

Amendment to the Balzac East Area Structure Plan

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Submitted to:

ROCKY VIEW COUNTY

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BALZAC EAST AREA STRUCTURE PLAN AMENDMENT

1. PROJECT INTRODUCTION

The Balzac East industrial and commercial area, designated under the Balzac East Area Structure Plan (Balzac East ASP), is a thriving business area offering a wide range of services, including manufacturing, service shops, entertainment, and shopping centres, in Rocky View County and to the surrounding towns and cities. Commercial activity in this area has been growing steadily in recent years and is anticipated to continue in a pattern of growth over the next ten years, causing demand for more commercial and industrial land in the area.

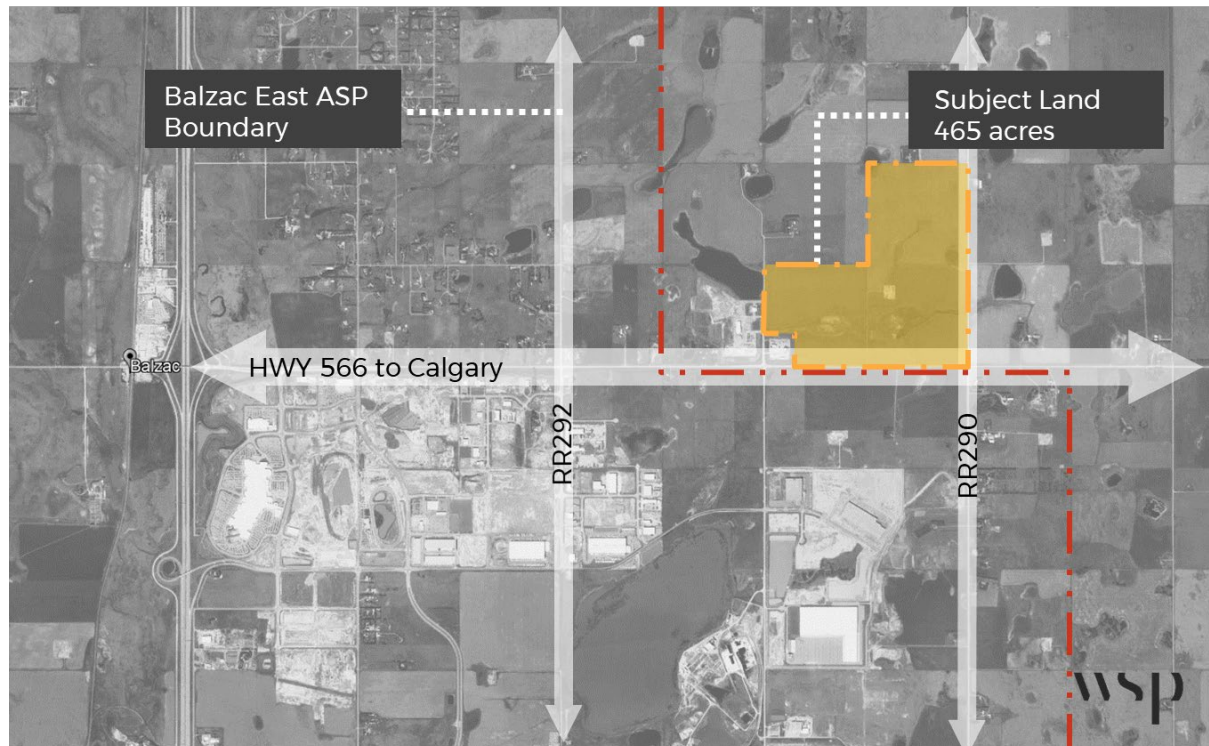


Figure 1: Balzac East ASP and Subject Site (shown in yellow)

The subject site, owned by Advent Projects Ltd., offers an opportunity to meet the needs for this growth close to the existing commercial and industrial uses, utilize the existing transportation network, and build upon the business synergies in the Area Structure Plan location. The subject site (see Figure 1) is comprised of 465-acres and has frontage on both Highway 566 and Range Road 290. Immediately adjacent to the west of the site is the Rocky View County Campus, which houses a variety of public uses including the municipal hall, emergency services centre, recycling facilities, an outdoor gathering plaza, fitness trails, athletic fields and a recreation centre.

This proposal represents an exciting opportunity to expand this successful industrial park onto land which offers:

- ✓ Close proximity to other commercial and industrial uses
- ✓ Greater ability to meet commercial growth demand in the County
- ✓ Immediate access to the QEII Highway
- ✓ Opportune 'buffer' or 'transition' zone between Rocky View County Campus and more industrial uses
- ✓ An expansion of the commercial tax base
- ✓ Efficient growth patterns

2. POLICY CONTEXT & DEVELOPMENT POTENTIAL

2.1 Policy Context

Calgary Regional Interim Growth Plan (IGP)

The IGP does not preclude such development as this, but as a Statutory Plan it will require approval from the Calgary Metropolitan Region Board (CMRB). During the creation of the ASP the final Growth Plan may be adopted by the CMRB and the ASP must align with that document when/if adopted.

Rocky View County Municipal Development Plan (MDP)

The County's MDP is presenting undergoing a major update/review and a draft MDP is available for public review. The new draft MDP is significantly different than the old MDP. However, the new MDP (when adopted) must align with the new Regional Growth Plan and thus additional time may be required since both are supposedly on a similar timeline. In addition, the impacts of COVID-19 on the MDP process and engagement may cause some delays. Through preliminary review of the draft MDP, it was determined that no changes were needed to this proposed amendment.

2.2 Opportunities & Development Potential on the Site

On September 1st, 2020, Council approved a Notice of Motion to initiate the proposed Balzac East ASP boundary amendment. The following section provides a summary of development potential and opportunities pertaining to the proposed boundary amendment. The proposed amendment is premised upon well-researched commercial/industrial sector growth information and existing policy intent. The specific opportunities are explored in detail below.

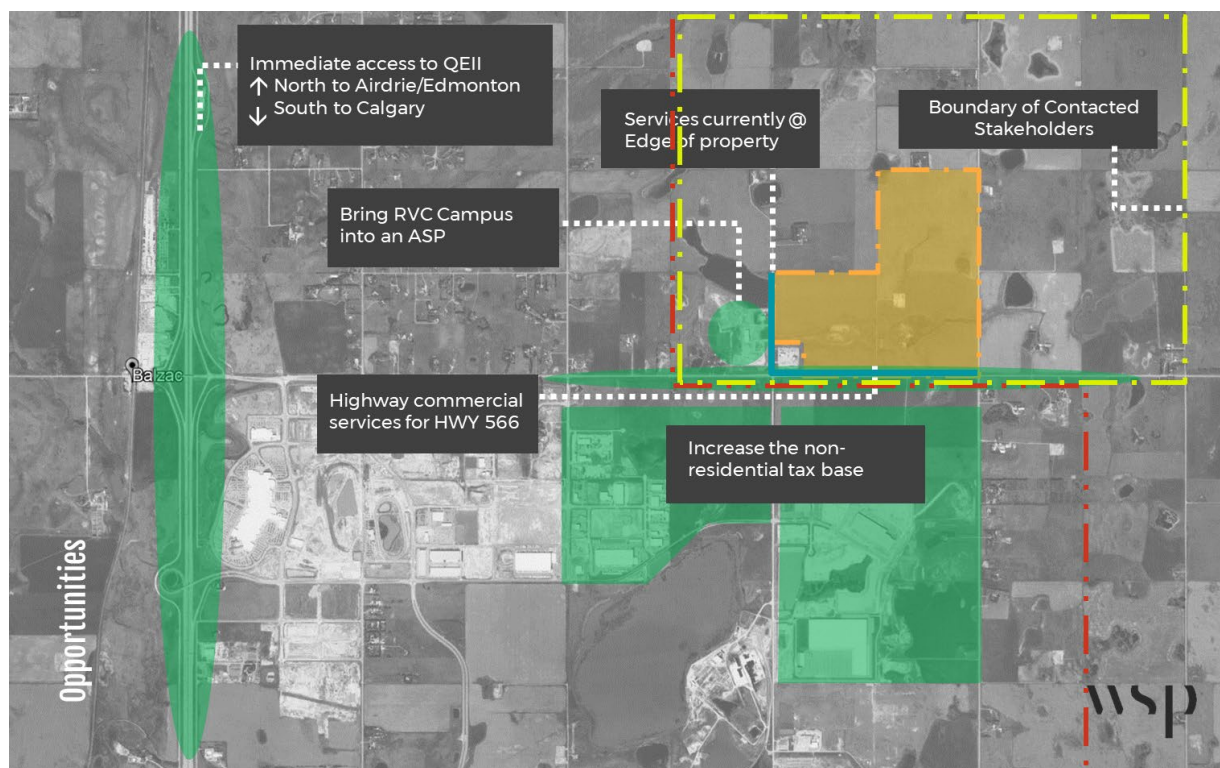


Figure 2: Summary of Opportunities associated with the Boundary Amendment to include the Subject Site

OPPORTUNITY #1: 465 ACRES ADJACENT TO CURRENT ASP

The subject site contained 465 acres and is situated just outside of the Balzac East ASP boundary, to the North across Highway 566.

Explanation / Rationale

The 465 acres is owned by Advent Projects Ltd. and is located just outside of the Balzac East ASP boundary (see Figure 3), which presents an excellent opportunity to expand the boundaries of the Balzac East ASP in an efficient manner.

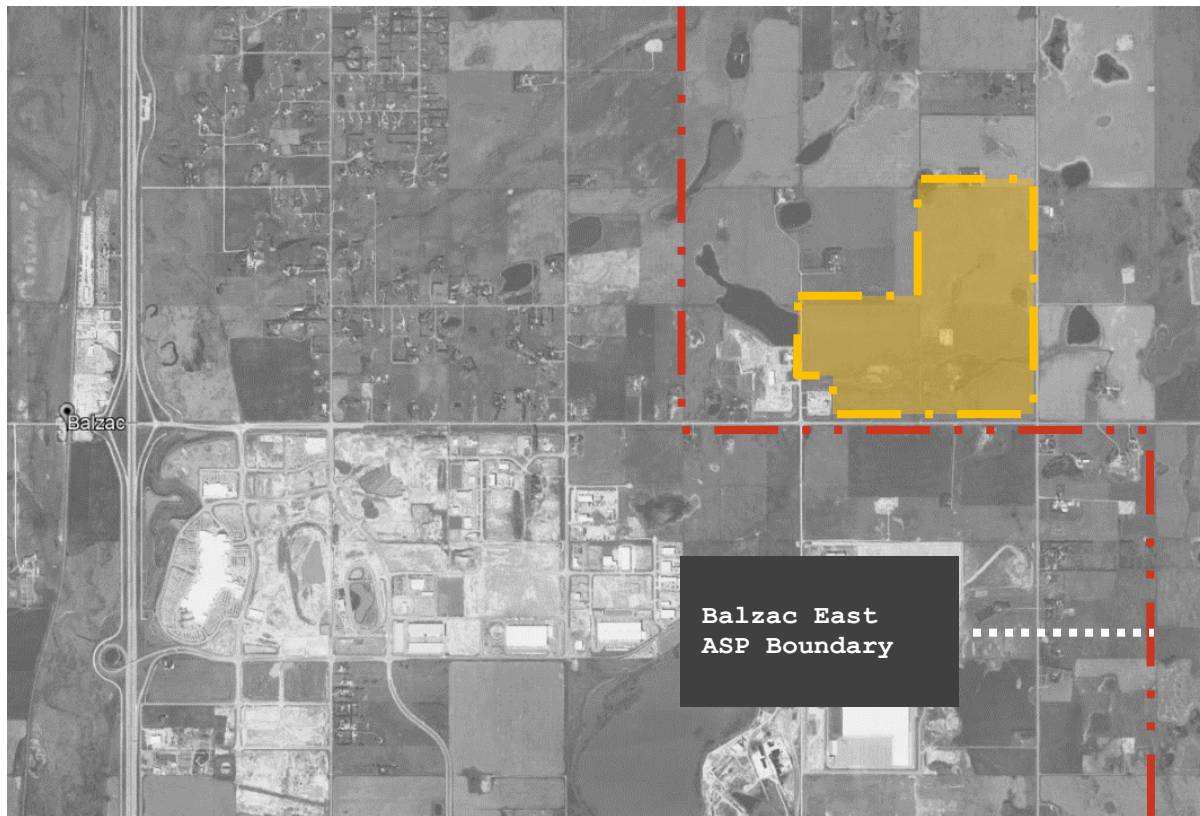


Figure 3: Balzac East ASP Boundary and Subject Site

OPPORTUNITY #2: MEET GROWING RATE OF LAND ABSORPTION IN REGION

According to the *Land Use Upgrade Feasibility Study (February 2019)*, the average rate of absorption of commercial/industrial land in the Balzac East ASP has been approximately 200 acres/year. This land is rapidly being consumed, with no new commercial/industrial land being added in the area to meet near-future demand.

Explanation / Rationale

The total land area for commercial and industrial land south of Highway 566 is 5,667 acres with only 1,173 acres of vacant land available, resulting in only 6 years of remaining supply from the existing inventory, according to the *Land Use Upgrade Feasibility Study (February 2019)* prepared by NAI Advent. This represents the need within under ten years to provide more commercial/ industrial land to meet the increasing land absorption rates and not create gridlock and unappealing commercial market conditions in the Balzac East ASP. Given expected approval timelines in the County, approval to this Notice of Motion would allow for planning to commence and land supply to be brought online in approximately 6 years. Beginning this process now is important should the County wish to ensure existing land supply is ready for development when the demand exists.

OPPORTUNITY #3: INCREASE LAND SUPPLY TO MEET DEMAND IN BALZAC EAST

Demand for commercial/industrial land in the region is high, and especially in places like the Balzac East Area, which is conveniently located outside of but close to the City of Calgary and other nearby urban centres. This opportunity can be harnessed by expanding the boundaries of the Balzac East ASP.

Explanation / Rationale

Balzac presents an ideal location for commercial, industrial, logistics, and warehousing uses given its ease of access to major highways (including the QEII Highway) and transportation routes. It also offers strategic proximity to major urban centres in Western Canada, including especially the City of Calgary and the City of Edmonton, but also median-size cities such as Airdrie and Red Deer.

The *Land Use Upgrade Feasibility Study (February 2019)* showed that demand was steady, with decreasing land availability due to absorption in the Region, but especially in Balzac. Notably, the area has become an established hub for major distribution centres for companies such as Walmart, Gordon Foods, Lowes, and Amazon. This proposal presents the opportunity not only to help meet the existing and anticipated demand for these and similar uses, but also to increase employment numbers, the commercial tax base, and available commercial/industrial space in the area. By amending the Balzac East ASP boundary, Balzac can harness this opportunity to build on its strength as a hub of commercial and industrial activity and draw people and businesses to the area for years to come.

OPPORTUNITY #4: MAXIMIZE THE SERVING INFRASTRUCTURE EFFICIENCY

The subject site is conveniently located across Highway 566 from the currently-developing High Plains Industrial Park. This provides an opportunity to connect servicing infrastructure, thereby creating an efficient model of development for future commercial/industrial growth.

Explanation / Rationale

Building new, right-sized infrastructure in locations without any commercial/industrial sized infrastructure can often be logistically challenging and inefficient. Rather than being required to build entirely new infrastructure without local connectivity in a location far from existing services, the subject site presents an opportunity to connect with existing infrastructure in order to build efficiently/sustainably, save on cost, and create a more efficient commercial and industrial community at large.

OPPORTUNITY #5: MEETING DEMAND WITH TIMELY APPROVAL TIMELINE

Given that significant commercial/industrial demand is expected within approximately 6 years, now is the right time to begin the Balzac East ASP amendment, which could take 3-5 years, in order to get land online when the demand arises.

Explanation / Rationale

Depending on the Terms of Reference (TOR) developed in consultation with the County, it could take 3-5 years to undertake the following steps:

- ASP amendment initiation
- Required studies and technical research
- Development of ASP Amendment document
- Adoption of the ASP Amendment
- Calgary Metropolitan Regional Board Interim Growth Plan Review
- Land use rezoning
- Subdivision
- Servicing Stage 1 Construction

Keeping in mind the diminishing land supply, as explained above and in the *Land Use Upgrade Feasibility Study (February 2019)*, the approval of the ASP amendment in a timely manner and in keeping with a 3-5 year timeframe will benefit all parties. This includes benefitting the commercial/industrial sector, who will not be kept waiting for land to come online and experience market constraints in land purchasing/leasing availability. Recognizing this timeframe, the existing/future demand, and the procedural constraints will be important in prioritizing and moving this project forward.

OPPORTUNITY #6: LAND OWNER PAYMENT OF ASSOCIATED COSTS

The land owner is willing to pay for the cost of consultants, directed by the staff at Rocky View County, to prepare an amendment to the Balzac East ASP.

Explanation / Rationale

Advent Project Ltd., on behalf of land owners in the subject area, including 1248494 Alberta Ltd., will contribute to the associated costs of the Balzac East ASP amendment and arrange for sharing of costs amongst all participatory land owners where possible. This will help to alleviate timeline and staffing pressures for the County, while moving forward a boundary amendment that is important to the future of commercial/industrial success and growth in the area.

3. OPPORTUNITY SUMMARY

As has been evidenced in the above sections, the proposed amendment to the Balzac East ASP boundary is a **unique opportunity** within the Balzac area. The opportunity provides the County with the chance to:

- Ensure supply of future commercial/industrial **meets demand** and **attracts major retailers**
- Consider a **long-term planning process** for commercial/industrial needs in the County
- Grow the Balzac East ASP in an **efficient land use** manner, utilizing **existing infrastructure**
- **Increase** the County's commercial/industrial **tax base**
- Grow the Balzac East ASP's role as a **regional service centre**, attracting people from major urban centres
- Consider proposals to offer **services not currently available** in the immediate area
- Leverage the **experience of Advent Projects Ltd.** in the area with a 17-year track record

Based on its location, nearby amenities, and all the opportunities listed, we believe that the subject site is an ideal location for boundary expansion of the Balzac East ASP and should be considered as a high priority for the County moving forward. Given the tight timeframe to get commercial/industrial land online prior to the significant demand increase in approximately 6 years, we ask for this amendment to be prioritized in the near-to-immediate future in the statutory plan ranking exercise.

We look forward to working with Rocky View County on the Balzac East ASP amendment proposal and thank you for your consideration of this excellent opportunity.