

GUIDE TO

# AGRICULTURAL PARCEL SUBDIVISIONS

IN LACOMBE COUNTY



January 2024

LACOMBE  
COUNTY

# LACOMBE COUNTY

Please contact us if you would like to discuss your eligibility, need application information, or have any other questions about agricultural parcel subdivisions in Lacombe County! The Planning Services team is happy to help.



[www.lacombecounty.com/subdivision](http://www.lacombecounty.com/subdivision)



(403) 782-8389



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## PREAMBLE

As a proud rural community with a rich agricultural heritage Lacombe County is dedicated to supporting all forms of agriculture in our municipality, including smaller-scale, higher-intensity, specialized or intensive forms of agriculture.

Lacombe County updated its *Municipal Development Plan* in 2017 following extensive consultation with our community. The *Municipal Development Plan* guides how our municipality will grow and develop in the future. It embodies the community's vision for the future. Subdivision is a critical way to define how our community is shaped in the future. As such, the County's *Municipal Development Plan* includes policies on the types of subdivisions that are possible in the County's agricultural area. The County's subdivision policies are designed to protect agricultural lands while supporting the rural community with opportunities to continue residing in the agricultural area and engaging in a diverse rural economy.

The County's *Municipal Development Plan* allows for "agricultural parcel" subdivisions to support existing specialized or intensive agricultural operations that do not require a full quarter section for their operations. While extensive farming operations which require large amounts of good quality agricultural land are staples in the farming landscape of Lacombe County, the County recognizes that the farming industry is diversifying, with smaller high-intensity operations gaining traction and popularity. This policy provides an opportunity for a smaller title to be created for such operations.

To ensure that the original intent of this subdivision opportunity is maintained, the County has several requirements that need to be demonstrated at the application stage for an agricultural parcel subdivision to be approved. This Guide outlines those requirements in detail to ensure that applicants know exactly what to expect in the application process.

We understand that planning policy can be complicated. As such, Planning Services staff are available to answer any questions that you may have regarding agricultural parcel subdivisions and what is required for the application process.

Lacombe County Planning Services  
Telephone: 403-782-8389  
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# WHAT KIND OF AGRICULTURAL OPERATION IS THE AGRICULTURAL PARCEL SUBDIVISION MEANT FOR?

The 'agricultural parcel' subdivision opportunity is specifically intended for an existing specialized or intensive agricultural operation located on an unsubdivided quarter section, as defined in the County's *Municipal Development Plan*.

A **SPECIALIZED OR INTENSIVE AGRICULTURAL OPERATION** is defined as "operations which typically produce high value, lower volume, intensively managed agricultural products and do not require the large parcel sizes typically associated with annual crop production and livestock operations. Specialized or intensive agricultural operations include greenhouse production, specialty livestock production and horticultural production."

As per the definition above, large-scale agricultural operations such as grain, seed crop, potato, legume farming; grazing, cow/calf operations; lumber logging, etc. are not eligible for an 'agricultural parcel' subdivision.

## POLICY

If there is a specialized or intensive agricultural operation on an unsubdivided quarter section in the Agricultural 'A' District, the following criteria **MUST** be met.

### AG 3.7.1 Agricultural Parcel Subdivision

The subdivision of land for specialized or intensive agricultural operations, such as greenhouses and other horticultural businesses, may be considered only from an unsubdivided quarter section if the following criteria are met:

- a. submission of adequate detailed information describing the operation, such as a business plan that may include a financial plan, and any other information deemed necessary by the County;
- b. the specialized or intensive agricultural operation has been established for a period of more than one (1) year prior to subdivision approval to the satisfaction of the County;
- c. for the purpose of (b) established shall mean 75% of the operation outlined in the business proposal has been developed to the satisfaction of the County; and
- d. the proposed parcel is not less than 4.05 hectares (10 acres) in size, and follows the current boundaries of the established specialized or intensive agricultural operation, or the proposed expansion area.

*For the purposes of this policy, specialized or intensive agricultural operations do not include, for example, grain farming and/or cow/calf operations.*

**Please note that provincial legislation requires Lacombe County to adhere strictly to our subdivision policies; as such, no variances or exceptions can be made to these criteria.**

If you need help in determining if these pre-requisites are met, please contact Planning Services.

# APPLICATION REQUIREMENTS

## 1) BUSINESS PLAN

Lacombe County requires applicants to include a business plan, and may require financial information, to verify that the business exists on the site and has been operational for a year. A sample business plan has been included in **APPENDIX A**. Applicants may use this as a model to develop their own business plan.

Please include a detailed site plan as a part of your submission.

## 2) OPERATION HAS BEEN ESTABLISHED FOR AT LEAST ONE YEAR

The County will require verification that the specialized or intensive agricultural operation has existed for at least one year prior to the subdivision approval. This may include records of sales (receipts), advertising information (e.g. social media or websites with date stamps), or other information as deemed appropriate by the County.

## 3) 75% OF THE OPERATION MUST BE ESTABLISHED FOR AT LEAST ONE YEAR

Based on the business plan, the County will determine if 75% of the business has been established as outlined, and that it has been established for a year. This applies to both the business services/products indicated and also the physical footprint of the business.

## 4) PROPOSED SUBDIVISION TO FOLLOW THE CURRENT BOUNDARIES OR PROPOSED EXPANSION AREA

The proposed subdivision area must be at least 10 acres (4.05 hectares) in size.

The proposed subdivision must follow the



boundaries of the existing specialized or intensive agricultural operation, OR a proposed expansion area. The proposed expansion area is a maximum of up to 25% of the current size of the business footprint. If you are proposing an expansion area to be included in the parcel to be subdivided, information regarding the logistics of the expansion must be included in the business plan.

For example, if a quarter section has a greenhouse operation or horse training / breeding facility, to qualify for an 'agricultural parcel' subdivision, at least 7.5 acres of a site MUST be established as a specialized or intensive agricultural operation for at least one year preceding a subdivision application, with a plan to expand to the remaining 2.5 acres.

## **5) IF REQUIRED, DEVELOPMENT PERMIT APPROVAL FROM THE COUNTY**

Most intensive or specialized agricultural operations do not require a development permit from the County. Operations that do not require a development permit include, for example, greenhouses, tree farms, confined feeding operations, or a specialized livestock breeding operation.

However, some intensive or specialized agricultural operations, or components of the operations, may require a development permit from the County. The following uses would require a development permit from the County:

- A riding or boarding facility
- An operation with an agri-tourism component
- An operation with an alcohol production component
- An operation with a kennel or veterinary service component

If you are unsure if your operation requires a development permit, please contact Planning Services.

## **WHAT IF I AM NOT ELIGIBLE FOR AN AGRICULTURAL PARCEL SUBDIVISION?**

If you do not meet the requirements mentioned above, you may still qualify for a 4-acre "first parcel out" subdivision if you have had a habitable permanent residence on an unsubdivided quarter section for five years or longer.

Further, if you do intend to start a specialized or intensive agricultural operation on an unsubdivided quarter section in the near future, you may be eligible once you have completed a full year of operation.

Please contact Planning Services for guidance! Our team is always happy to help you with any subdivision questions you may have!

## HOW DO I APPLY?

To proceed with an application, please first confirm eligibility with Lacombe County Planning Services. You can contact Planning Services through phone at 403-782-8389 or email at [planning@lacombecounty.com](mailto:planning@lacombecounty.com). If you are deemed eligible, please proceed to complete an application form. You can get an application form on the County website at [www.lacombecounty.com/subdivision-application](http://www.lacombecounty.com/subdivision-application)

Along with the application form, please include the site plan, business plan, and the application fee. Additional information about the application process is included on the form.

Once the County has received your application, staff will review the application to determine if any additional information is required. If additional information is required, the County will let you know and will work with you to complete the application prior to opening the file. Once the application is deemed complete, it will be circulated to adjacent landowners and affected agencies for a 21-day period. After the 21-day circulation, the County will do a site visit to the property and will render a decision. The decision is subject to a 21-day appeal period. Once the appeal period has elapsed, you may begin working with an Alberta Land Surveyor on the subdivision to complete applicable conditions of required for the approval for the final endorsement and registration of the subdivision.





APPENDIX A

**SAMPLE  
BUSINESS PLAN**

# BUSINESS PLAN FOR PETALS AND CANOPY CREATIONS

Sample Business Plan for Ornamental & Floral Horticultural Business

**Prepared by:**

**Mailing Address:**

**Phone:**

**Business Name:**

**Legal Land Location:**

**Civic Address:**

**Date:**

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## BUSINESS PROFILE

“Petal and Canopy Creations” is a local horticultural specialist, that has been operating in Lacombe County for the past five years. Our business specializes in growing outdoor ornamental plants suited for Alberta’s climate, including decorative, hardy, high-utility, and/or edible tree, shrub, and annual/perennial flower species.

Since our establishment, our business revenues have been steadily increasing each year, and we are rapidly gaining name recognition throughout Central Alberta for providing high-quality, resilient, and weather-tuned landscaping plants for the local community. Petal and Canopy Creations has secured several purchase/supply agreements with local landscaping companies to provide shrubs and trees for landscaping projects of all sizes and scales. Our business is quickly becoming a household name in the Lacombe County area with the opening of our retail store three years ago.

Our business site includes the following components:

1. An outdoor tree / shrub farm. Our outdoor nursery currently spans an area of approximately 5 acres and is used to grow various cultivars of both exotic and native tree and shrub species. While our focus is primarily on decorative plants used for landscaping, we also grow a variety of native species and fruit plants.
2. Two greenhouse complexes. The greenhouses and the surrounding lands required for this operation spans an area of approximately 2 acres. The greenhouses are used to grow annual and perennial herbaceous plants, largely for flowering or decorative purposes.
3. Commercial area. Our operation includes a gravel parking area and retail building, spanning an area of approximately 1 acre. Our retail building includes accessory landscaping and gardening supplies such as high-quality soils, fertilizers, and is connected to the greenhouse and tree/shrub farm areas. Further, our retail establishment also carries products from other local businesses in the area, including agricultural products, baked goods, and artwork created by local artisans.
4. Storage space. Our operation includes a 2-acre site with two accessory building (a shop and a storage shed), as well as space for outdoor storage. This area is not accessible to customers, but is used to store equipment, material, and supplies for our business.

As such, our total business footprint is 10 acres. In the next two years, we are intending to expand our business by another 2 acres, as shown on our site plan, and will be further intensifying our operation on the existing business footprint. The proposed expansion will include:

- An increase in the retail shop area.
- One new greenhouse, which will take up a one-acre site.
- A one-acre expansion to the existing tree farm.

The portion of the property where we are proposing the subdivision also includes our private residence (which includes our office space), detached garage, and backyard.

A detailed site plan has been included for the County's reference.

## **PRODUCTS AND SERVICES**

### **EQUIPMENT, MATERIALS, & SUPPLIES**

The following equipment is owned by Petals and Canopy Creations:

- 1 ton Diesel truck for shipments and deliveries
- 1 Ford F-250 pickup truck
- 2 Dutchman Industries tree spades
- 1 Dutchman Industries tree potter
- 1 Kubota skid steer loader
- 1 Kubota RTV cab
- 1 Woodland Mills wood chipper
- 1 Agri-Fab 60 gallon herbicide sprayer
- Stockpiles of topsoil, gravel, clay, peat moss, perlite, vermiculite, rocks, and wood chips
- Inventory of pots, seeds, fertilizers, insecticides/herbicides
- 2 German Shepherd security dogs

As needed for special projects, we may also rent larger equipment from our neighbours or business associates.

### **STAFFING**

Petals and Canopy Creations is a family owned and operated business. As such, we have three resident on-site employees who are members of our family and live in the house on this property. In addition, we also have two non-resident on-site employees who work on the site from March to September, as determined by the weather. One of these employees is a full-time cashier from May to August and assists with other sales-related activities. The other employee is a full-time labourer and equipment operator and assists in seeding, greenhouse maintenance, planting, transplanting, and sales. In the past years, we have also employed two students to help on a part-time basis during high peak sales times.

In the upcoming year, we may need to expand our staffing to include one more full-time seasonal employee to assist in the operation of the new proposed greenhouse.

### **KNOWLEDGE AND EXPERTISE**

Petals and Canopy Creations gains knowledge and expertise from the following sources:

- Our company Manager of Operations has a certificate in applied forest management from the Northern Alberta Institute of Technology (NAIT), which is applied to the daily operations of our facility.
- We are a member of the Landscape Alberta Nursery Trades Association, which provides us a professional network of experts in this field.

- We are in regular contact with research labs at the University of Alberta and Olds College for updates on best practices within our field.

## PRODUCTION PLAN

Our company follows a detailed yet flexible production plan to ensure that we produce high quality plants that can be sold to our customers at a reasonable price. Our production process includes the following general steps:

- 1. Soil preparation** – Prior to sowing seeds, a special soil mix is prepared custom to each of the species we are growing. The soil composition consists of peat, vermiculite, perlite, top soil, and/or sand, and the composition is determined by the optimal conditions of the species as found in scientific literature or best practice documents, and our own experience. This process can occur over the winter months.
- 2. Seed germination** – A variety of methods are employed to ensure high seed germination. Depending on the species, direct sowing, pre-soaking, petri-dish germination, or hormone-induced germination are employed. Germination typically occurs in early Spring, usually inside growth chambers built into our greenhouses.
- 3. Nursing Stage** – Depending on the species, the nursing stage of the plants before they are ready for sale can be a few months to a few years in length. Within this stage, plants are fertilized, watered, and given natural/artificial light as required on a species-specific basis.
- 4. Sales Stage** – Our herbaceous plants and grasses are ready for sale within a few months of germination, whereas our shrub and tree species will require several years, depending on the size and caliber of plants we are intending to sell. Petals and Canopy Creations has invested in balanced strategy to provide smaller (short-term investments) and larger (longer-term investments) plants to our clientele.
- 5. Winterization** – After a successful growing season, our facilities and equipment are winterized, which includes the greenhouse portion, as all plants grown by Petals and Canopy Creations are Zone 3 / 4 plants that require a natural freezing period. Our facilities are restarted based on the species being grown in the subsequent year. In February, we begin operations for our annual flower species to ensure they are ready to flower by the time of sale in May.

## PRODUCTION SCHEDULE

The timing of each of the stages is dependent on the species being grown. In general, the production schedule is as follows:

<b>Stage</b>	<b>Herbaceous / Grass Species</b>	<b>Tree / Shrubs</b>
1. Soil preparation	December – January	March - April
2. Seed germination	February – April	April – May
3. Nursing stage	March – May	May – August
4. Sales Stage	May – July	May – October
5. Winterization	September – December	November – February

Please note that there is sometimes overlap between the stages; for example, trees and shrubs can still be sold while they are still in the nursing stage if there is client interest.

# MARKETING PLAN

## SUPPLY & DEMAND TRENDS

There has been a consistent and increasing demand for landscaping plant material in Alberta for many decades. The demand for landscaping products increases proportionally with new development, whether residential, commercial, industrial, or recreational. Alberta is the fastest growing province in Canada, and with this new development comes an increased demand for landscaping products. In today's day in age, most municipalities in Alberta require landscaping for new developments as a bare minimum. Approximately 60% of our products are sold directly or indirectly (through landscaping contractors) to land developers, builders, home restoration / renovation companies, and/or landowners of new developments, who we directly market to.

The remaining 40% of our sales occur through our retail store, which is open from May 1 – August 15. Our retail store sales have been increasing steadily each year we have been in operation. The majority of our customers are individuals who live in the surrounding area in Lacombe County, as well as visitors from nearby urban municipalities like Lacombe, Blackfalds, Bentley, Red Deer, and Sylvan Lake. We have even seen visitors from as far away as Edmonton and Calgary.

## CONSUMER DEMAND

Since our business opened its doors, we have recorded an average 15% increase in consumer demand for our products and services year-over-year. This represents a 20% increase in consumer demand for our tree/shrub products and a 10% increase in the annual and perennial herbaceous plants/grasses. Our business responds accordingly by investing resources in profitable areas and investing more in popular species.

## MARKETING STRATEGIES

Our business is marketed as follows:

### Facebook

Our business has 4,000 likes on Facebook and gains an average monthly reach of 300,000 with 13,000 post interactions, during spring/summer months. Our business does paid advertising through Facebook to target audiences in central Alberta.

### Instagram

Our business account has 1,700 followers on Instagram and gains an average monthly reach of 20,000 with 1,500 post interactions, during spring/summer months. We have not yet begun paid advertising on Instagram but will consider it in the near future.

### YouTube

Our business has a YouTube channel called "Hot Floral Insights" in which we provide tips and tricks to those new to gardening, landscaping, or yard beautification.

## Newspapers

We run newspaper ads twice a year in the Lacombe County News and Red Deer News.

## Community

We have advertisements in community facilities across the Lacombe County area and spread awareness of our business through word of mouth.

## PROPOSED EXPANSION

Given the increasing popularity of our business, we will be expanding our operations in the upcoming five years as follows:

### **An increase in the retail shop area.**

We are currently working on floor plans and elevations designs for our redone retail shop area, which will be expanded to include more indoor space to sell accessory items such as soil, garden decorations, gardening supplies, as well as products from local businesses.

### **One new greenhouse, which will take up a one-acre site.**

Within the next year, we will need to construct a new greenhouse complex to keep up with the increasing demand for our products. Our current facilities have sufficient capacity for our estimated increased demand for the upcoming growing season, but we will need space for a new facility for the years after that.

### **A one-acre expansion to the existing tree farm.**

Given the popularity of our tree and shrub products, we will be converting an additional acre of land from general crop cultivation to the tree/shrub farm.

In general, there are parts of this business site that are under-utilized. These areas will be intensified over time to be higher-yielding.

## DEVELOPMENT PERMIT REQUIREMENTS

Our business is an agricultural operation and does not require a development permit from Lacombe County.

# FINANCIAL PLAN

The following is our business' income summary categorized by source of revenue.

	<b>Revenues / Expenses</b>	2019	2020	2021	2022	2023	2024
Revenues	Greenhouse plant sales						
	Tree sales						
	Shrub sales						
	Seed sales						
	Accessory item sales						
	Dirt / rock sales						
	<b>Total Revenue</b>						
Expenses	Soil / substrate						
	Fertilizers & insecticides						
	Seeds						
	Pots						
	Other supplies						
	Equipment costs						
	Insurance						
	Taxes						
	Electricity						
	Natural Gas						
	Labour						
	Other expenses						
	<b>Total Expenses</b>						
	<b>Total Profit</b>						

*If required by the County, please include sample receipts.*

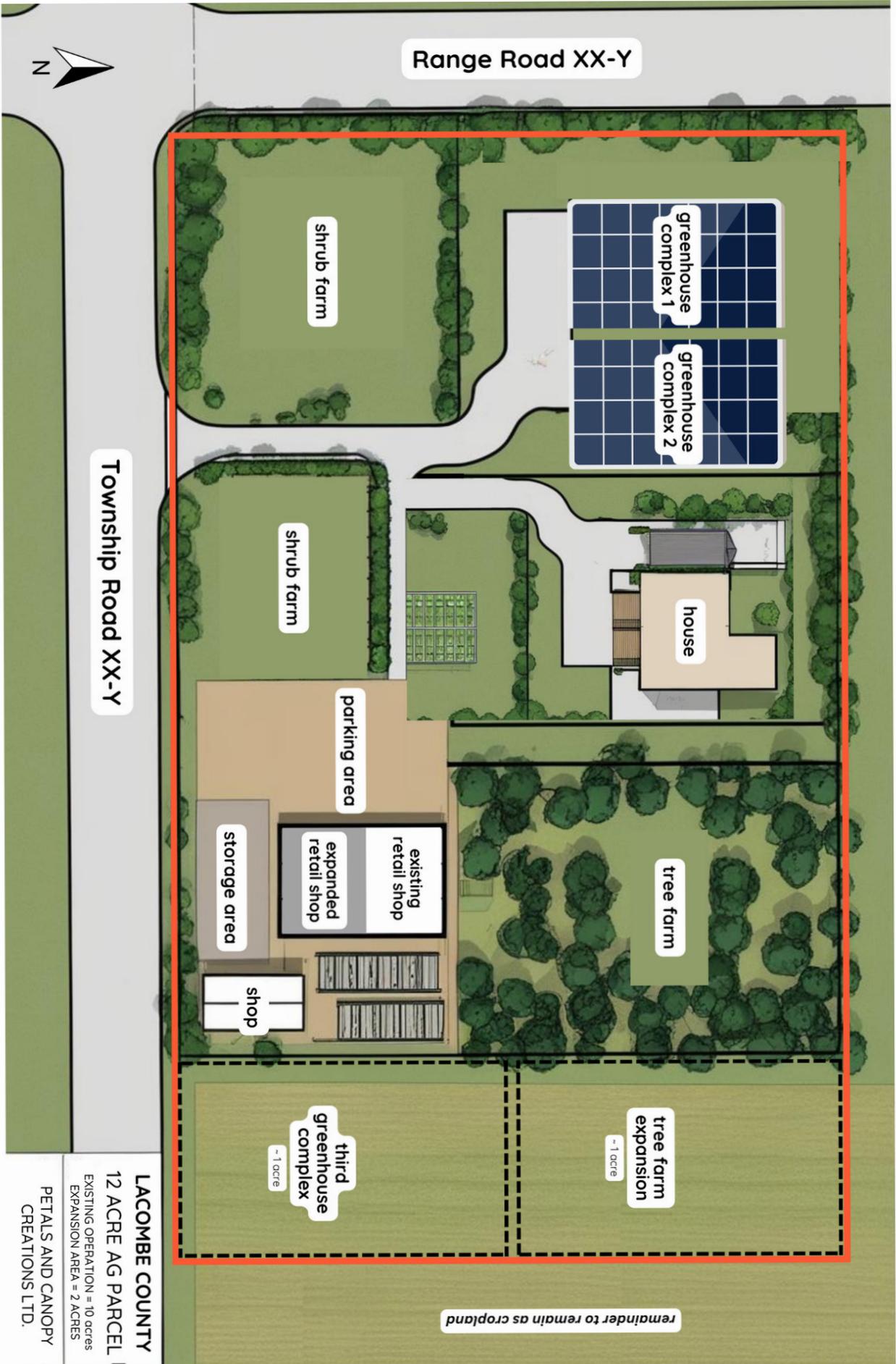


APPENDIX B

**SAMPLE**

**SITE PLAN**





**LACOMBE COUNTY**  
**12 ACRE AG PARCEL**  
 EXISTING OPERATION = 10 ACRES  
 EXPANSION AREA = 2 ACRES  
**PETALS AND CANOPY**  
**CREATIONS LTD.**