

TOWN OF SEXSMITH

PUBLIC HEARING MEETING – BYLAW NO. 924

MONDAY JANUARY 5, 2015

Mayor Lagace called this Public Hearing to order at 6:45 p.m. in the Council Chambers in the Town of Sexsmith.

COUNCIL PRESENT	Claude Lagace Jonathan Siggelkow Isak Skjaveland Bruce Black Rick Sakundiak Jordan Hack	Mayor Councillor Councillor Councillor Deputy Mayor Councillor
COUNCIL ABSENT	Nicole Cooke	Councillor
STAFF PRESENT	Rachel Wueschner Beth Endresen	Administrator Administrative Assistant
PUBLIC PRESENT	Carolyn Gaunt, Dan Debbilt, Barry Donovan, Greg Krahn, Rod Dueck, Roland Lint, Joel Mueller, Sharon Wilkinson, Shirley Roth, John Coco, Dwayne Pazuik, Walter Paskowski, William Dowell	
PUBLIC SESSION	<p>Rachel Wueschner reviewed that the purpose of this public hearing was to amend Section 10.3 (District Map) in the Land Use Bylaw No. 755 by reclassifying a portion of NE-24-73-6W6M containing 71.71 acres from General Residential (R-2) and Multi-Family Residential (R-3) to 25 acres General Industrial (M-1) on the eastern portion of the property along the railroad track and Secondary Commercial (C-3) on the western portion of the property with the most northerly portion remaining as Commercial Light (CL).</p> <p>G. Krahn: Why are we doing this? We have residential right beside it. That is not the reason most of us bought houses up in Painted Sky. It's because it was a residential subdivision beside the new Catholic School, not industrial to have construction coming in there, trucking outfits, carwashes, you name it. That's not why we bought our houses up there.</p> <p>C. Lagace: It is to bring business to town.</p> <p>G. Krahn: I'm not disagreeing with you about the business, that's all great. I support business here in Town, I'm a part business owner in Town here already so I understand that. I have work here and I'm not being disrespectful in that aspect but I think that if we are going to do something, we need to make sure that we have measures in place to protect the residences that are up there. Because right now, that is a residential area, not commercial.</p> <p>C. Lagace: Yes it's R-3</p> <p>G. Krahn: That's right. Apartment buildings, houses and so forth. It's not commercial.</p> <p>C. Lagace: It's not and that's what this is all about.</p> <p>G. Krahn: And the other question I have is why was the first hearing, why weren't the owners of the Painted Sky asked before they did the first hearing? Because now we have for sale signs up there by Morgan, whatever his name is trying to sell the property and it says that it has already been passed.</p> <p>C. Lagace: Who says this?</p> <p>G. Krahn: Go to Kijiji and look up all the websites. It says on there that they are trying to sell it, that it has been approved already by the Council. It is just waiting the final approval.</p> <p>C. Lagace: This is the process we are in. The first reading was given so it could be advertised and that is why we are having a public hearing tonight to see if it passes second and third reading. I don't know what is written on Kijiji, we don't base our laws on that.</p> <p>G. Krahn: Well someone shouldn't be advertising that it's been approved by the Town when it actually isn't true.</p> <p>C. Lagace: Is the Town advertising that?</p> <p>G. Krahn: No but the gentleman that is advertising it you guys are part of the Town representing the Town.</p> <p>W. Dowell: He's representing it your guys behalf.</p>	

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G. Krahm: Exactly

J. Coco: Morgan McLean right now has a listing – does have it list as it has been approved already

G. Krahm: Which it should not be

J. Coco: and it should not be and that could be one heck of a lawsuit towards him because of that misrepresentation.

C. Lagace: And again John, we are not part of that. He is a realtor and he can do whatever he wants. He could have said that the site is going to be there forever. We are not doing anything illegal here....we advertised it and I am not sure where he came up with that. He should have said there is a possibility as the first reading is there so he didn't misrepresent his own clients.

W. Dowell: Just a couple of things. This was tried a year and a half, two years ago now with the sand boys and there was a huge fight put up against it. He has actually now relocated and how much business has that company actually brought to Town? Probably minimal since truckers are on a schedule and have to get in and out. So I am not opposed to business but I'm opposed to the stuff that means nothing to this town other than pocketing tax revenue. Reintroducing as industrial when it has already been kyboshed is ignorant.

C. Lagace: We didn't make the application. It is the property owners that make the application and we have to deal with it. Barry is the County Assessor. Do you want to speak to taxes? Is this just a money grab?

B. Donovan: In the County, in any municipality, it is the non-residential that helps fund all your services from road construction to everything else. They are the ones that pay a high rate of tax, the municipality gets the higher rate of return on the non-residential to pay for services. The County is very fortunate. We probably get 70% of our revenue is non-residential whereas most of our towns are running at less than 20%. Not all growing municipalities are like that but we are one of the most fortunate ones. The cost to service smaller lots is a lot more expensive than these larger lots.

W. Dowell: When they proposes the last one and as soon as the meeting was done, probably a month later, an entire street had their houses up for sale. As soon as the business moved in, the houses sold, the two duplexes sold, the house next to the tracks sold. So in a short period of time of even proposing the sand boys, whatever their company is, being put there, the people who were happy, more than happy to live in Sexsmith, said if this is the way it going to be and they all just up and left. Whether you want to say it was for health or family or whatever reason, it doesn't look good on anyone's part when an entire block just up and sells other than the business that are there.

C. Lagace: I am not partial to those numbers and I can't argue with you and we have some real estate people here who may have sold some of those houses, but at the end of the day, those houses are full.

J. Coco: It was due to the businesses that are there, it was due to the prices. If you look at the prices of houses in Sexsmith, they have gone up immensely and a lot of people want to live there because it is a desirable area. It puts some cash in your pocket, someone else moves in, everybody's happy.

G. Krahm: So as a realtor, what your saying is if we change that subdivision to commercial our property values are going to stay the same?

J. Coco: The property values will probably go up.

C. Lagace: And again, that is something Barry can address as it has happened in other areas. You are speaking on behalf of what happens in the realty world.

J. Coco: Exactly. Anytime commercial comes into any town, or to any area, property values go up. Because there are more people coming in and there is a bigger tax base, services get increased, and there is more of a tax base in the area and the values go up. Look at what the County is doing here coming north. That's going to affect Sexsmith, that's going to bring more money. Not from taxes, but from people....wanting to live here because they are close to the County. So in order for the Town to survive, and this is just my opinion, you need a tax infusion from commercial development.

C. Lagace: Rod Dueck and then Rolly Lint.

R. Dueck: Just so I understand a little bit of the proposal, is anything defined as far as....it says the eastern portion of the property along the railroad tracks but at some point, that will connect with the northerly portion that is proposed to be remaining as light. I didn't get a letter, but there is a map. Thanks. That answered my question.

R. Lint: Rolly. I work in the Town of Sexsmith, live in the Town of Sexsmith in Painted Sky. I agree with what you're say that we need commercial, we need industrial. But we have also developed a residential neighbourhood that is very

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attractive with most people....things sell fast up there. Rod I'm sure that you can agree with that. Whoever lists their house, it sells fast. A lot of young families. I'm not against some commercial stuff going along the railroad tracks of some sort but I am against having that whole area to the east of us being designated commercial. It's wrong. I say wrong....it's just wrong. There could be plenty of commercial stuff there, and I know that it is a developer, someone that is suggested here is what they want to do but we could have a buffer zone of some sort in there with residential going out. It was interesting on the first bylaw we were talking about here is if you want to take your neighbourhood and buffer it out into multi-dwellings, something to get that cushion before your into industrial, heavy industrial that M-1 stuff. That's processing plants, that could be Gibsons, that could be another one. The M-1 area, that is quite a ways away but still you're going to have that traffic and then everything else down along there and the closer you get to 95th Avenue, the closer that traffic will come into our neighbourhood. I can't support anything buffering on Painted Sky that is not residential.

C. Lagace: Thanks Rolly.

B. Black: I just want to make a comment that in some of our discussions with Barry and Dan, we also talked about looking at a green zone or some type of berm with trees or doing something to create a border between commercial and residential. So you need to keep that in mind and maybe Dan you can expand a bit more about that.

S. Wilkinson: It doesn't say that on the map

C. Lagace: That is not addressed at this time. It's addressed with the development permit and you are all asked again later on with the development permit application. Those conditions are put on there at that time. It's a dual process. Anything that goes there has to come back to the Town for approval. There are discretionary uses and there is very little permitted. You can read what falls into there – there are not very many. It all has to come back and get re-applied for and then the conditions go on at that time – assuming that it goes forward.

S. Wilkinson: I have prepared by husband's and my thoughts. We live in the Painted Sky subdivision for a couple of reasons. It's a quiet neighbourhood, it's peaceful and it's an investment. And I suspect that if there is commercial development right outside our back door, our property values will not increase, they will decrease and I have lived in a lot of towns and cities in my 61 years. If we lose \$100,000.00 on our home, we don't have – we are both in our 60's – we don't have 20 years to recover that and that is one of the reasons we bought in Painted Sky. My second comment is that there is a concern that this kind of activity in such close proximity to an elementary school – that's our future – those children shouldn't be subject to industrial right next door outside a playground.

C. Lagace: I want to address your questions. I'm going to go to John and then Dan.

J. Coco: One of the biggest things with Painted Sky, you would have to re-route the traffic away from the residential area in Painted Sky. If we look at Westlake down by the UFA in Grande Prairie, they've got a bunch on industrial in that area there. Those houses are \$400-600,000.00 and the prices keep going up but it's industrial, and it's right there and it is not affecting residential.

G. Krahm: Yeah but it's part of the County. It's the only reason people are moving to Westlake – because it's in the County and they don't have to pay the high taxes. You can pay less in Westlake.

J. Coco: But if we have a buffer like they do in Westlake...

G. Krahm: We have a buffer. The buffer is the railroad track. Keep everything on the east side of the railroad track – that's your buffer zone. That's why the Canola plant was built there years ago was because of the buffer on the side of the railroad track, not into the city, or the town.

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J. Coco: What I'm trying to say is re-route the traffic so it doesn't affect the residents of Painted Sky or even out of the subdivision to get to the industrial park, so it doesn't affect the road.

C. Lagace: Dan do you want to tell us who you are and who you work for.

D. Debbilt: My name is Dan Debbilt and I am with the Peace Region Economic Development Alliance which Sexsmith is a member of. I've been in economic development for about 20 years, I'm certified nationally, I've worked for cities, towns, rural communities, and a couple of years ago I left the Northern Alberta Development Council. So I've worked with almost every single municipality in northern Alberta and I completely understand your concerns. I've lived in communities like Falher that had the Alberta Processing Facility right there within the town limits and most recently they had to Oil Techs oil and gas facility which was right across for the elementary school, I've lived in Peace River and right now I live in Grande Prairie and let me tell you, living in Swanavon, I'd rather have the commercial development than some of the people we have in our neighbourhood community because we live so close to downtown. Commercial development isn't always a negative thing to look at but I appreciate that considering the location you are in, if I were you I would also want more answers. I would want to know exactly what is being proposed, and where is it going. You guys are in a unique position in Sexsmith because your very fortunate first of all to have rail coming through your community. One of the challenges, and it's not really a challenge is that you have a very low millrate here. So your residential tax rate is low, your commercial tax rate and non-residential tax rate puts you on par with Grande Prairie and a few of the other more urban communities and a couple of the MD's. I think the County is about 3.6 – do you know off hand? (speaking to Barry Donovan, Assessor for the County of Grande Prairie) Commercial is 12.1 and you are at about 15.5, Wembley is at about 6.2, City of Grande Prairie is at about 15 as well, the same as you. So when the Town is trying to bring in development, the challenge is you are so close to Grande Prairie and that means you'll never get a Safeway, you'll never get a Superstore or any of those other facilities because the proximity to Grande Prairie pretty much is going to rule that out for you. So you have to look at unique developments and what are the advantages you can sell and part of the reason you have to do that is because you have to have a sustainable community. If you want to enjoy a low residential tax rate, you are going to have to bring in some commercial development. I believe you are at about 18% , the standard is probably closer to 30% or even slightly more, and as Barry said, what is the County's at about?

B. Donovan: Non-residential pays about 70% of our tax roll.

D. Debbilt: So, the reality is, as an urban community, you have a greater responsibility to provide lifestyle whether it is a library or a swimming pool or parks they tend to be more frequent in urban communities and someone has to pay for that. If you don't encourage some commercial development, my professional opinion is that your taxes are going to have to go up because somehow, you are going to have to pay to sustain yourselves as a community. That being said, a lot of your concerns, I understand where they are coming from but the reality is that this portion of land, because it's on rail should be the selling point. The fact is that not every community can offer that, there's a lot of developments now looking for rail access properties and you have that so this is where development wants to occur. Now as far as your concerns and what kinds of development, that is in the next stage of the process. If this actually all goes through, it is actually in the development process. I actually did land use development and what you can actually write in a development permit is quite extensive. We had a gas station that wanted to go in and we required them to plant x number of trees and they had to maintain them over a period of years so they ensures that they stabilized and grew well, they had to put in berms, we took care of those kind of things as well. And If you look at the map, your subdivision, I am just giving you my advice, you can do whatever you want, but when you are looking at the subdivision, you are basically have two lots there that total about 4 acres that back onto your subdivision. When you are looking at the developments, that's when you can actually require the developer to provide something there that does shelter you from that and it could be that perhaps half of that has to be converted into parkland or you need walkways there or you need

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something that shelters you from that development. And when the development process starts, when people are actually looking at developing, that's when you can be actively engaged as well ensuring that your community is protected and that you do have the environment you want dictated.

S. Wilkinson: They developed the subdivision up there knowing full well that the rail is there and that land would eventually be used for commercial so how did that subdivision get in the mix to start with?

D. Debbilt: The part of that, and I understand, that part of the problem to is it's the person who owns the land that starts the development process and they are the ones that are requesting the change of land use. So the reality is that if you want to continue to enjoy your lower tax rate, if you want to attract some development, and with all due respect, I do appreciate where you're coming from. None of us want – you know if I had property that I had an open field in the back, I wouldn't want someone to develop there either, but it's probably going to happen. None of us are happy when we see that happen, I think the importance of how you guide that development and playing an active role in that guidance. I don't think your property values are going to decline. I do understand your concern if a huge oil and rail development happens right in your backyard. That's not good for you. But that's also where this process takes place where the Town will help decide what goes there. You are the ratepayers, ultimately it is you that has to have some say in it and that you don't agree with that type of development. But it can actually be very aesthetically pleasing, it doesn't necessarily have to be noisy, you can put all kinds of conditions in a development permit that does regulate that you don't want noise after a certain hour or how much traffic goes through. Qutie honestly, I'd rather have commercial development over an apartment building.

C. Lagace: William and then Sharon and then Greg.

W. Dowell: From what I've heard already, no one is opposing development of Sexsmith in general. It's just the location. So right now, yes the railroad access is great but we already have two rail spurs for Gibsons, there's three more rails spurs going in that vacant lot that's for sale as well, and there's also the rail spur for the sand boys. Why are we putting any more rail in? If this is up to the development and all this other stuff well that's a pretty big question considering there is already six rail spurs in close proximity of Painted Sky. Noise, permits, bylaws – we can't even police the Town that we've got right now with bylaws, so how are we going to put a noise permit on the truckers coming in with their Jake brakes on. You hear them all night going to the sand silos so that's out of the question. Let's face it, truckers – and I'm a trucker – you can only control what you can do. You can train someone one way and once they leave the lot, they are going to do whatever they want. So as far as the noise bylaw, you're going to hear the Jakes, you're going to hear the engines going. It's no different than in Grande Prairie with the orange exhaust coming from all these diesels. Make a noise bylaw – it's not going to work. It's the proximity of where these commercial lots or industrial lots are going to be that's the problem. You can put a green space all you want but trees aren't going to stop the noise in winter because they are all dead. There are no leaves on them and pines aren't going to filter it out. You're not going to please everyone and that's a fact of life, but what's going on right now is that everyone has bought up there with the notion that everything was to be developed as residential, apartments, whatever it may be. That was the reason for people buying up in Painted Sky was the notion that there wasn't going to be any industrial or anything like that and the appeal and now within two years, we are on the same argument again. And if it's the same developer or whoever owns that property, we should get off the pot and get rid of him because he's been around too long and things haven't followed through from the beginning in Painted Sky.

C. Lagace: Sharon and then Greg.

S. Wilkinson: I've said my peace.

J. Siggelkow: I'd just like to comment on William and you can correct me if I'm wrong but I believe that the last time a proposal for re-zoning came to us, it wasn't that it was kyboshed as has been said several times, he withdrew that application so nothing ever happened with that. So while the information has been given that it was kyboshed, that's not true. It was talked about, it was discussed, there was opposition, he withdrew his application and moved it somewhere else, that's what happened. So there has been nothing that has been defeated. I just wanted to make sure we have the facts here. Thank you.

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R. Sakundiak: I just want to clarify one thing. Before was the northerly portion commercial light prior?

C. Lagace: That was always there.

R. Sakundiak: So it's always been there?

R. Lint: Yes, it's commercial light.

C. Lagace: Off of 95th Avenue

R. Sakundiak: So that's always been there so that's not changing.

R. Lint: We're not asking to change that

J. Siggelkow: That's not the issue Rick where they're changing

G. Krahn: That's the part when you are coming off the railroad track.

R. Sakundiak: But you could have light commercial in your subdivision.

G. Krahn: That's right by the pond. With regard to the trees, that's not the issue.

R. Sakundiak: I know. I'm saying that people could build all these thing there that are at our discretion – restaurant, financial institution.

C. Lagace: Sharon had some questions about evaluation there....

S. Wilkinson: The de-valuation of the property is my biggest concern.

C. Lagace: (To Barry Donovan) And you've seen this in the County?

B. Donovan: Well we've had developments throughout the County and we look after the assessments for Hythe, Wembley, Beaverlodge and Sexsmith. We have worked in Greeview and other municipalities. We have very few of these types of developments where there has been a huge reduction in property values. We have individual cases as far as properties like Wedgewood where you get lots of golf balls because it backs onto the course where there has been an allowance given but the biggest problem with determining loss of value is that it takes a period of time and a number of sales. But over the years, we haven't seen that in any of our development. And looking at this, this is a what looks like is going to back on that piece of Painted Sky is similar to what backs onto Westlake, smaller lots, doesn't look like it's heavy industrial by any means. So that is part of the buffer between the more heavily industrial stuff. Up in Whispering Ridge, it's probably the County's busiest subdivision right now. It think we've probably put about 400 lots in that subdivision in the last two years and there is no loss in value and the prices have gone nothing but up. I remember when the duplex houses first went in there, they were \$239,000.00 and they never budged on any of their prices – they always got their price. And the last one they built, I believe they were over \$290,000.00 and again, they never budged on their prices and they got what they wanted. Housing demand is always going to be part of the valuation so if oil gets down to \$40.00/barrel I don't think it's going to matter where you live, there is going to be a drop in value. But I think based on what the subdivision is, I don't think there is going to be a \$100,000.00 drop.

S. Wilkinson: Well I would hope not. It depend. Looking at the map for my mind is that there is not buffer zone but I understand that this is in the next phase, if there is a next phase.

B. Donovan: I think that's when the developer comes in and says we want to build this here or do this and then it is up to council to put restrictions on the development that you need to put in a berm or whatever to meet these types of conditions, that you have to meet conditions for light, sound these types of things.

S. Wilkinson: Because it is very peaceful and quiet right now.

B. Donovan: And we would like to keep it that way.

S. Wilkinson: Absolutely. That's why we bought there and that was the attraction to buy there. So saying that people are going to flock to Sexsmith because there is commercial property, I don't agree with that statement.

W. Paszkowski: I have a background in economic development. Planning is critical. The land has value and can be put to use for the benefit of the residents. There will be no residential development next to the tracks. Use caution in the planning stage and it can accommodate everyone.

J. Hack: Traffic would be re-routed south on 106 Street. A new road going east and west would have to be built.

W. Dowell: Why did all of the residents in Painted Sky not receive letters?

C. Gaunt: Residents within 200 feet of the proposed development received letters. It was also advertised twice in the Daily Herald Tribune and on Facebook.

J. Hack: Is it possible for all of the residents of Painted Sky to receive letters during the development permit process?

B. Black: I feel that this sets a bad precedent. Where do we draw the line? Do all the residents in Forest Grove or Rycroft Ridge then get a letter for a home based business?

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ADJOURNMENT RESOLUTION 02-01-15

Moved by Jonathan Siggelkow that the public hearing be adjourned at 7:47 p.m.

CARRIED

Claude Lagace, Mayor

Rachel Wueschner, Town Administrator