

Riverside Light Industrial Area Land Use Review

October 2015



Riverside Light Industrial Area Review

October 20, 2015

Introduction:

In June 2011, after several inquiries for uses not listed as either permitted or discretionary uses within the I1 (Business Service) District in the Riverside Light Industrial area (RLIA), Council resolved that administration determine when an area redevelopment plan (ARP) could be undertaken. In September 2011 City Administration responded that work would begin late 2013 or early 2014 on either an ARP or study (dependent on the extent of changes necessary). In reply to Council's resolution this study has been prepared for the review of zoning in the RLIA.

Scope:

This study will exclusively look at the land use district, including the range of permitted and discretionary uses of the RLIA and provide options and a recommendation on land use alternatives.

Location:

Centrally located within the city, just north of the Red Deer River, the RLIA is bound by Gaetz Avenue on the west, Riverside Drive on the south and east, and escarpment on the north. Figure 1: Riverside Light Industrial Study Area shows the geographic location and its relation to the remainder of The City of Red Deer.

The location of the RLIA is unique in that it is segregated from adjacent uses by major roadways and natural features. Parkland Mall is located north of the escarpment area; however, not visible from the plan area. Across Gaetz (50) Avenue, there are a mix of commercial businesses (south of 60 Street), a cluster of medium/high density residential units (north of 60 Street). The Lions Campground, which is open seasonally, and the Red Deer Native Friendship Centre parcel are located south of Riverside Drive along the Red Deer River. Figure 2: Riverside Light Industrial Existing Land Use Districts depicts the surrounding land uses in the area.

The area is desired because of its central location, access to rail, and cheaper and smaller bays available compared to other industrial or commercial areas. With the transition of the central Cronquist Light Industrial area to Riverlands there has been a decrease in the inventory of light industrial that is centrally located.

Background:

History of Riverside Light Industrial (Paraphrased from a 2007 article in the Red Deer Advocate by Michael Dawe)

Between 1956 and 1960 an agreement was made, between The City of Red Deer, the rural Municipal District of Red Deer (later Red Deer County) and the Canadian National Railway (CNR) to

relocate the CNR terminal and yards from eastern downtown to the north side of the Red Deer River in conjunction with a new major industrial development, the Riverside Industrial Park project.

Through a series of land swaps, land north of the Red Deer River was annexed into The City in 1957. During that time Red Deer was experiencing a major boom in its economy. As a result, the Riverside Industrial Park project allowed the City to grow into 1000 acres of undeveloped land which would be accessible to rail service. Riverside Industrial Park was developed as Red Deer's first official industrial park.

In May 1961 the new Riverside Industrial Park and CNR station and rail yards were officially opened. The station and rail yards were located at 6013 - 48 Avenue along the western boundary of the plan area. Prior to the official opening, Horne and Pitfield constructed a new warehouse in the area. Plans were also announced for the construction of a \$1 million meat packing plant by Red Deer Packers as well as a large pole and timber treatment plant. Several other new businesses, warehouses, and industrial plants soon followed with a major boost to local employment and the economy in general.

Originally the area was developed with several larger lots ranging from 0.69 – 11.83 acres. Overtime all of the larger lots were re-subdivided into smaller pieces of land accommodating several new businesses.

Uniqueness of Area

Current Guiding Policies and/or documents:

Municipal Development Plan

The City of Red Deer Municipal Development Plan (MDP) outlines broad-based policies for guiding long-term growth within the city. The MDP sets out the following policies regarding industrial development:

- 13.2 The City should maintain and/or facilitate an adequate inventory of serviced industrial sites of various lot sizes and type (light and heavy) to meet the needs of business and industry.
- 13.3 The City's Land Use Bylaw and Industrial Area Planning Guidelines and Standards shall contain development standards for industrial sites, including siting and design of buildings, landscaping and screening of storage and parking areas, signage and intensity of development, while recognizing the industrial nature of these areas.

NOTE: The Industrial Area Planning Guidelines and Standards apply to only new Industrial Area Structure Plans (IASP's).

- 13.4 The City, through provisions in the Land Use Bylaw and other planning documents, shall ensure that appropriate separation distances and transition between industrial and non-industrial uses are maintained.

Land Use Bylaw 3357/2006

The City of Red Deer Land Use Bylaw (LUB) regulates and controls the use and development of land and buildings within the City by dividing the City into land use districts.

The current land use designation of the RLIA is I1 Industrial (Business Service). The general purpose of the district is to provide for a range of light industrial, warehousing, storage and industrial support services that do not create noise, odours, dust, fumes, or other factors which are regarded as nuisances. In addition, it provides for businesses that are incompatible in commercial districts.

A summary of the permitted and discretionary uses within the I1 Industrial District are listed in the table below.

Table 1: I1 Industrial Permitted and Discretionary Uses

Permitted Uses	Discretionary Uses
<ul style="list-style-type: none"> • Accessory buildings or uses • Accessory sales • Industrial support services • Signage • Manufacturing, processing, distribution, repair, servicing, and/or rental of articles • Service stations • Warehousing • Outdoor storage 	<ul style="list-style-type: none"> • Above ground storage tanks for motor fuel products • Animal services • Auction marts (excluding livestock) • Signage (types differing from those that are permitted) • Sale of large trucks, heavy construction equipment and machinery • Dangerous goods • Restaurant • Crematorium • Sale of horse, stock, and light flat-deck and cargo trailers • Transportation, communication or utility facility • Industrial trade school • Accessory outdoor display or sale of goods • Pet crematorium

Economic Development Strategy, 2013

The study aims to identify a wide range of opportunities for creating employment and investments. It provides economic development strategies including actions related to economic diversification, small businesses, human resources, regional competitiveness, safety, education and other initiatives. The following strategy speaks to incubator spaces and business startups.

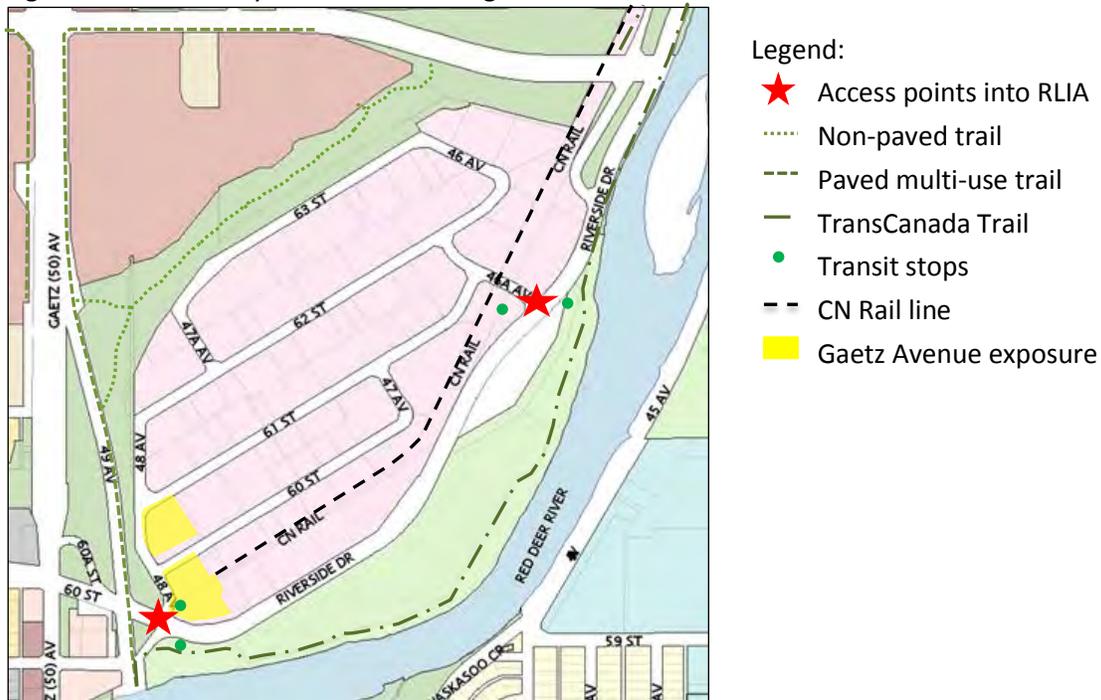
Strategy E5: Support business incubator spaces and mentoring for startups

Details: The City can operate or partner with a site that acts as a new business incubator, providing startups with inexpensive workspace and the ability to network with other young businesses. The incubator model has been successful in many cities, not only providing valuable services to fledgling companies, but also revitalizing underutilized commercial areas.

Location and Access:

Unlike other industrial areas the RLIA is centrally located within the city and serves as an ideal location for businesses desiring to be close to downtown and require a central industrial location in the city. Located within close proximity to the Red Deer River there are several trails connecting the location to other parts of the city, specifically the Downtown and Riverside Heavy Industrial, providing multi-modal access for employees. City transit is active within the area, currently there are four routes with stops along Riverside Drive within the plan area moving an average of 400 people per day. Bus stops are placed on the east and west boundaries of the plan area. Buses are scheduled throughout the day to accommodate the typical operating hours of industrial business.

Figure 3: Accessibility of the Riverside Light Industrial Area



The western portion of Riverside benefits from exposure to Gaetz (50) Avenue. As a result several of the businesses located along 48 Avenue in Riverside Light Industrial are orientated towards Gaetz (50) Avenue taking advantage of the marketing exposure and offer accessory sales as part of their business.

Access into the area is off of either Gaetz (50) Avenue or Riverside Drive. Access from Riverside Drive carries traffic from Riverside Heavy Industrial and traffic exiting 67 Street heading south. Access from Gaetz (50) Avenue enters into the area at the southwest corner of the plan area, either

turning onto 48 Avenue or Riverside Drive. There are a series of merging lanes and exits entering and exiting the neighbourhood helping the overall flow of traffic coming and going.

Since the opening of the industrial park, rail has been a unique feature of the industrial park. CN Rail has a rail line along the east part of the plan area following the general direction of Riverside Drive ending at 48 Avenue. At this point in time the rail line is not actively used, CN Rail has confirmed that there will be no more rail service through the area however the timing of the rail line removal has not been specified. The Co-op Home and Garden Centre on Riverside Drive, with permission, has removed part of the track to access their adjoining parcels on 60 Street.

Land Use Constraints:

Land use constraints being restrictions that can limit, and in some cases preclude, development of property should be considered before the planning process starts. As identified in the City's Land Use Bylaw there are two constraints within the RLIA: an abandoned landfill, and an escarpment area. Figure 4: Riverside Light Industrial Land Use Constraints illustrates each of the constraints.

1. **Abandoned Landfill:** Regulated by Section 13 of the Subdivision and Development Regulation, landfills have a minimum setback distance of 300 metres thereby placing constraints on current and future development within the plan area. The minimum setback distance is applicable for new or expanded schools, hospitals, food establishments, and residences. Given the types of uses within the industrial area, the setback distance may not have a great affect on the area. Figure 4: Riverside Light Industrial Land Use Constraints shows the approximate setback areas of the landfill. As previous development exists within these setback areas only new subdivision or development would be required to maintain these setbacks. An Environmental Risk Management Plan (ERMP) for the landfill within the RLIA was prepared in November 2014. The ERMP found that for developments beyond 100 metres of the landfill the level of risk was viewed as negligible and not warranting special environmental mitigative or adaptive considerations. Based on this information, reduction of the minimum setback to 100 metres may be supported however at this time no blanket relaxations or site exceptions have been approved by Alberta Environment and Sustainable Resource Development.
2. **Escarpment Area:** The escarpment along the north boundary of the plan area, as shown in Figure 4: Riverside Light Industrial Land Use Constraints, provides a natural constraint for development. From 63 Street the land is sloped upwards towards the Parkland Mall location. The specifics of the potential impacts are addressed in more detail at the subdivision and development stage.

Lot Size and Coverage:

The RLIA is a small industrial park in comparison to others within The City of Red Deer. The 2012 Economic Development Strategy estimates the Riverside Industrial Area to be 309,585 m² (30.96 hectares or 76.50 acres). The following table, Table 2: I1 Industrial District, Parcels by Area indicates that in terms of the number of parcels, Riverside Light Industrial is the third largest I1 light

industrial area following behind Edgar and Northlands Industrial Parks; however, in terms of parcel size it is ninth out of thirteen industrial areas. Overall parcel size in the RLIA is small in comparison to other I1 industrial areas. In addition, approximately 45% of the buildings are constructed to accommodate more than one business either by condominium or leasehold building further reducing the perceived parcel size.

Table 2: I1 Industrial District, Parcels by Area

I1 Industrial Area	Number of Parcels	Average Parcel Size (m ²)	Total Average Area (m ²)
Edgar Industrial Park	156	12,201.0	1,903,356.0
Northlands Industrial Park	86	6,156.0	529,416.0
Riverside Light Industrial Park	75	4,478.0	335,850.0
Golden West	56	11,007.0	616,392.0
East Burnt Lake	31	14,954.0	463,574.0
East Queens Business Park	26	16,293.0	423,618.0
Normandeu	24	3,534.0	84,816.0
West Queens Business Park	17	19,739.0	335,563.0
Johnstone Crossing	6	9,207.0	55,242.0
Riverside Heavy Industrial Park	3	3,384.0	10,152.0
Oriole Park West	1	25,660.0	25,660.0
Railyards	1	24,027.0	24,027.0
South Hill	1	2,714.0	2,714.0
City	483	153,354.0	4,810,380.0

Source: City of Red Deer GIS data, April 2015

Overall, due to the small parcel size, Riverside Light Industrial attracts different uses than other industrial parks. A typical business in Riverside Light would include service and repair or small-scale manufacturing with a retail component.

The City's Economic Development Strategy indicates that parcel coverage in the area to be quite high in comparison to other industrial areas indicating that there is a high utilization of industrial land. Typically the businesses in the RLIA do not have a large amount of yard or storage space that newer, farer removed industrial areas provide.

Table 3: Site Coverage Ratio (SCR) of Industrial Areas – 2012

Industrial Area	Land (sq ft)	Building (sq ft)	SCR
52 Ave	887,988	310,889	35%
Chiles Industrial Park	2,250,683	292,426	13%
Edgar Industrial Park	19,604,444	2,497,755	13%
Riverside Light Industrial Park	3,332,048	945,323	28%
Golden West	9,609,701	1,506,429	16%

Industrial Area	Land (sq ft)	Building (sq ft)	SCR
Northlands Industrial Park	6,380,837	1,497,228	23%
Queens Business Park	14,424,000	N/A	N/A
Riverside Heavy Industrial Park	12,159,071	1,229,199	10%

Source: City of Red Deer Economic Development Strategy, July 2013

Current Uses:

RLIA is comprised of a mix of industrial uses. Most prevalent is warehousing/distribution, repair/servicing, office as an accessory use, and storage. Of all the occupancy permits issued between 2002 and 2013, 69 percent were of these types. See Figure 6: Riverside Light Industrial Occupancy Permits by Type for the percentages of each type of permit issued. Riverside Light is unique in that several businesses also have retail sales as an accessory use, particularly those businesses along 48 Avenue, with visibility from Gaetz Avenue, and Riverside Drive. Because of the small lot sizes and the lower lease rate than other industrial areas the RLIA often will serve as an incubator for smaller businesses starting up.

In addition, there have been inquiries and requests for additional types of commercial uses, for example commercial schools (i.e. music and dance studios) and commercial service facilities (i.e. insurance agency, tanning salon, etc.) within the area.

Overview:

In general the policy direction of the RLIA consists of the development of basic light industrial uses, and has developed as such. Due to the small lot sizes, central location, and high accessibility of the area there is pressure to develop commercial uses within the area. The area also serves as an incubator for small businesses starting up and will likely continue as the Riverlands neighbourhood, which formerly served as a small incubator industrial park, transitions from an industrial area to a mixed use area. Constraints on land use are present but do not affect the area as a whole.

Current and Past Policies and Decisions:

Previous Policies and Decisions:

Over the past several years there have been amendments to the City's Land Use Bylaw I1 Industrial District specifically addressing issues that arose within the RLIA. Most significantly was an amendment pertaining to "trade/commercial schools" in 2011.

Prior to June 2011 "trade/commercial schools" were listed as a discretionary use within the I1 District but were not clearly defined within the definition section of the bylaw. The intent of a "trade/commercial school" when it was originally added to the Land Use Bylaw, was to allow oilfield safety training and other industrial training operations. In the absence of a definition, several applications were made for differing types of "schools".

- In 2007 and 2008 the City received applications for a music studio and a hockey training school both within the RLIA.

- Both types of applications were not supported by City Administration, however the sports training school was approved in 2007 by the Municipal Planning Commission based on the assumption that the business would be incompatible in commercial districts.
- The music studio was denied at the Municipal Planning Commission in 2008, and the decision was upheld by the Subdivision and Development Appeal Board as it did not conform to the general purpose of the I1 District and would be incompatible with some existing industrial uses.
- In October 2010 the Municipal Planning Commission interpreted the use to include dance schools and approved the use in the RLIA. This decision changed the intent of the original use and established a much broader interpretation of the use than what was previously intended.

In response to the change in interpretation of a “trade/commercial school” City Administration undertook a review of the use. The outcome was Council approving an amendment in June 2011 removing all references to “commercial schools” in the I1 District, replacing “trade schools” with “industrial trade schools” in the I1 and I1A/BSR District, and adding definitions for both “commercial schools” and “industrial trade schools” in the Land Use Bylaw.

There were several reasons for Council’s decision, most notably that “‘commercial schools’ in an industrial area would erode the nature of the area, and potentially invite other non-compatible uses to also seek location in the area which is not the intention of the City’s MDP.

- Chapter 13.0 of the MDP sets out the objectives of Industrial Development, one of which being to ‘Avoid and/or mitigate conflict between industrial uses and other land uses.’”

Commercial schools, such as dance schools, were considered incompatible with the industrial uses of an I1 District. Industrial areas pose a safety concern to children, where dangerous goods, heavy machinery, industrial traffic, and other industrial uses are routing. The availability of parking in I1 Districts is also limited, increasing the risk to children who must cross the street to get to the school. As such, Administration felt that commercial schools were better suited to commercial areas that have been developed to accommodate parking, and pedestrian traffic more safely and efficiently, and the incompatibility between uses would not exist. Since the approval of this amendment there have been inquiries for commercial schools within the I1 District, specifically dance and music studios; however based on Council’s decision in 2011 no further commercial schools have been approved.

Public Consultation:

In March 2014 The City mailed notices to all landowners within the RLIA notifying them of an open house to discuss the zoning of the area. As much of the area is rented or leased notices were also hand delivered to all of the businesses in the area. On March 13, 2014 an open house was held with approximately 23 landowners and tenants from the area in attendance. Questionnaires requesting information on location and present and future zoning were distributed during the open house. A total of 12 questionnaires were submitted to The City. Summarized comments and the City’s responses have been attached to this report.

Discussion of Potential Impacts of Land Use District Changes in Riverside Light Industrial Area:

Consideration of C4 (Arterial Commercial) uses:

Due to the small lot sizes, central location, high visibility from Gaetz (50) Avenue, and high accessibility of the area there is pressure to develop commercial uses within the RLIA. Potential changes to the industrial nature of land uses in the RLIA will have internal and external impacts. Such impacts are listed below:

Table 4: Impacts of Allowing C4 (Arterial Commercial) uses in the Riverside Light Industrial Area

Impact	Discussion
Incompatible uses	There are several C4 Commercial uses, such as Commercial Schools, Drinking Establishments, and Gaming Establishments, which are incompatible in I1 Industrial areas, therefore allowing commercial uses in the RLIA may intensify the incompatibilities between uses. Commercial uses may complain about industrial activities, such as noise, smells, lights, truck traffic and perceived unsightliness. Industrial uses may complain about increases in commercial traffic, and more demand for on-street parking by employees and customers. For a full list of current C4 Commercial uses see Table 8: C4 Permitted and Discretionary Uses.
Safety concerns	Increased commercial use may create safety concerns regarding such things as emergency evacuations. Commercial uses likely increase the number of people in the area and that may make emergency evacuations more difficult.
Reduction in inventory of small light industrial lots which may impact small businesses	These small industrial lots may serve as industrial business incubators. As the Riverlands neighbourhood, which formerly served as a small incubator industrial park, transitions from an industrial area to a mixed use area the number of small industrial lots will continue to decrease. If a broader range of uses are allowed land values are expected to rise and with that a rise in property taxes. Higher property values and taxes could price some industrial users out of the market resulting in a lack of smaller industrial lots that are suitable for small or new industrial businesses.
Loss of RLIA as a unique industrial neighbourhood	Integrating commercial uses will reduce the number of small industrial lots available in Red Deer.
Demand for infrastructure upgrades	It is anticipated that the introduction of non-industrial uses will increase the demand for infrastructure improvements, such as the provision of sidewalks, improved street lighting, and higher development standards for such things as landscaping and off-street parking areas. These improvements would have financial

Impact	Discussion
Impacts on other industrial areas	implications for both The City and RLIA landowners. As commercial or other non-industrial development enters one industrial area it may be perceived as an unfair advantage for that area and in turn create demands to also allow those uses in other industrial areas.
Impacts on commercial areas	The Industrial Market Survey for 2014 prepared by Soderquist Appraisals Ltd. marks the vacancy rate in the RLIA at 2.63% with a decreasing trend indicating a heavy demand for industrial space and land. Whereas the Office/Commercial Market Survey for 2015 marks the vacancy rate for offices at 10.31% and retail at 4.26% city wide. Allowing more commercial uses in an industrial area may draw commercial development away from the commercial areas thereby further increasing vacancy rates and devalue property values in commercial districts.

Other Externalities:

The Riverlands and Rail Yards areas are undergoing a transition from predominantly light industrial uses to a mixed residential and commercial uses. This transition may result in light industrial businesses looking for a similar light industrial area, such as RLIA, to move to. Opening up RLIA to commercial uses may limit the options for relocation. It may be preferable to allow the transition and redevelopment of Riverlands and Rail Yards to progress further before any more consideration is given to allowing non-industrial uses in RLIA.

Analysis:

Existing development conforms to the policy direction of the area; development is industrial in nature however several businesses may have accessory commercial uses (i.e.: sales, office). Due to the smaller lot size, visibility of the area off of Gaetz (50) Avenue, central location, and easy access the area acts as an incubator for small businesses and is attractive to commercial businesses. The potential impacts of allowing commercial uses into the RLIA are numerous but could be addressed through careful planning to ensure benefits both to the RLIA and the city as a whole.

Through public consultation there was mixed support of allowing commercial uses in the RLIA.

Recommendation:

In keeping with the direction of the Municipal Development Plan it is recommended that the land use district within the RLIA remain as I1 Industrial (Business Service) with the possible exception of those properties fronting onto Riverside Drive, and 48 Avenue south of 61 Street, as shown in Figure 11: Potential Land Use Concept. It is proposed that Council consider granting these properties site exceptions to allow all C4 Commercial (Major Arterial) District uses, different from

those listed within the I1 District, as a discretionary use with the exception of Commercial Schools, Drinking Establishments, and Gaming Establishments.

Planning proposes that Council support minor changes to some of the land use definitions (section 1.3 of the Land Use Bylaw) – these minor changes will provide better clarity to the allowable types of uses currently within the I1 District. The proposed changes are found in the following table.

Table 5: Proposed Definition Changes

Current Use	Proposed Change
Accessory sales related to manufacturing, processing, and/or distribution of any article	<p>Change in wording, shown in <i>italics</i>.</p> <p><i>Accessory sales, measured as less than 50% of the area used by the primary use, related to manufacturing, processing, and/or distribution of any article</i></p>
Accessory sales of used trucks, used automobiles and used holiday trailers, providing that collectively there are not more than three units for sale on the site at any one time	<p>Change in wording, shown in <i>italics</i>.</p> <p><i>Accessory sales of used trucks, used automobiles, and used vehicles whose function is for recreation</i></p>
Industrial support services	<p>Change in definition, shown in <i>italics</i>.</p> <p>Current definition: Industrial Support Service means development, excluding offices, providing support services to industry, but limited to the following uses: duplicating, photocopying and blueprinting services, building security, cleaning or maintenance services, engineering (with dangerous goods), industrial drafting, land surveyors, laboratories, oilfield services, project design and management services, construction trade or construction contractor.</p> <p>Proposed definition: Industrial Support Service means development, excluding offices, providing support services to industry, <i>and may include but not limited to</i> the following uses: duplicating, photocopying and blueprinting services, building security, cleaning or maintenance services, engineering (with dangerous goods), industrial drafting, land surveyors, laboratories, oilfield services, project design and management services, construction trade, <i>information technology support services, insurance service outlet serving industrial clients</i>, or construction contractor.</p>

<p>Above ground storage tanks for motor fuel products including propane and used oil</p>	<p>Change in wording, shown in <i>italics</i>.</p> <p>Above ground storage tanks for motor fuel products including <i>but not limited to</i> propane and used oil</p>

Figures:

- Figure 1: Riverside Light Industrial Study Area
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- Table 6: Comments and Responses to Landowner/Tenant Questionnaire within scope of this review
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- Table 8: C4 Permitted and Discretionary Uses
- Table 9: Industrial Market Survey, Red Deer 2014 by Soderquist Appraisals Ltd.
- Table 10: Office/Commercial Market Survey, Red Deer 2015 by Soderquist Appraisals Ltd.
- Table 11: Commercial & Industrial Parking Requirements

Figure 1: Riverside Light Industrial Study Area



Figure 2: Riverside Light Industrial Existing Land Use Districts



Figure 4: Riverside Light Industrial Land Use Constraints

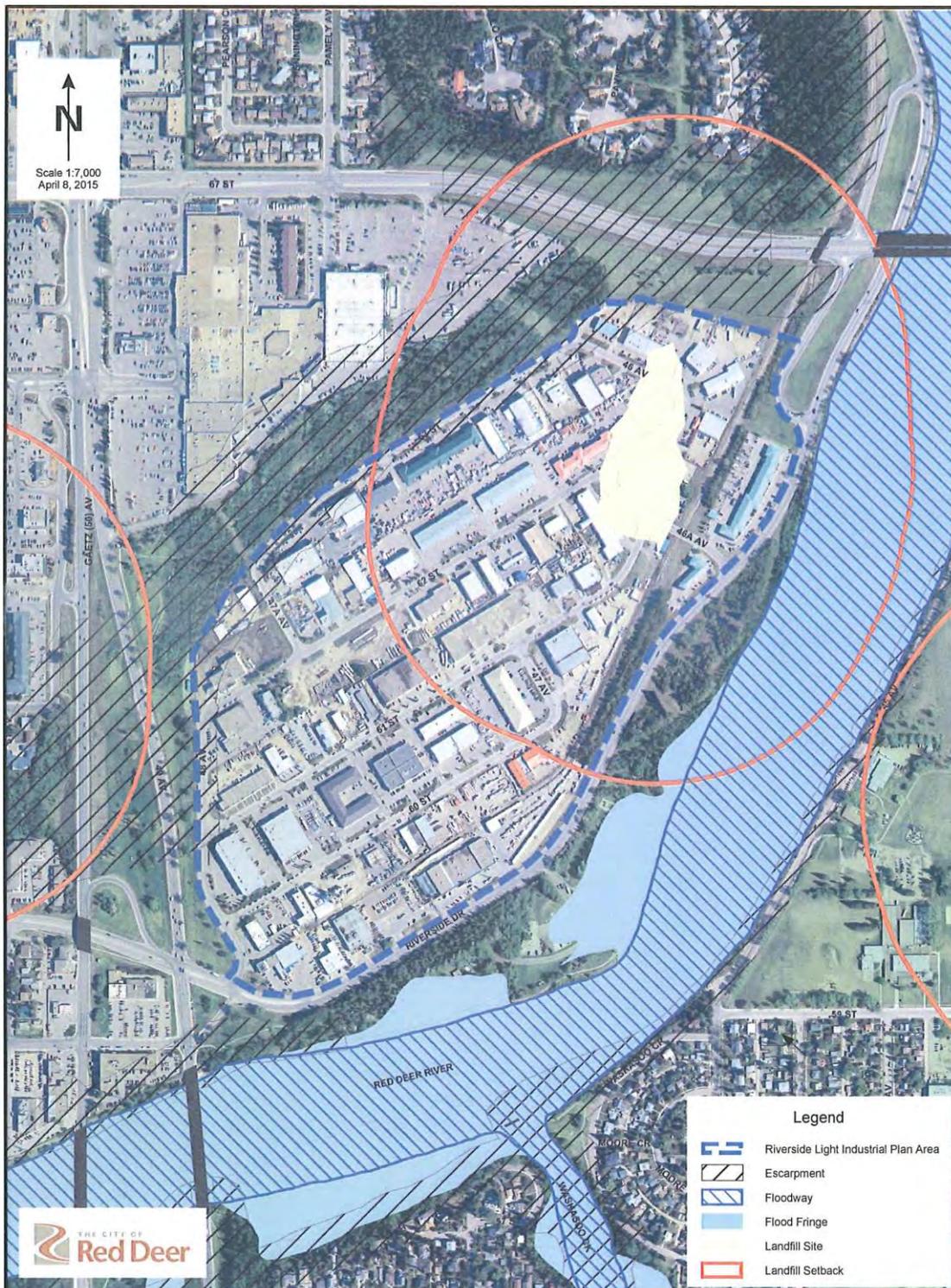


Figure 5: City of Red Deer Light I1 Industrial (Business Service) Areas

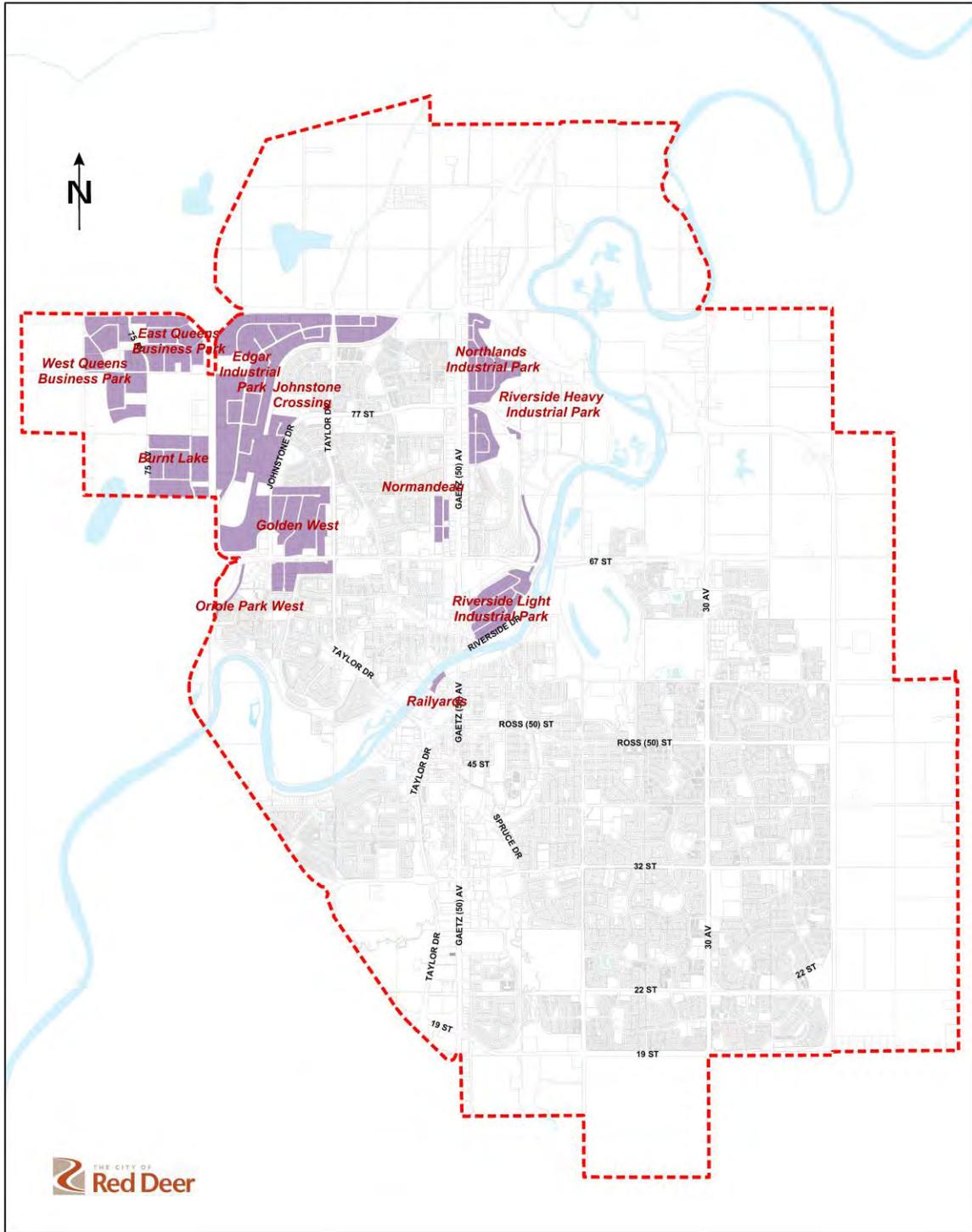
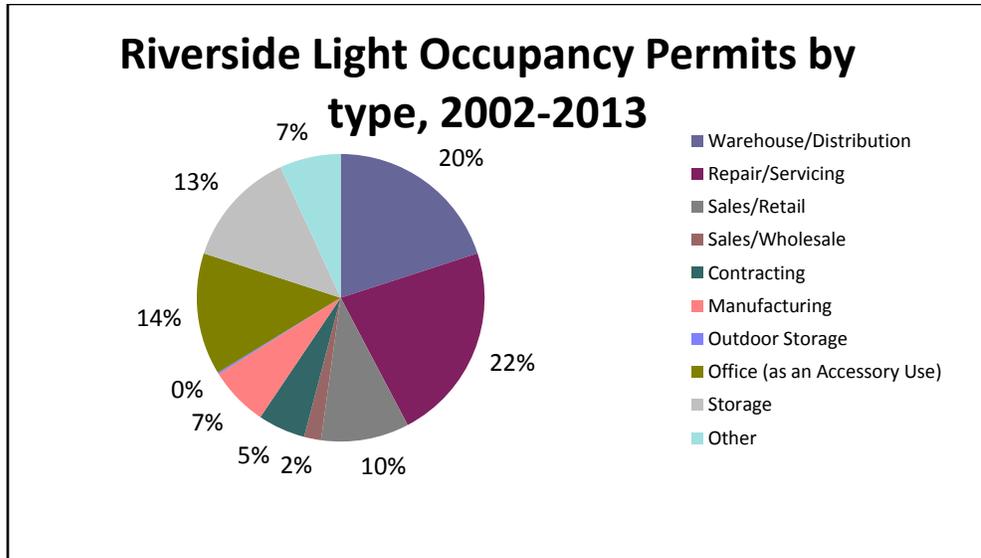


Figure 6: 2002-2013 Riverside Light Industrial Occupancy Permits by Type



Definitions:

*Warehouse/Distribution – building used for indoor storage of goods/merchandise and/or a facility from which wholesale and retail orders are filled.

*Repair/Serviceing – a facility providing maintenance and/or repairs to goods.

*Sales/Retail – sale of goods or merchandise directly to consumers.

*Sales/Wholesale – sale of goods or merchandise in large quantities to be retailed by others.

Contracting – development, not including offices, providing support services to industry (i.e.: engineering, oilfield services, building security, etc...)

*Manufacturing – a development that produces a product on a large scale basis.

Outdoor storage – storage of goods outside the principal building(s) on a site but does not include the outdoor display or sale of goods nor accessory buildings and garbage enclosures.

*Office (as an accessory use) – a development that provides a place where the business function is transacted, and is subordinate and incidental to the primary industrial use.

*Storage (as an accessory use) – part of a building where space has been set aside for storage of goods/merchandise which is subordinate and incidental to the primary industrial use.

*** denotes definitions that are not listed within the Land Use Bylaw. These definitions have been created to provide a basis of understanding what approval is granted for.**

Figure 7: Riverside Light Industrial Park Plan, 1960-1961
(Source: Red Deer and District Archives, P3841)

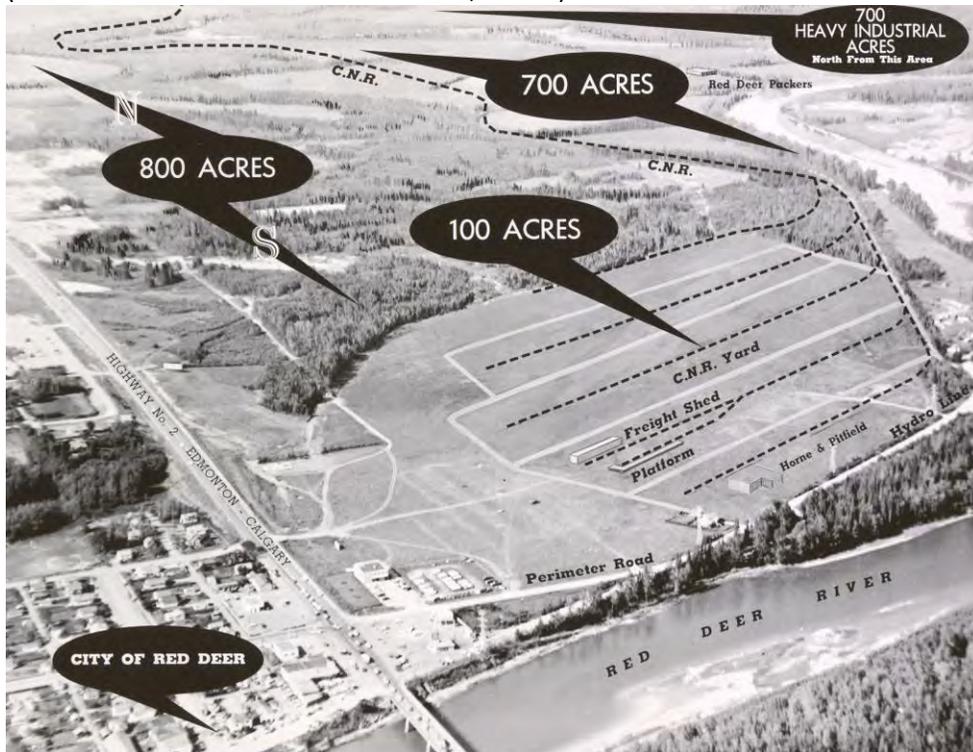


Figure 8: Riverside Industrial Park (looking east) at the start of development, 1961
(Source: Red Deer and District Archives, P5192)



Figure 9: Air Photo, c. 1965
(Source: Red Deer and District Archives, P5193)



Figure 10: CN Terminal and Railyards, c. 1968
(Source: Red Deer and District Archives, P2973)



**Figure 11: Riverside Light Industrial
Potential Land Use Concept**

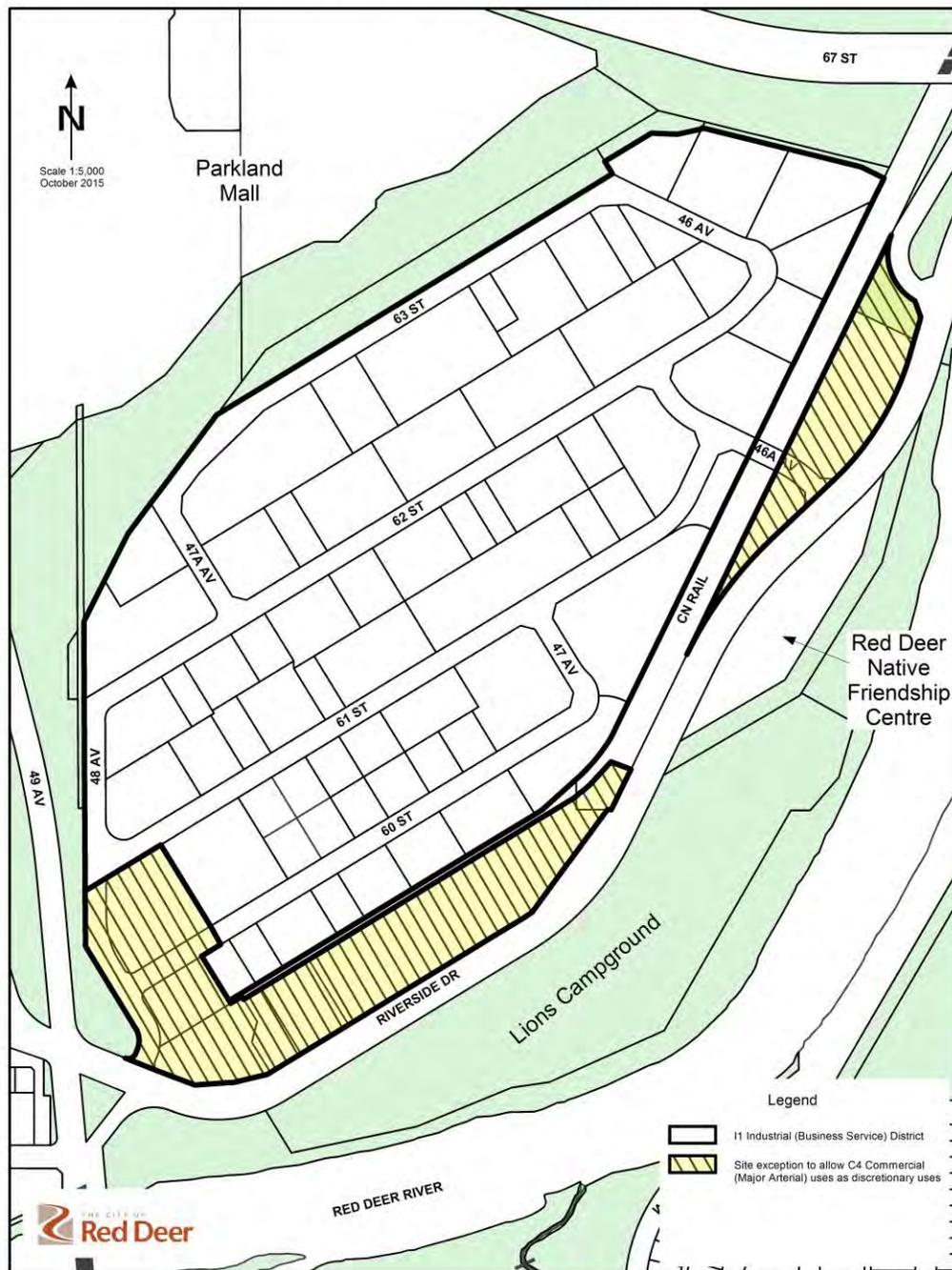


Table 6: Comments and Responses to Landowner/Tenant Questionnaire within Scope of this Review

Comment	City Response
<p>“Could you provide average tax rate per parcel size in the C4 and I1 Districts? This could determine if zoning affects assessed value, and show if a ‘heavy commercial’ zone that bridges the two”</p>	<p>The tax rate, i.e. the non-residential mill rate, is the same for industrial and commercial areas. However, the value for a given parcel may be higher if it has a commercial versus industrial zoning. There are also many other factors besides zoning that affect value, such as development potential, improvements, municipal services, location, demand, and other market forces. So even if the mill rate is the same for industrial and commercial properties, the potential higher property value of commercial properties may result in higher property taxes.</p>
<p>“Allow commercial classes”</p>	<p>The review of commercial classes (schools) in the I1 Industrial District is part of this zoning study. The current zoning does not allow for commercial classes in Riverside Light Industrial. The intent of the I1 District is to provide for certain businesses which are incompatible in commercial districts. Currently commercial classes are a permitted or discretionary use in all commercial districts. Allowing more commercial uses in an industrial area may draw commercial development away from the commercial areas thereby increasing vacancy rates and devalue property values in commercial districts.</p>
<p>“No schools”</p>	<p>The addition of commercial classes into the I1 District is part of this zoning study. The current zoning only allows for “industrial trade schools” in Riverside Light Industrial. The intent of the I1 District is to provide for certain businesses which are incompatible in commercial districts. Currently commercial classes are a permitted or discretionary use in all commercial districts.</p>
<p>“Should have a residential component”</p>	<p>As the RLIA is an industrial area residential development is not contemplated. This is reflected in the list of permitted and discretionary uses in the I1 land use district. Residential development is not compatible with industrial uses where hazardous uses are allowed and traffic coming into the area is of an industrial nature.</p>
<p>“No residential uses”</p>	<p>Within the borders of the plan area residential development is not contemplated.</p>

Comment	City Response
<p>“Businesses that attract people during all hours, every day to help with security”</p>	<p>The basis of land use planning revolves around land uses, business hours are not precluded, therefore businesses could have a 24 hour operation.</p>
<p>“More office space” “Taller buildings to attract offices”</p>	<p>In the I1 District there is no maximum building height.</p> <p>Greater downtown is to be the City’s primary location for offices, which includes professional, management, administrative, consulting, legal, accounting, engineering, and architectural offices.</p> <p>Financial and health/medical (dental clinic, chiropractic services, counselling, etc.) offices are not located in industrial districts because they create automobile and pedestrian traffic that is typical to commercial uses and considered incompatible with the industrial uses of an I1 District. Industrial areas pose a safety concern to pedestrians, where dangerous goods, heavy machinery, industrial traffic, and other industrial uses are routine. In addition, the availability of parking in I1 Districts is also limited, increasing the risk to pedestrians who must cross the street.</p> <p>Offices in the I1 Industrial (Business Service) District can be developed as part of an accessory use to a business or as an industrial support service which may include a photocopying, construction, cleaning, or land surveying business.</p>
<p>“Remove dangerous goods”</p>	<p>The occupancy of dangerous goods is a use specific to light and heavy industrial areas as several businesses require dangerous goods as part of their everyday business. Removal of dangerous goods has the potential to further limit the types of businesses locating in this industrial area.</p>
<p>“More off street parking for certain uses (ex: trade school, restaurant, etc...)”</p>	<p>The number of parking spaces required depends on the use and size of a development. Parking requirements are evaluated at the time an application for a use and development are submitted. The current parking requirements have been attached to this report, see Table 5: Commercial and Industrial Parking Requirements. Parking requirements cannot be changed for existing businesses. Complaints regarding off-street parking can be forwarded to inspections@reddeer.ca. On-street parking complaints can be forwarded to the RCMP non-emergency complaint line at (403)343-5575.</p>

Comment	City Response
"Reduction in parking requirements"	Parking requirements cannot be changed for existing businesses. However for new development, variances can be applied for and considered by the Municipal Planning Commission based on the merits of the application. The number of parking spaces required depends on the use and size of a development. A copy of the commercial and industrial parking requirements has been added as an attachment to this report, see Table 5: Commercial and Industrial Parking Requirements. Complaints regarding off-street parking can be forwarded to inspections@reddeer.ca . On-street parking complaints can be forwarded to the RCMP non-emergency complaint line at (403)343-5575.
"Remove Discretionary Use viii: sale of large trucks"	The sale of large trucks over 10,000 kg is a use specific to only light and heavy industrial areas. This type of use is consistent with other industrial uses. Removal of this use has the potential to further limit the types of businesses locating in this industrial area. Due to its discretionary nature, applications for the sales of large trucks may be approved, approved with conditions or denied.
"No storage on streets"	As per the City's Use of Streets Bylaw no person shall place, pile, or store any material or equipment on any City lands without obtaining a Use of Streets Permit. Complaints related to public property, or on-street parking can be forwarded to the RCMP non-emergency complaint line at (403) 343-5575.
"More front landscaping" "Less landscaping to allow for more off street parking"	Landscaping requirements cannot be changed for existing businesses. A minimum of 40% of the front yard is required to be landscaped. The landscaping is consistent with the City's C4 Commercial (Major Arterial) District which also requires a minimum of 40% of the front yard
"Cannot find our business under the 'permitted uses' in I1 District, this should be addressed"	In this situation the landowner's specific type of business was not listed as a permitted use but was more generally listed. The landowner has been contacted and comments have been addressed.

Table 7: Comments and Responses to Landowner/Tenant Questionnaire Not Related to Land Use

Category	Comment	City Response
Infrastructure	<p>“Water drain holes need to function better – during chinooks, spring melt, and heavy rain storms. Business needs to sand bag their bay door”</p>	<p>Public Works strives to ensure that catch basins are free from debris that obstructs or restricts flow into the storm sewer infrastructure. Snow and ice along with plastic bags and garbage can block the grate openings that will restrict flow and cause ponding on the street. If there are specific locations where debris has collected on the surface of the catch basin or perhaps within the barrel of the catch basin that results in prolonged ponding on the street, please let the City know where the problem is by either calling Public Works at 403 342 8238 or by using the Report-a-problem function on the City’s Web site www.reddeer.ca</p>
Traffic	<p>“A traffic light at the corner of 46A Avenue and Riverside Drive is needed”</p>	<p>Review of the 46A Avenue-Riverside Drive intersection has been conducted. It is a T- intersection with a Stop Sign on 46 A Avenue for southbound traffic onto Riverside Drive.</p> <p>Engineering Services employs a set of objective criteria (warrants) to determine the need of a traffic signal instead of a stop sign. These warrants include the average and maximum delay experienced by the vehicles at the stop sign, existing level of service, amount of traffic on the major road way, distance from the closest signalized intersection, and the number of collisions in the past 5 years preventable by providing the signal. Adverse effects, such as shortcutting, on the neighborhood in the case a traffic light is installed are also considered.</p> <p>In order to evaluate these warrants, a Stop Sign Delay Survey was conducted in the PM peak hour on October 16th, 2014. According to the survey the signal is not warranted at this time.</p> <p>However after observing the maximum number of vehicles in line, the intersection has been identified and will continue to be monitored.</p>
	<p>“Better transit service”</p>	<p>Currently there are four transit routes providing service in the area; each scheduled with a 30 minute headway during the typical operating hours of industrial businesses.</p> <p>The City has been purchasing all low floor buses which makes accessibility easier for all customers and are more</p>

Category	Comment	City Response
		environmentally friendly. The City is also testing a new “smaller” bus to gauge if they would be appropriate in low ridership areas.
	“Lights at rail crossing”	Comments associated with the rail line have been forwarded to CN Rail for review and comment.
	“Stop sign over railway tracks is not needed”	Comments associated with the rail line have been forwarded to CN Rail for review and comment.
	“Traffic lights at NE entrance – why narrow Riverside Dr from 4 lanes to single lane at the second left hand turn onto the 67 St overpass then wider. Why only 2 lanes under the bridge?”	<p>The design of Riverside Drive was completed in 1987 for a two lane undivided arterial roadway. There were many constraints in the area which limited the bridge length/placement options as well as the upgrading and alignment of Riverside Drive.</p> <p>Since then, several traffic studies have been completed to the area as part of number of developments. Based on the current and projected traffic volumes, findings from these studies did not indicate a need to upgrade Riverside Drive to a four lane roadway.</p> <p>An Integrated Movement Study-Transportation Master Plan is scheduled to commence in 2015 which will consider improvements necessary to maintain acceptable traffic flow in the short and long term.</p> <p>Future improvements are planned as part of the North Highway Connector project including construction of a new access to the north end. Construction of these improvements are expected to reduce traffic volumes at the Riverside Drive and 67 Street bridge ramps and improve traffic flows to the area.</p>
	“Railway tracks removed”	Comments associated with the rail line have been forwarded to CN Rail for review and comment.
Utilities	“Buried power lines”	<p>Riverside is fed by both City and AltaLink overhead lines.</p> <p>The City will be rebuilding part of this area overhead in the next 15 years and there may be opportunities to modify the</p>

Category	Comment	City Response
		<p>way it is built. Currently, the City has no plans to underground this facility.</p> <p>Earlier in 2015 AltaLink had replaced their existing overhead power lines with new structures to meet the current electricity demands.</p>
Enforcement	<p>“Better enforcement of bylaws: Waste Management (63 Street), Union Tractor, undeveloped area along 62 Street, trucks and trailers parked too long on street”</p>	<p>Complaints related to private property can be directed to inspections@reddeer.ca. If your complaint relates to public property, or on-street parking, please contact the RCMP non-emergency complaint line at (403) 343-5575.</p>

Table 8: C4 Permitted and Discretionary Uses

(a) Permitted Uses	
(i)	Commercial recreation facility.
(ii)	Commercial service facility.
(iii)	Merchandise sales and/or rental (minimum floor area for a building or a comprehensively designed group of buildings – 929.0 m ² (there is no minimum floor area for the units within the building(s)).
(iv)	Restaurant.
(v)	Service and repair of goods traded in the C4 District.
(vi)	Signs (subject to section 3.3 and 3.4):
(1)	awning and canopy signs,
(2)	fascia signs,
(3)	free standing signs
(4)	projecting signs,
(5)	painted wall signs, and
(6)	existing billboards.
(b) Discretionary Uses	
(i)	Above ground storage tanks for motor fuel products including propane and used oil.
(ii)	Accessory building or use subject to section 3.5.
(iii)	Dangerous goods occupancy.
(iv)	Drinking establishment (adult entertainment prohibited and subject to section 5.7(8)).
(v)	Drinking establishment (adult entertainment permitted and subject to section 5.7(8)).
(vi)	Funeral Home.
(vii)	¹ Health and Medical Services
(viii)	Hotel, motel or hostel.
(ix)	Merchandise sales and/or rental (no minimum floor area for a building or a unit within the building).
(x)	² Outdoor display or sale of goods.
(b) Discretionary Uses <i>continued</i>	
(xi)	Signs (subject to section 3.3 and 3.4):
(1)	billboard signs except on sites fronting:
(a)	Gaetz Avenue and Taylor Drive between 28 th Street and the southern boundary of the city,
(b)	Gaetz Avenue between 77 th Street and the northern boundary of the city,
(c)	67 th Street between 59 th Avenue and the western boundary of the city, and
(d)	19 th Street between Gaetz Avenue and Taylor Drive.
(xii)	Transportation, communication or utility facility.
(xiii)	Warehouse.
(xiv)	¹ Outdoor storage.
(xv)	² Gaming or Gambling Establishment subject to section 5.7 (1) (g)

Table 9: Industrial Market Survey, Red Deer 2014 by Soderquist Appraisals Ltd.

INDUSTRIAL MARKET SURVEY | RED DEER 2014



Riverside Light Industrial Park

The Riverside Light Industrial Park is centrally located within the City of Red Deer. It is bounded on the west and north by municipal environmental reserves, and on the south and east by the Red Deer River. Some landmark developments include Waste Management of Canada and Red Deer Co-op Home and Garden Centre.

	2011	2012	2013	2014	Trend (y/y)
Total Inventory (sq. ft.)	917,145	917,145	917,145	917,145	0 →
Vacant (sq. ft.)	37,496	39,929	59,860	24,092	-35,768 ↓
Vacancy Rate	4.09%	4.35%	6.53%	2.63%	-3.90% ↓

Table 10: Office/Commercial Market Survey, Red Deer 2015 by Soderquist Appraisals Ltd.

OFFICE / COMMERCIAL MARKET SURVEY | RED DEER 2015

MIKE GARCELON AACI, P.App, MRICS, Q.Arb | TREVOR HANSON AACI, P.App, B.Comm | GORDON CHAN B.A.

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OFFICE MARKET

	2015			2014	2013
	Total Area (sf)	Vacant Area (sf)	Vacancy Rate	Vacancy Rate	Vacancy Rate
Class 1 Offices	964,205	109,125	11.32%	9.64%	13.40%
Class 2 Offices	760,737	82,991	10.91%	13.33%	12.90%
Class 3 Offices	234,891	14,151	6.02%	5.23%	6.55%
Class 4 Offices	55,014	1,548	2.81%	0.00%	0.00%
TOTAL	2,014,847	207,815	10.31%	10.22%	12.04%

Class 1 & 2: Most prestigious buildings competing for premier office users with rents above average for the area

Class 3: Buildings competing for a wide range of users with rents in the average range for the area

Class 4: Buildings competing for tenants requiring functional space at rents below the average for the area

COMMERCIAL MARKET

	2015			2014	2013	2012
	Total Area (sf)	Vacant Area (sf)	Vacancy Rate	Vacancy Rate	Vacancy Rate	Vacancy Rate
Enclosed Malls	1,053,611	87,602	8.31%	8.31%	8.42%	5.56%
Strip Malls	1,770,195	61,849	3.49%	5.60%	4.02%	6.27%
Power Centres	1,453,767	32,565	2.24%	2.00%	0.77%	2.24%
TOTAL	4,277,573	182,016	4.26%	5.06%	4.02%	4.73%

Soderquist Appraisals Ltd. acknowledges the assistance of the City of Red Deer, Century 21 Advantage Commercial Real Estate, and Salomons Commercial in developing this study.

Soderquist Appraisals Ltd is a full service real estate appraisal and consulting firm providing valuation and consulting services on virtually every real estate property type. Located in Red Deer, Alberta we provide our services throughout western and northern Canada. For more information about Soderquist Appraisals Ltd please visit our web site at www.Soderquist.ca.

Table 11: Commercial & Industrial Parking Requirements (Section 3.1 of the Land Use Bylaw)

3.1 Parking Spaces and Areas

(1) ¹Except in the C1 (City Centre District) an owner or occupant of land must provide for not less than the number of on-site parking spaces for the applicable land use(s) as specified Table 3.1 below, notwithstanding the provisions of Parts 4-8. In calculating the parking space requirement, a fractional number will be taken to the next higher number.”

²Table 3.1 Parking Requirements

USES	PARKING SPACES
Places of Worship	1.0 per 6.0 persons, based on maximum occupancy of the primary congregation/sanctuary area
Auditorium, Arena	1.0 per 10.0 seats
Health Care (excluding Hospitals)	2.5 per 93.0 m ²
³ Hospitals, Temporary Care Facility	1.0 per 93.0 m ²
COMMERCIAL & INDUSTRIAL	
USES	PARKING SPACES
Adult Mini-Theater	1.0 per 3.0 seats with a minimum of 1.0 space for each individual viewing area containing 3.0 seating spaces or less
Call Centre	8.0 stalls per 93.0 m ² (gross floor area)
Commercial Recreation Facility: Racquet Sports Facility ⁵ Gaming or Gambling Establishment Bowling Alleys All other uses	4.0 per court 1.0 space per 2.3 seats 5.0 per alley plus, 5.0 for staff 1.0 per 2.0 participants (at maximum capacity) plus 1.0 per 20.0 m ² (gross floor area)
Commercial Entertainment Facility	1.0 per 5.0 seats
Commercial Service Facility, excluding Funeral Homes	2.5 per 93.0 m ²
Drinking Establishment	1.0 per 4.0 seats
Funeral Homes	1.0 per 5.0 seats
Hotels, Motels and Hostels	1.0 per guest room
⁶ Live Work Unit	1 additional parking space per unit
Local Convenience Shopping Centres	5.1 per 93.0 m ² (gross floor area)

⁷Table 3.1 Parking Requirements - continued

COMMERCIAL & INDUSTRIAL - Continued	
USES	PARKING SPACES
² Manufacturing and Industrial Plants, Wholesale, Servicing and Repair Establishments, Research, Laboratories and Transportation, Communication or Utility Facility	3.0 per 93.0 m ² , but not less than 4.0 spaces per tenant or establishment (The Development Authority may vary this regulation to accommodate more labour intensive uses)
Warehousing, Storage Buildings and Yards	1.0 per 93.0 m ² , but not less than 4.0 spaces per tenant or establishment
Merchandise Sales and/or Rentals: Sales/Rental Areas Office Areas Warehouse Warehouse Sales	5.1 per 93.0 m ² 2.0 per 93.0 m ² 1.0 per 93 m ² 5.1 per 93 m ²
Offices	2.0 per 93.0 m ²
Regional Shopping Centres	4.4 per 93 m ² (gross floor area)
District Shopping Centres	5.1 per 93 m ² (gross floor area)
Repair Services	2.0 per 93.0 m ²
Restaurants	1.0 per 4.0 seats
Vehicle and Equipment Sales	2.0 per 93.0 m ²
Schools	
Public or Private Elementary and Junior High Schools	1.0 space for each classroom
Public or Private Senior High Schools	1.0 per 3.3 students, based on maximum occupancy
Colleges, Business or Commercial or Technical Schools	1.0 per 10.0 seats, plus auditorium requirements where applicable