

## ADMINISTRATIVE REPORT

<b>TO:</b> Shane Bourke, City Manager	<b>DATE:</b> July 22, 2025
<b>FROM:</b> Brian Glavin, Chief Operating Officer	<b>MEETING:</b> Operational Services Committee
<b>REPORT WRITER:</b> Zeel Patel, Planner	
<b>SUBJECT:</b> Residential Development in CC – Central Commercial District	

### RECOMMENDATIONS

That Committee direct Administration to draft an amendment to the Land Use Bylaw C-1260, to amend the CC Central Commercial district to allow residential development with fewer than 24 units.

### PREVIOUS COUNCIL / COMMITTEE DIRECTIONS

- On **January 27, 2015**, the Community Growth Committee directed administration to:  
*“Develop Land Use Bylaw amendments to clarify that apartment developments in the City Centre (CC) District meet a minimum threshold of twenty-four (24) units.”*
- On **April 20, 2015** City Council approved Land Use Bylaw amendment **C-1260-30** which, required apartments within the Central Commercial District to have a minimum of 24 dwelling units.
- On **December 14, 2015** City Council approved Land Use Bylaw amendment **C-1260-23** which, changed the definition of ‘Mixed Use Apartment Building’ to include 3 or more dwelling units.
- On **September 5, 2017**, City Council approved Land Use Bylaw amendment **C-1260-76** mixed use buildings with up to 2 dwelling units in the Central Commercial – CC district, as a discretionary use

### BACKGROUND

In 2015, Council directed administration to amend the Land Use Bylaw that required apartment buildings in the Central Commercial District to have a minimum of 24 units. Prior to that amendment, apartment buildings with three or more units were allowed. Council introduced this change to prevent small-scale residential developments. The intent was to promote a denser urban core and contribute to the overall vibrancy of the area.

The 2015 amendment which required apartment buildings to have a minimum of 24 units was an interim measure with the understanding that Council might consider additional, more specific development criteria for downtown based on market demand in the future. Since then, a few amendments have been made to allow smaller apartment buildings, provided they include a mixed-use component. These amendments were introduced to support intensification of downtown. This led to discussions on whether an additional amendment is needed to allow smaller apartment buildings elsewhere in the District.

Administration has recently fielded enquiries for residential development in the Central Commercial district that are for small scale apartment buildings of less than 24 units. While the proposed developments may seem reasonable given site-specific considerations, the only avenue available for applicants to pursue their project is through the variance process. According to the LUB:

*“Variances to standards in this Bylaw with regard to the affected property shall only be considered if:*

- It is practically difficult to comply with the regulations of this Bylaw due to peculiar conditions or circumstances including, but not limited to, the area/shape of the property and/or environmental features;*
- The proposed variance will not alter the character of the neighbourhood and will not negatively affect other properties or potential development in the surrounding area;*
- The proposed variance does not interfere with or affect the use and enjoyment of adjacent/surrounding properties;*
- The proposed variance is the minimum deviation from the required standards of this Bylaw to relieve the effect of the peculiar conditions or circumstances.”*

While discretionary uses follow a process similar to variances, the proposed amendment could provide a set of considerations for the development authority to reference when making decisions. This guidance would not only support the development authority in decision-making but also strengthen the final decision should it be appealed to the Subdivision and Development Appeal Board (SDAB), an element that the variance process currently lacks.

ANALYSIS

The Central Commercial CC- district in the City’s land use bylaw currently imposes development regulations that require apartment buildings to have a minimum of 24 units. If a developer wishes to construct a building with fewer units, they must incorporate a mixed-use component with a minimum of two residential units, which falls under discretionary use. There is no existing provision in the CC-district that allows for smaller apartment buildings without mixed-use components. A mixed-use building is a multi-story development with residential units above the main floor and street-facing commercial, retail, or institutional spaces on the main floor. Although variances can be granted on a case-by-case basis, the current regulations may not be the right fit for certain areas of downtown, particularly where strict requirements do not always align with the unique character of each neighborhood.

This report is prompted by recent inquiries about the need for development flexibility in certain parts of the CC district. Areas like the downtown fringes often have a distinct character and are

less commercially dense than the downtown core. A one-size-fits-all zoning approach may restrict development potential and hinder growth in these areas, which could benefit from allowing smaller, residential-only apartment buildings.

### **Relationship to City Council's Areas of Focus / Strategic Priorities**

The proposed amendment conforms to the following Strategic Plan Area of Focus:

Inclusive & Caring Community: Housing- Ensuring our community provides necessary and suitable options for housing.

Innovation – Cultivating and developing an excellent administration and local governance to develop and grow a meaningful and prosperous social and economic community.

### **Environmental Impact**

None foreseen.

### **Economic Impact**

Allowing for more flexible zoning that accommodates smaller apartment buildings in certain areas of the CC district could promote more diverse and scaled-down developments. This would attract a wider range of developers, increase housing availability, and stimulate economic growth.

### **Social Impact**

Adjusting zoning regulations to allow smaller apartment developments could result in more diverse housing options, enhancing the character of downtown's fringe areas. This approach could foster a more inclusive community by accommodating a broader range of residents and businesses.

### **Relevant Statutes / Master Plans / City Documents**

#### **Municipal Development Plan C-1462**

**6.19 Mix of Housing Choices:** *The City will strive to maintain a mix of housing choices in form, tenure, and affordability. In order to achieve this, the City aims to maintain twenty-five (25) percent of dwelling units as multi-family (three (3) unit developments and up).*

**7.3 Quality of life:** *The City shall continue to maintain a high quality of life to attract a skilled labour force by providing:*

- a) a variety of recreation and open space opportunities,*
- b) cultural and community services and amenities;*
- c) an enhanced Downtown;*
- d) attractive Neighbourhoods;*
- e) a diverse choice of housing; and*
- f) a range of transportation options*

#### **Land Use Bylaw C-1260**

##### **Central Commercial District-CC**

The CC district is a land use district that regulates the permitted and discretionary uses and development standards for the downtown area as shown in the below map.

This report focuses specifically on residential uses within the CC district.

Permitted Uses:

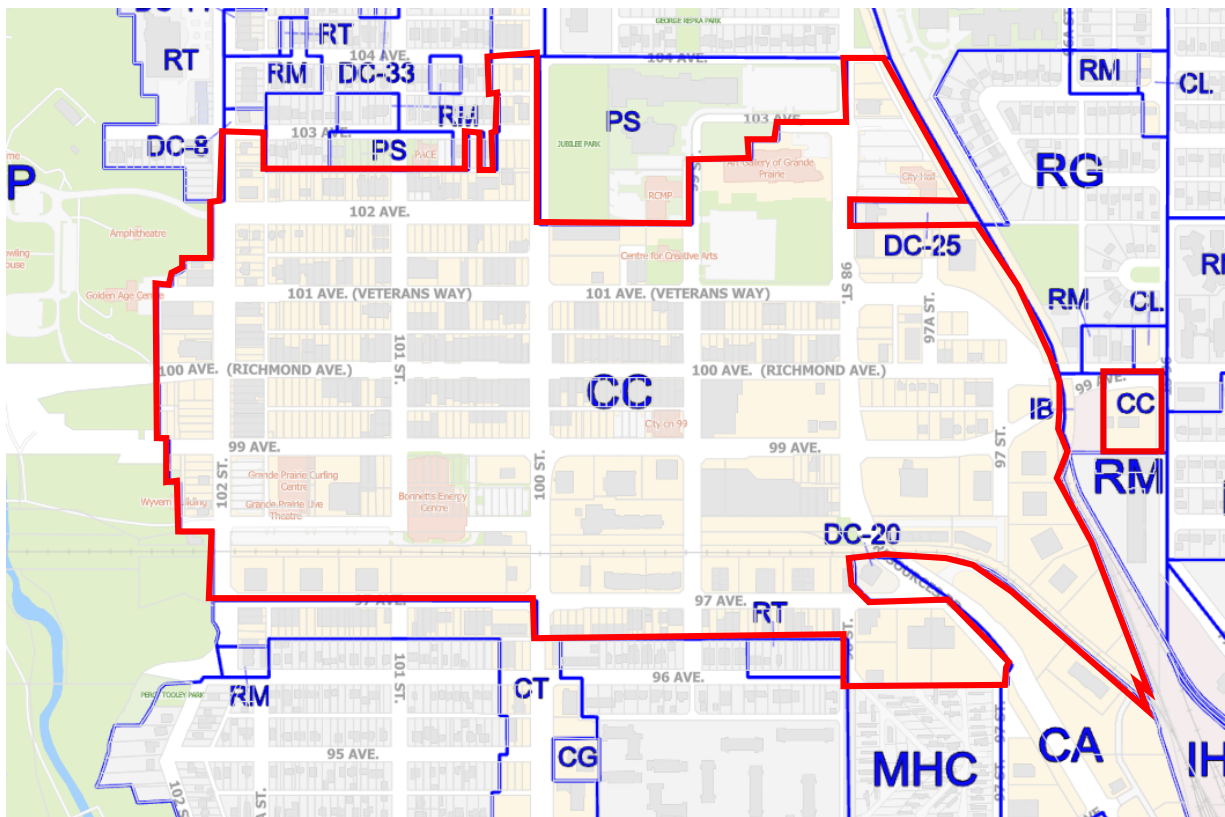
1. Apartment Building

## 2. Mixed Use Apartment Building

*\*Apartment building in this District shall have a minimum of 24 units and a minimum height of three (3) storeys.*

### Discretionary Uses:

#### 1. Mixed Use Apartment Building, Up to 2 Units



The current requirement for a minimum of 24 units for apartment buildings in the CC district can be seen as restrictive, particularly when considering the diverse parts of the downtown district. In certain areas, where commercial activity is less concentrated, there is a potential demand for flexibility in regulations. These areas have a character distinct from the bustling main street, and providing this flexibility could spark interest among developers in constructing smaller-scale residential projects that better fit the local context.

The proposed amendment would allow apartment buildings with fewer than 24 units as a discretionary use in the Central Commercial District, with specific considerations for the development authority to refer to when applying this discretion. By listing it as discretionary the development authority is not obligated to approve the development. This approach provides flexibility, allowing the development authority to assess each application on its unique merits, ensuring compatibility with the surrounding area.

Possible considerations may include:

1. Location within the District: The proximity of the proposed development to core and fringe areas of the CC district, allowing for smaller-scale buildings in transitional zones where less density may be appropriate.

2. Neighborhood Compatibility: Ensuring that the building design, scale, and height are in harmony with surrounding buildings to maintain the character of each area.
3. Contribution to the Streetscape: Encouraging active frontage designs, landscaping, or public space contributions to enhance the surrounding streetscape and community experience.

### **Risk**

Downtown areas typically consist of valuable land due to their proximity to services, amenities, and economic hubs. Reducing the minimum unit requirement could lead to underdevelopment where land that could support higher-density housing is used inefficiently, limiting the potential to accommodate more residents or businesses.

### **Alternatives**

Maintain the current development regulations requiring apartment buildings in the CC district to have a minimum of 24 units as a permitted use, with mixed-use developments of at least 2 units allowed as a discretionary use. Continue to consider variances on a case-by-case basis.

## **STAKEHOLDER ENGAGEMENT**

There has been no stakeholder engagement conducted at this stage. However, should Administration receive direction to amend the LUB, public notification and stakeholder engagement would occur including circulation to Grande Prairie BILD/UDI.

## **BUDGET / FINANCIAL IMPLICATIONS**

There are no budget implications.

## **SUMMARY / CONCLUSION**

The current development regulations in the CC district, which require a minimum of 24 units for apartment buildings, may be limiting development opportunities. Allowing fewer units as a discretionary use, with guidance for the development authority to evaluate factors like location, neighborhood compatibility, and streetscape contributions, could foster more diverse growth and diverse housing opportunities.

## **ATTACHMENTS**

N/A