



PLANNING

TO: Council

DATE: September 13, 2022 **DIVISIONS:** All

FILE: N/A **APPLICATION:** N/A

SUBJECT: Request for Decision: Business Live Work District and Home-Based Business 3 Proposal

EXECUTIVE SUMMARY:

On May 10, 2022, Council passed the following motion:

“THAT Administration be directed to bring back the Live / Work land use for Council review along with an assessment of the advantages and disadvantages of introducing one or more new Home-Based Business development permit options e.g., Home-Based Business 3, no later than September 13, 2022.”

On May 17, 2022, Council directed:

“THAT, notwithstanding those bylaws already proceeding to public hearing on May 31, 2022, Administration shall not schedule any bylaw proposing redesignation of a property’s land use to the Business Live-Work district for Council’s consideration at public hearing or otherwise, including first readings, until after Council has received a report from Administration on the Business Live-Work District on or before September 13, 2022.”

Administration reviewed the Business Live-Work (B-LWK) District and identified several challenges associated with the application of this district. Based upon Administration’s assessment, it is recommended that amendments be prepared to the Municipal Development Plan (County Plan) and Land Use Bylaw (C-8000-2020) to remove the ability to redesignate to the B-LWK district. Similar challenges have occurred with the Special Function Business use, so Administration is also recommending that this use be removed from all districts. Existing approvals can be allowed to continue under current regulations, or converted to a different district or use.

Administration is proposing to replace the B-LWK district and Special Function Business use with a new Home-Based Business 3 (HBB3) use that could be applied for under all residential and agricultural districts, subject to applying for a site-specific amendment and receiving Council approval. Locational criteria could be set out through new policies within the County Plan to guide where HBB3 can be supported within the County. It is also recommended that regulations are imposed within the Land Use Bylaw to manage how such HBB3 uses would be implemented on site, limiting the intensity of the use and minimizing impacts upon surrounding landowners.

To accommodate a HBB3 use, Administration recommends that the definition and rules relating to the existing Home-Based Business Type 1 and Type 2 use be updated. This would create a clear distinction between the separate home-based business uses based on the proposed intensity of the use and the context of the site. It would also create greater certainty for applicants and adjacent landowners on what to expect from a proposed use.

Administration considers that a core principle of allowing any home-based business use should be to protect the integrity and character of the agricultural and residential areas in which they are located. Where home-based business uses are proposed, the primary agricultural and residential use within a site should be emphasized and home-based uses should be limited to the extent that they are clearly ancillary to the principal use. The current B-LWK district and the Special Function Business use do

Administration Resources

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not appear to have achieved this principle, due to the lack of guiding County Plan policies and several dysfunctional regulations within the Land Use Bylaw. In many cases, the flexibility afforded to applicants by the B-LWK district and Special Function Business use has eroded the primary agricultural and residential nature of application sites, with resulting impacts on the character of the surrounding areas.

In accordance with Option #1 of this report, Administration's recommended amendments to the County Plan and Land Use Bylaw would ensure that business uses within residential and agricultural areas are managed in a way that promotes orderly development in alignment with the wider growth strategy of the County's statutory planning documents and the objectives of Council's Strategic Plan.

ADMINISTRATION RECOMMENDATION:

Administration recommends approval in accordance with Option #1.

BACKGROUND:

The purpose of the Business Live-Work District, as outlined in the Land Use Bylaw is to provide for *"a combination of residential and light industrial or commercial activity on a single parcel, with residential as the primary use. The parcel shall be located in the Central East Rocky View Region in locations where adjacent development is industrial or commercial in nature."*

It is understood that the intent of this district at the time of approval was to encourage and support the demand from some residents for light industrial or commercial activity to occur on a larger scale than was allowed under the Home-Based Business Type 1 and Type 2 uses. However, adverse impacts on surrounding residential and agricultural properties, development compliance concerns, and potential effects on stormwater and transportation infrastructure have all raised questions over whether the B-LWK district is functioning adequately.

The B-LWK district currently allows maximum parcel sizes of 10.0 hectares (24.71 acres) and a maximum parcel coverage of up to 50% for industrial and commercial uses. This has resulted in some proposals being of such a scale that they can have a significant impact upon the amenity of the surrounding area and upon local infrastructure. Given the significant size of some storage areas, providing adequate screening and buffering to mitigate impacts on surrounding neighbours has been challenging.

The B-LWK regulations promote business uses that exceed what might be considered ancillary to a residential use and which are typically more appropriate for an identified commercial or industrial area. There is the continued likelihood of business operators securing residential and agricultural properties to locate their use on these lands, thereby avoiding the costs of locating within a comprehensively planned business area.

Previous feedback from Council has identified a further concern in relation to the allowances of the Special Function Business Use, and more specifically, the regulatory guidelines for wedding venues. Applicants often seek to gain approval for wedding venues under the Special Function Business use. As wedding venue uses and other Special Function Businesses raise concerns around noise and visual impacts similar to uses that would fall under B-LWK, it is recommended that Special Function Business uses may be best placed within a HBB3 use. Although Special Function Business uses have a limitation of 15 cumulative days of operation per year, the intensity of the use on these days can cause greater impacts than a business operating on a more regular basis. It is considered therefore that they should be assessed and managed in a similar manner to other business uses proposed within a primarily agricultural or residential area. The Special Event Permit process is still available for those events of a one-off nature or annual frequency that might fall below the thresholds of a Special Function Business.

**PROPOSED AMENDMENTS:**

The purpose of Home-Based Businesses 1 and 2 is to accommodate non-intrusive, low risk, and low intensity developments that are compatible with adjacent non-commercial or non-industrial sites. Uses that exceed the business standards of a Home-Based Business Type 1 and Type 2 should be more appropriately located within a Home-Based Business Type 3, adjacent to an existing industrial or commercial land use district, or an alternative and compatible land use district.

Uses such as Outdoor Storage, Commercial Vehicle Storage, and Automotive Services, which the Business Live-Work District currently allows, could be located under a Home-Based Business 3, with much greater control over location and site coverage.

Municipal Development Plan (County Plan)

There is no specific guidance in the County Plan for B-LWK uses and this causes difficulties for applicants, residents, and Administration in determining where such uses would be considered acceptable by Council. Therefore, Administration recommends amendments to Section 14.0 (Business Development) of the County Plan to guide the appropriate location and implementation of HBB3 uses. It is expected that broad criteria around setbacks from nearby residential dwellings, accessibility to appropriate transportation networks, and compatibility with the surrounding land uses could be established to allow Council to determine whether a HBB3 use may be acceptable on an agricultural or residential designated parcel.

It is considered that by requiring applicants to apply to add the HBB3 use through a site-specific amendment or modifier to an existing agricultural or residential district, this would allow full input from surrounding residents through the public hearing process. If the principle of a HBB3 use was established on a site through a Council land use approval, the applicant could then proceed to obtaining a development permit for the use.

Land Use Bylaw

In further managing proposed HBB3 uses through the development permit process, restrictions on parcel coverage, parcel size, subdivision, property line setbacks, and screening would be important to reduce impacts upon surrounding landowners.

Below is a summary of the existing Home-Based Business Type 1 and Type 2 allowances and some of the further criteria that all home-based business uses could be assessed under to allow integration of a HBB3 use. Defining clear boundaries between these uses would provide greater certainty to applicants and surrounding landowners. It would also promote the expectation that if a landowner cannot meet the specific criteria of the HBB3, they should be locating within an established business area, where the intensity of these uses is more appropriate.



	Home-Based Business Type 1 (Current Allowances)	Home-Based Business Type 2 (Current Allowances)	Home-Based Business Type 3 (TBD)
Development Permit Required	No	Yes	To be determined.
Site Plan Required	No	Yes	
Landscaping / Screening Required	No	Yes	
Commercial Vehicles	Max 1	Max 2	
Business Related Trips /Day	Max 4	Max 8	
Principal Dwelling Use Allowed	Yes	Yes	
Accessory Building Use Allowed	No	Yes	
Outdoor Storage Use Allowed	No	Yes (max 1%)	
Resident Employees	Yes	Yes	
Non-Resident Employees	No	Max 2	
Intended Uses	Private Consulting, Tutoring, Online Sales, Personal Services	Home Based Business Type 1 + Indoor Business-Related Storage, Trade Related,	Home Based Business Type 1, 2 + Contractor Services, Outdoor Storage, Commercial Vehicle Self-Storage, Wedding Venues, Automotive Services
Potential Additional Criteria	Setbacks from residential dwellings on surrounding lands, minimum and maximum parcel sizes, screening and setback requirements on outdoor storage areas, established presence of dwelling(s) on the subject parcel, and limitations on subdivision of the subject parcel.		

POLICY ANALYSIS:

Administration reviewed home-based business uses against the existing statutory planning framework to assess any challenges with implementing amendments to the County Plan or Land Use Bylaw.

The recently adopted Regional Growth Plan includes reference to home-based business in Policy 3.1.7.1. This policy notes that there is no locational criteria applied to home-based business, but offers no definition of the use. While there appears to be significant flexibility within the Growth Plan for home-based business uses of a higher intensity, it is noted that the current B-LWK allowances may be supporting uses that could be considered a Rural Employment Area. These are required to be



supported by an area structure plan, with the assumed intent of preventing dispersed development of small-scale employment uses.

Administration advises that minor amendments to the County Plan to accommodate criteria around home-based business should not be considered regionally significant and therefore, referral to the Calgary Metropolitan Region Board would not be required.

With respect to the County Plan, Section 14.0 does refer to 'Other Business Development', which provides support for small-scale business uses subject to specified criteria. It is considered that amendments to the County Plan could seek to add to this section to clarify the County's position on home-based business uses.

BUDGET IMPLICATIONS:

None.

COMMUNICATIONS PLAN:

If Council directs Administration to complete these bylaw amendments reflecting the report's recommendations, and if Council approves bylaw amendments brought forward by Administration, a communications plan would need to be created and implemented, informing the public of the changes.

STRATEGIC OBJECTIVES:

Administration is recommending the County Plan and Land Use Bylaw amendments proposed within Option #1 of this report to ensure that home-based business uses support Council's strategic objective for orderly development. The amendments are also focused on providing more certainty for all stakeholders and decision-makers in the application process in alignment with the Council objectives of promoting improved customer service and greater transparency and communication.

OPTIONS:

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| Option #1: | Motion 1 | <p>THAT Administration be directed to prepare Municipal Development Plan (County Plan) and Land Use Bylaw (C-8000-2020) amendments comprising the following:</p> <ul style="list-style-type: none"> • The removal of the ability to redesignate to the Business Live-Work (B-LWK) land use district, but the continuation of the district (or the allowances therein) for parcels that already hold the land use; • The removal of Special Function Business as a use from all districts that currently allow for that use; • The replacement of the B-LWK district and the Special Function Business use with a Home-Based Business Type 3 use to be available through site-specific amendment in all residential and agricultural districts; • The creation of locational principles and site criteria in the County Plan for Home-Based Business Type 3 uses to guide the location of these uses to compatible areas; |
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- The creation of Home-Based Business Type 3 General Regulations in the Land Use Bylaw to provide additional land use bylaw regulatory requirements, including setbacks from residential dwellings on surrounding lands, minimum and maximum parcel sizes, screening and setback requirements on outdoor storage areas, established presence of dwelling(s) on the subject parcel, and limitations on subdivision of the subject parcel.

Motion 2 THAT Administration be required to schedule a public hearing to consider the bylaw amendments at a Council meeting held no later than January 2023.

Motion 3 THAT Administration shall not schedule any bylaw proposing redesignation of a property’s land use to the Business Live-Work district for Council’s consideration at public hearing or otherwise, including first readings, until after Council has considered bylaw amendments to the Business Live-Work district, to be presented no later than January 2023. Subdivision and development permit applications on properties holding the Business Live-Work land use shall be allowed to proceed to a decision.

Motion 4 THAT Administration be directed to notify all landowners and applicants in the County that have a current application for redesignation, subdivision, or development relating to the Business Live-Work district of Council’s direction on the district. Applicants shall be advised of their options with respect to proceeding with their proposals.

Option #2: THAT alternate direction be provided.

Respectfully submitted,

Concurrence,

“Brock Beach”

“Dorian Wandzura”

Acting Executive Director
Community Services

Chief Administrative Officer

JR/rp