agricultural crop. Furthermore, the proposed development complies with the regulations and policies of the County's Land Use Bylaw, Municipal Development Plan and applicable Area Structure Plan and as therefore, the MPC approved Development Permit Application No. 179/18 on January 10, 2019, subject to the following conditions:

1. term of the development permit shall be three (3) years;
2. this approval shall be subject to an annual review by the Development Officer. Failure to comply with the conditions of the development permit may result in the permit being suspended or revoked;
3. prior to occupancy of the building for use as a cannabis production facility, the applicant/operator shall provide to the satisfaction of the County confirmation of application for, and compliance with the requisite federal license;
4. cannabis production facility shall at all times comply with federal and provincial legislation and regulations, failure to do so will result in the immediate termination of this development approval;
5. prior to occupancy of the building for use as a cannabis production facility, a fire safety plan to be submitted to the satisfaction of the County's Fire Chief;
6. prior to occupancy of the building, applicants to arrange for the County's Fire Chief to carry out an inspection of the premises to ensure compliance with the Alberta Fire Code (AFC). Please note, that periodic inspections may occur through your development permit approval term;
7. prior to the occupancy of the site for use as a cannabis production facility, the exterior of existing mobile home to be restored and repaired to satisfaction of the County;
8. any lighting to comply with the County's Dark Sky Guidelines and Crime Prevention Through Environmental Design Principles;
9. applicants to provide dust control where required, to the frequency and satisfaction of Lacombe County;
10. applicants to install a STOP sign at the access point for exiting traffic on the property to the satisfaction of the County;
11. landscaping plan to be submitted to the satisfaction of the County to augment the existing landscaping on the south and west property boundaries. Applicants must also enter into a Landscaping Agreement, to be caveated on the title of the property, respecting the approved landscaping plan;
12. landscaping to be completed within one (1) year of the development permit being issued;
13. business activities at the site shall adhere to the description of the business

- provided with the development permit application. A further development permit application is required for any changes to the business;
14. the applicant/operator shall ensure that the business does not cause any nuisance to surrounding property owners due to noise, light, odour or excessive traffic or anything else of a dangerous or objectionable nature, as determined by the County in its sole discretion;
 15. a habitable dwelling to be maintained for as long as the business operates at the site;
 16. maximum one (1) resident off-site employee and six (6) non-resident employees may work on-site, unless prior approval is received from the County;
 17. site to be kept in a neat and tidy condition;
 18. no incineration permitted on the site; and
 19. no signage is permitted without prior approval from the County.

It is the responsibility of the applicants to ensure that the proposed development meets the requirements of the provincial Safety Codes Act and the associated Regulations. For more information on what permits may be required, contact one of the safety service agencies listed on the attached sheet.

**SDAB 27/19
Submission**

Moved by Mr. Jerrard that the Subdivision and Development Appeal Board accept as information the documents provided by Carman and Nancy Read as Exhibit A and the letter of support by Jim Jardine as Exhibit B.

Carried Unanimously.

Neighboring landowners, Carman and Nancy Read, addressed the Board on behalf of the “Concerned Blissful Beach and Area Property Owners”. Mrs. Read argued that the MPC should have not approved the application for the following reasons:

1. The general area around the site is residentially orientated;
2. The site falls within the “Lake Development Area” of the Sylvan Lake Area Structure Plan;
3. The development will be negative to the image, character, enjoyment and property values of the area, and
4. The development will have negative financial implications to the County, and County taxpayers.

Mrs. Read argued that of the three cannabis production facilities approved in the County, the Humble Farmers development is the only development in such close proximity to a residentially zoned area. Mrs. Read argued that this development would have a negative effect on the community as a whole, in relation to odour, noise and an increase in traffic on Range Road 2-1, which could create a potentially dangerous situation for community members that use the road for walking and biking. Furthermore, Mrs. Read argued that the substantial distance that first responders have to travel to the area would put the Blissful Beach community at higher risk for damage, in case of fire or criminal activity at the site, that she feels will increase to a commercial/industrial scale because of the greenhouse operation.

Mrs. Read argued that the site of the Humble Farmers development is located in an area defined as “Lake Development Area” in the Sylvan Lake Area Structure Plan and as such, should not operate from this location. Mrs. Read argued that the area residents’ value privacy, tranquility, businesses that encourages active and healthy lifestyles and neighborhood beautification and, also that would contribute to a sense of community that bring families together. Mrs. Read commented that a federally regulated, high security, commercial/industrial scale production facility that requires surveillance, security fencing, 24-hour monitoring and no community participation does not belong in a residential, family-orientated community.

Mrs. Read argued that the proposed production facility would erode the image, character and enjoyment of the area, due in part to society’s polarized view of cannabis. Mrs. Read argued concerns that included moral issues, risks of potential addiction, risk of children and youth gaining access to cannabis and the potential for black market sales from the production facility location. Mrs. Read provided a letter from Jim Jardine, a realtor with Trilliant Realty in Sylvan Lake indicating his view on the potential implications of the development to the area. Mr. Jardine stated in his letter that he believes that the property values in the community will decrease as the proposed business will change the character of the neighborhood.

Carman Read addressed the Board and argued that the development

would have negative financial implications to both the County and County taxpayers in the area. Mr. Read argued that the costs incurred by the County to provide dust control to Range Road 2-1, the annual inspection costs and the increase in road maintenance due to the increase in traffic will cause negative impacts to the community. Mr. Read stated that the County must be careful not to discourage investment that is not in the long-term interests of the County or County residents. Mr. Read argued that the area around Sylvan Lake is the focus of new high-value recreational and residential properties; therefore, Mr. Read indicated that the County must be careful not to discourage investment that is not in the long-term interests of the County or County residents.

Mrs. Read argued her belief that the County did not adequately consider the effect of this development on the area residents. Mrs. Read argued that the area residents felt the initial concerns raised by the affected residents on the Humble Farmers application were not addressed completely, and the evasive, non-transparent information provided by Humble Farmers was insufficient.

Recess Chairperson Busaan called a recess to the hearing.
Time: 10:30 a.m.

Reconvene Chairperson Busaan reconvened the hearing.
Time: 10:40 a.m.

Affected landowner, Lisa Thomson, addressed the Board and outlined her concerns regarding the proposed development. Ms. Thomson argued that the proposed development would negatively affect the community as the product being grown in the greenhouse is a highly regulated drug crop and is therefore not complimentary to the area or the area's appearance. Ms. Thomson voiced her concerns regarding the potential impact to the community regarding public safety, odour, noise, increased traffic, water usage, fire hazard and probable expansion. Ms. Thomson stated that she believes the community consultation process was ineffective and rushed. Ms. Thomson argued that there appeared to be no depth or thought given to the community's issues with the proposal and argued that the County erred when approving this development. Furthermore, Ms. Thomson stated her belief that the conditions imposed on the development by the County are unrealistic and unenforceable.

Ms. Thomson agreed that the County and County residents should encourage successful businesses, of all types, throughout the County; however, these types of businesses should not be permitted to operate in such close proximity to a large residential area. Ms. Thomson stated her opinion that the location of the Humble Farmers development is not in the best interest of the local residents and should not be approved

**SDAB 28/19
Submission**

Moved by Mr. Jerrard that the Subdivision and Development Appeal Board accept as information the documents provided by Lisa Thomson as Exhibit C.

Carried Unanimously.

Ian Thompson, addressed the Board and argued that information on the Humble Farmers application for development was incorrect regarding the distance from the site to the closest residence. Dick Guyack, advised the Board of his concern that water from the site drains off the property towards Sylvan Lake. Mr. Guyack also clarified that there is a recreational area used by Blissful Beach residents across the road from the subject property.

Rick Shouldice, advised that he has a residence on Lot 69 in Blissful Beach and inquired how carbon filters will keep the proposed odour from escaping the greenhouse and affecting the community. Mr. Shouldice confirmed that there is an abandoned wellsite close to the subject property that now serves as a ball diamond and recreation area for the Blissful Beach community. Rollie Lusi addressed the Board and raised his concern that his property taxes would be used to help pay for dust control for this development. Mr. Lusi inquired how the applicants proposed to contain the chemicals and fertilizers on their property and, also where the excess water from the greenhouse operation would drain.

**SDAB 29/19
Submission**

Moved by Mrs. Crout that the Subdivision and Development Appeal Board accept as information the documents provided by Laura Manzanaras

on behalf of Humble Farmers Inc. as Exhibit D and the letter of support by Devon Neis as Exhibit E.

Carried Unanimously.

Laura Manzanares, on behalf of Humble Farmers, addressed the Board and argued that the proposed operation will have a minimal impact on other properties in the community. Ms. Manzanares advised that the greenhouse operation will be located on the central portion of the property. This factor along with the separation distance to Blissful Beach, the extensive tree lines and the topography will limit any site lines from existing residences to the development. Furthermore, Ms. Manzanares confirmed that Humble Farmers would complete a landscape plan, as directed by MPC, to visually obscure the proposed development from any vehicles or people passing by on the County road. Ms. Manzanares argued that greenhouses are a relatively quiet form of agriculture and; as such, Humble Farmers is committed to ensuring that the fans used in the proposed operation are of a low decibel design, which will minimize any noise created directly from greenhouse operations to be heard on the outside of the buildings. Ms. Manzanares confirmed that Humble Farmers would employ best practices including carbon filter technology that is designed to remove odours, and further confirmed that the greenhouses would be equipped with light deprivation black out curtains to eliminate any light emitted by the facility after sunset.

Ms. Manzanares confirmed to the Board that there is ample parking on site to accommodate all employee vehicles and argued that the estimated six vehicle trips per day will have minimal effect on the existing road structure. Furthermore, Humble Farmers will provide dust control to the three residences north of the subject site on Range Road 2-1 as required. Ms. Manzanares confirmed that Humble Farmers goal is to operate an organic production facility, and is pursuing certifications that focus on both environmental performance and non-use of chemical pesticides and fertilizers. Ms. Manzanares also confirmed rainwater would be harvested from the buildings and stored in cisterns on the property; furthermore, any rainwater or stormwater that cannot be captured in the cisterns will flow to the existing dugout on site. Ms. Manzanares stated that at no time would any water be discharged from the property.

Ms. Manzanares further confirmed that Humble Farmers has been in contact with the local RCMP detachment as per Health Canada requirements. As well, Ms. Manzanares reported that Health Canada has strict, extensive security requirements that need to be met to ensure licensing which include, but are not limited to, perimeter fencing, security gates, staff criminal checks, video monitoring, vaults and 24-hour staffing. Furthermore, Ms. Manzanares stated that there would be no retail sales or signage on site and the location of the property would not be revealed on their website or social media accounts. Ms. Manzanares argued that cannabis is a legal agricultural crop and should not be treated any differently than any other greenhouse vegetable crop. Ms. Manzanares reported that Humble Farmers believes that its proposal is consistent with federal and provincial laws and regulations, as well as Lacombe County's Land Use Bylaw, Municipal Development Plan and the Sylvan Lake Area Structure Plan. Ms. Manzanares argued that Humble Farmer's environment and health-focused business model adheres to the current agricultural zoning and feels that this business will contribute to the local economy, provide local jobs and help to diversify Alberta's economy respecting the environment through its practices and providing people with health and medically useful products.

Ms. Manzanares provided a copy of a letter from Devon Neis, a realtor with LAPP Realty, summarizing his opinion that the production facility would not negatively impact surrounding property values. Mr. Neis stated that, "*moral objections typically don't cause a reduction in the value of properties.*"

***SDAB 30/19
In-camera***

***Moved by Mr. Yeomans that the Subdivision and Development Appeal Board meet in-camera.
Time: 11:26 a.m.***

Carried Unanimously.

***SDAB 31/19
Out-of-camera***

***Moved by Mr. Jerrard that the Subdivision and Development Appeal Board come out of camera.
Time: 11:33 a.m.***

Carried Unanimously.

Ms. O'Driscoll confirmed that the proposed greenhouse and cannabis production facility, as presented, is a discretionary use under the County's Land Use Bylaw. The DA also confirmed that the County has a dust control policy that is enforced County wide and not specific for this development. Ms. O'Driscoll confirmed that this development is relatively small in size, and confirmed that the annual review that will be conducted should mitigate the concerns of the community regarding dust control, odour emissions, noise emissions or lighting emissions. As well, it is the opinion of the Development Authority that this development will not create a higher fire risk than any other greenhouse or residential development in the County. Finally, Ms. O'Driscoll advised that the County have enforcement and nuisance policies and procedures in place to ensure that the approved business does not unduly affect neighboring property owners.

Laura Manzanares confirmed that the proposal is for a production facility only, there is no processing of the product at this facility. Furthermore, all waste will be secured and at no time will product be available for sale from the site. Ms. Manzanares confirmed that Alberta Gaming and Liquor Commission will be hired to retrieve the product when it is harvested. Ms. Manzanares confirmed that Humble Farmers would undertake to upgrade the site to make it more presentable to neighbouring property owners; as well, adhere to the conditions imposed by the County to ensure that neighbours are not negatively affected by the facility.

Mr. Read confirmed that although the subject site is zoned Agricultural in the County's Land Use Bylaw, the production facility is not a suitable use for the site as it is too close in proximity to many residential properties. Mr. Read confirmed his belief that this facility will cause conflict and negative impacts to both the County and the community residents that live in the area. Furthermore, Mr. Read spoke to the importance of maintenance of the site to ensure that the carbon filters are properly installed and maintained to mitigate the potential odours created from the greenhouse.

Hearing Closed

Chairperson Busaan determined that all parties wishing to be heard had been heard and closed the hearing with respect to Development Permit No. 179/18. All parties agreed that they have had a fair hearing and determined the hearing closed.

Time: 11:47 a.m.

SDAB 32/19
In-camera

Moved by Mr. Yeomans that the Subdivision and Development Appeal Board meet in-camera.
Time: 12:00 p.m.

Carried Unanimously.

SDAB 33/19
Out-of-camera

Moved by Mr. Yeomans that the Subdivision and Development Appeal Board come out of camera.
Time: 12:17 p.m.

Carried Unanimously.

SDAB 34/19
DPA 179/18
Humble Farmers Inc.
9622191;1;1
Pt. NW 25-39-2-W5M

Moved by Mr. Yeomans that the Subdivision and Development Appeal Board deny the appeal and in doing so uphold the approval of the Municipal Planning Commission to approve Development Permit No. 179/18 submitted by Humble Farmers Inc. for permission to construct and operate a cannabis production facility on property legally described as Lot 1 Block 1 Plan 962 2191; Pt. NW 25-39-02-W5M, north of Sylvan Lake on property owned by Brian Reeder, subject to the following conditions:

- 1. term of the development permit shall be three (3) years;***
- 2. this approval shall be subject to an annual review by the Development Officer. Failure to comply with the conditions of the development permit may result in the permit being suspended or revoked;***
- 3. prior to occupancy of the building for use as a cannabis production facility, the applicant/operator shall provide to the satisfaction of the County confirmation of application for, and compliance with the requisite federal license;***
- 4. cannabis production facility shall at all times comply with federal and provincial legislation and regulations, failure to do so will result in the immediate termination of this development approval;***
- 5. prior to occupancy of the building for use as a cannabis production facility, a fire safety plan to be submitted to the satisfaction of the County's Fire Chief;***

6. **prior to occupancy of the building, applicants to arrange for the County's Fire Chief to carry out an inspection of the premises to ensure compliance with the Alberta Fire Code (AFC). Please note, that periodic inspections may occur through your development permit approval term;**
7. **prior to the occupancy of the site for use as a cannabis production facility, the exterior of existing mobile home to be restored and repaired to satisfaction of the County;**
8. **any lighting to comply with the County's Dark Sky Guidelines and Crime Prevention Through Environmental Design Principles;**
9. **applicants to provide dust control where required, to the frequency and satisfaction of Lacombe County;**
10. **applicants to install a STOP sign at the access point for exiting traffic on the property to the satisfaction of the County;**
11. **landscaping plan to be submitted to the satisfaction of the County to augment the existing landscaping on the south and west property boundaries. Applicants must also enter into a Landscaping Agreement, to be caveated on the title of the property, respecting the approved landscaping plan;**
12. **landscaping to be completed within one (1) year of the development permit being issued;**
13. **business activities at the site shall adhere to the description of the business provided with the development permit application. A further development permit application is required for any changes to the business;**
14. **the applicant/operator shall ensure that the business does not cause any nuisance to surrounding property owners due to noise, light, odour or excessive traffic or anything else of a dangerous or objectionable nature, as determined by the County in its sole discretion;**
15. **a habitable dwelling to be maintained for as long as the business operates at the site;**
16. **maximum one (1) resident offsite employee and six (6) non-resident employees may work on-site, unless prior approval is received from the County;**
17. **site to be kept in a neat and tidy condition;**
18. **no incineration permitted on the site; and**
19. **no signage is permitted without prior approval from the County.**

It is the responsibility of the applicants to ensure that the proposed development meets the requirements of the provincial Safety Codes Act and the associated Regulations. For more information on what permits may be required, contact one of the safety service agencies listed on the attached sheet.

Carried Unanimously.

REASONS:

1. The Board acknowledged that the subject property lies within the Sylvan Lake Area Structure Plan; however, feels that the proposed greenhouse and production facility is agriculture in nature and is consistent with other Ag operations in the area.
2. The Board agreed that as per Health Canada regulations, the proposed production facility would be operating as a closed-loop system; therefore, potential run-off and contamination from the proposed development is negligible. No evidence was produced to suggest current run-off from the property is an issue.
3. The Board feels that the proposed business will not cause a significant increase in traffic to the area. Any traffic impacts felt by adjacent landowners will be mitigated as the applicant will be required to provide dust control to affected neighbors north of the proposed site on Range Road 2-1.
4. The Board is of the view that the conditions imposed by the Municipal Planning Commission, as well as the annual review to be conducted by the Development Officer, will mitigate the concerns of the community regarding dust control, odour emissions, noise emissions or lighting emissions; as well, ensure that the business will not unduly interfere with the amenities of the neighborhood or interfere with or affect the use, enjoyment or value of neighboring parcels of land.

5. The Board is of the view that no evidence was presented to support the claims of increased odour, increased traffic, increased crime or loss of property values. The Board felt the letter submitted by Jim Jardine, realtor, was an opinion only and lacked supporting sales data.
6. The Board is of the view that Condition Nos. 11 and 12 of the Municipal Planning Commission's approval will mitigate concerns regarding adequate landscaping on the property to ensure that the subject site and business is obscured from view from Range Road 2-1 and the properties south of the existing yard site.

**SDAB 35/19
Minutes**

Moved by Mr. Jerrard that the Subdivision and Development Appeal Board approve the minutes of the January 31, 2019 meeting.

Carried Unanimously.

**SDAB 36/19
Adjourn**

***Moved by Mrs. Crout that the Subdivision and Development Appeal Board meeting adjourn.
Time: 12:31 p.m.***

Carried Unanimously.

Chairperson

Secretary