Report to/Rapport au :

Planning Committee Comité de l'urbanisme

and Council / et au Conseil

April 2, 2013 2 avril 2013

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CITY WIDE / À L'ÉCHELLE DE LA VILLE

SUBJECT: BUILDING A LIVEABLE OTTAWA - COMPREHENSIVE FIVE-YEAR

REVIEW OF THE OFFICIAL PLAN - EMPLOYMENT LANDS

Ref N°: ACS2013-PAI-PGM-0096

OBJET: UNE COLLECTIVITÉ VIABLE À OTTAWA - EXAMEN QUINQUENNAL

DÉTAILLÉ DU PLAN OFFICIEL – BIENS-FONDS DESTINÉS À

L'EMPLOI

REPORT RECOMMENDATIONS

That Planning Committee recommend Council:

- 1. Receive the Employment Lands Study, 2012 Update by Danix Management Limited, attached as Document 1; and
- 2. Approve the position that the Official Plan identifies sufficient land for employment and other non-residential and non-employment uses to meet the city's needs to 2031, as required by the Provincial Policy Statement, and that the evaluation of certain employment lands be considered in the draft amendment.

RECOMMANDATIONS DU RAPPORT

Que le Comité de l'urbanisme recommande au Conseil :

- 1. De prendre connaissance du document intitulé Mise à jour de 2012 de l'étude sur les biens-fonds destinés à l'emploi, produit par la société Danix Management Limited et faisant l'objet du document 1;
- 2. D'adopter la position selon laquelle le Plan officiel prévoit suffisamment de biens-fonds destinés à l'emploi et aux autres utilisations résidentielles et non résidentielles pour répondre aux besoins de la Ville jusqu'en 2031, comme l'exige la Déclaration de principes provinciale, et de prendre en considération l'évaluation de certains biens-fonds réservés à l'emploi dans le projet de modification.

BACKGROUND

Purpose of this Report

At the March 26, 2013 Planning Committee meeting, staff presented report ACS2013-PAI-PGM-0076 dealing with several issues surrounding the City's Official Plan Review, which is called Building a Liveable Ottawa 2031. The report provided summaries of feedback on preliminary proposals for an Official Plan Amendment that were put forward earlier this year for Council and public consultation. The report also recommended Committee and Council instruct staff to develop a draft Official Plan amendment to be tabled in June for more public consultation before final Committee and Council consideration later this year.

At the March 26, 2013 meeting, Planning Committee approved several directions recommended in report ACS2013-PAI-PGM-0076 but deferred discussion and debate on two recommendations with respect to employment lands to the Planning Committee meeting of April 9, 2013. This was done in order to allow staff to make a more fulsome presentation on the subject of employment lands. As such, this report contains the two relevant employment land recommendations that were deferred and sections of report ACS2013-PAI-PGM-0076 with respect to employment lands for Planning Committee and Council consideration.

As such this report seeks Committee and Council direction to prepare an Official Plan amendment in keeping with the directions described herein on employment lands. The directions contained in this report will be combined with directions contained in report ACS2013-PAI-PGM-0076, both of which will be considered by Council on April 10th. Together, these directions will form the basis for the Official Plan Amendment to be tabled in June.

This report also serves the purpose of complying with *Planning Act* requirements for special meetings when dealing with land supply issues.

If a municipality is undertaking a comprehensive review of its Official Plan, as is the case with Building a Liveable Ottawa 2031, Section 26 of the *Planning Act* requires the municipality to hold one or more special meetings to discuss the proposed changes, particularly with respect to the adequacy of land supplies.

In order to comply with this requirement, notice of the March 26, 2013 committee meeting, from which the recommendations in this report were deferred, was given in accordance with the *Planning Act* and Regulations because information and recommendations regarding the adequacy of the supply of land were being considered.

DISCUSSION

Employment Lands General Findings

The Employment Lands Study, 2012 Update (see Document 1) was conducted to determine if an urban boundary expansion was needed to ensure there is enough of this type of land to accommodate demand and meet all applicable policies. The study concludes that the Official Plan requirement for a minimum 20-year supply of employment land is more than met. The following puts forward the results of the study and what was heard about employment lands during public consultations.

The study considered employment land supplies in the rural and urban area, but excluded employment land within the Greenbelt. It also excluded employment land committed to or occupied by snow disposal sites, recreation centres, park and ride lots and other municipal facilities. For example, snow disposal facilities in the 416 Business Park and in the Orleans South Industrial Area are excluded from the land supply inventory.

The employment land supply is well distributed within the city with the notable exceptions of Orléans and the western area located inside the Greenbelt, where supplies are relatively small compared with other areas. With market forces scaling back big-box retail and power centres in the suburbs, there should be no need for new retail proposals to encroach on suburban employment lands. In the past, retailers have sought sites in employment areas because of the lower cost of the land and good access to arterial roads or highway interchanges.

The study's main recommendations for the Official Plan are to:

- Discontinue the use of the Enterprise Area designation and replace it with the Employment Area designation. Policies for Enterprise Areas, located primarily in suburban locations outside the Greenbelt, allow for a mix of employment and residential uses, but development of these areas has resulted in pockets of residential development and few jobs. Land now designated as Enterprise Area would be re-designated as Employment Area, to preserve their employment potential;
- Provide additional protection for transportation and distribution uses in the vicinity
 of key 400-series highway interchanges. The logistics of storing and distributing
 goods to retailers and customers benefit from highway access at the urban
 fringe, so that transport trucks need not enter the city and goods can travel more
 economically to their final destinations;
- Not extend water and wastewater servicing to employment lands in the rural area;

- Not designate employment areas around rural highway interchanges, with the exception of the existing area at the 417 interchange at Carp Road; and
- Establish minimum employment targets for large villages.

The study also proposes criteria that should frame decisions concerning potential conversion of employment lands, noting that employment lands have strategic significance for the city and neither a large supply of such lands nor the slow rate of development in some areas should be accepted as justification for conversions.

What was heard

While the Employment Lands Study was in progress, proposals were made to extend municipal services to rural employment areas and release industrial land in Richmond for residential development. Others said that employment land at Highways 416 and 417 interchanges should be protected. Also, further analysis of the supply of employment land was proposed as phase two of the study, to identify sites that are ready to market and to show how the remaining sites can be brought forward.

Going forward

This report recommends that Council confirm that the Official Plan identifies sufficient land for employment and other non-residential and non-employment uses to meet the city's needs to 2031, consistent with the Provincial Policy Statement. In combination with the Council position in December 2012 that there is a sufficient supply of residential land, Council support of the recommendation would mean that there is no need for Council to consider a change to the urban boundary for any purpose as part of the 2013 Official Plan review.

The Employment Land Study concludes that there is more than enough vacant employment land to meet needs over the next 20 years, as required in the Official Plan and in the Provincial Policy Statement. The Supply and Demand of Non-Residential and Non-Employment Land to 2031 (Document 3 of report ACS2013-PAI-PGM-0076) reviews the requirements for "other land", using the categories of urban land in the City's 2010 Land Use Survey. It notes that many types of "other land" are already included in the City's estimates of gross residential land supply. These include, for example, land for local and collector roads, local parks, and schools. Lands for other uses, such as major transportation facilities or universities and colleges, are not major drivers of demand for urban land and it is expected that their needs can be met within the existing urban area. The report concludes that the supply of land for other purposes (non-residential uses and non-employment uses) is sufficient to at least 2031, and meets the requirements of the Provincial Policy Statement.

Landowners, developers and others with an interest in the Employment Lands Study will be consulted on its findings and recommendations during April and May. The study will also be updated with final figures as needed, to replace figures highlighted in the current text. The study and the consultation will be considered in the preparation of new policies for employment lands for the draft Official Plan amendment in June. Staff will also review the Employment Areas with a view to removing land with no development

potential or removing remnant parcels that are too small to meet the criteria for designation in the Official Plan. These changes will have a negligible effect on the supply of employment land in Ottawa.

A policy on the amount of employment land needed to support economic development in large villages will be drafted to guide decisions on conversions of employment land in Richmond and other villages. As a starting point, the Employment Lands Study recommends setting a minimum job / household target (of 0.75) in large villages as a basis for reserving sufficient village employment land.

A study of market-readiness will also be initiated in consultation with the Economic Development and Innovation Department and industry representatives. The study will evaluate the existing supply of employment land from the perspective of servicing, subdivision status, ownership, and area market demand to arrive at an estimate of marketability.

Employment Lands in Suburban Communities

Proposals for Official Plan policies on employment land, urban design and compatibility, and intensification and building heights apply to villages and suburban and urban communities and ultimately affect the quality of life of residents of all areas. Together the policies also create the most affordable pattern for future growth and taxpayers throughout the city benefit from the cost-savings. In suburban communities, intensification also means:

- potentially less traffic on suburban roads;
- fewer demands on existing facilities from residents in new communities where services and facilities are yet to be developed.

Although many proposals for the Official Plan seem the most relevant to older areas where change is occurring, they also impact suburban areas. The following section puts forward information on employment lands as they relate to Suburban Communities and feedback on this issue heard during public consultation.

Employment Land

The on-line survey shows that many residents would prefer to work closer to home. The first step towards increasing jobs in suburban communities is to make sure enough land is preserved for office, industrial and other employment uses. The draft amendment will look closely at the recommendations of the Employment Land Study that support more jobs in suburban areas by:

- Reserving land at Highway 416 and 417 interchanges for employment uses, rather than retail uses;
- Preserving employment lands in the suburban areas, including most notably in Orléans, and proposing criteria to guide any future conversions;
- Changing suburban Enterprise Areas to Employment Areas, so that these areas develop only for employment in the future rather than as a mix of housing and jobs.

Community Design Plans

The quality and character of new suburban areas is developed through Community Design Plans that build on the areas' unique qualities. Respondents to the on-line survey identified Kanata's unique design, Orléans' bilingual nature and green spaces, and Barrhaven's family friendliness as reasons for their popularity.

The preliminary proposals set out new requirements for future suburban CDPs to make sure they address all aspects of liveable communities. The proposed policies require CDPs to address such areas as walking and cycling routes, locations where intensification is permitted, and direction on building height and design. CDPs that are in process or planned for suburban areas, such as plans for the Mer Bleue Mixed-Use Area, Phase 2 of the East Urban Community, and Stittsville Main Street, would need to address these requirements if the proposed policies are approved by Council.

Intensification, Tall Buildings and Urban Design

Intensification in suburban areas is focussed on six Mainstreets and five Town Centres and Mixed-Use Centres developed around rapid transit. The preliminary proposals support the on-line survey finding that residents believe that the suburban communities could be more sustainable and incorporate a live, work, play environment through greater intensification. Stronger design policies and policies on building height will help to make sure intensification on vacant land, old shopping plazas and parking lots in suburban areas will be compatible with their surroundings. Additional target areas for intensification are also proposed:

- a new Mainstreet at Innes Road in Blackburn Hamlet:
- a new Mixed-Use Centre in Riverside South.

The preliminary proposals require higher design standards for City-initiated projects in the suburban Town Centres (e.g. Kanata Town Centre) and the Mainstreets (e.g. Stittsville) as they are redeveloped or rehabilitated.

The City has been receiving development applications for buildings more than 10 storeys in typically low-rise communities outside the Greenbelt, such as Kanata and Barrhaven. These high-rise buildings cause significant concern for nearby residents and the development review process for these types of applications becomes contentious and drawn-out. The preliminary proposals define maximum building heights for suburban areas where height is not addressed in a Community Design Plan. Buildings over 10 storeys would only be permitted in the Town Centres, Mixed-Use Centres and Employment Areas on rapid transit, provided there is no CDP that sets a greater or lesser height limit.

Employment Lands Rural Communities

The following section puts forward the recommended approach to rural development, including employment land management and needs, and feedback on the preliminary proposals heard during public consultation.

Throughout the rural area, individual homes sit back on large country lots, line up along country roads or cluster around new cul-de-sacs. Each of the 26 villages has its own history, character and potential. A long-standing approach to rural residential development is to focus growth in villages, recognizing that there are potential conflicts in the larger rural area with agriculture, quarries, and sand and gravel operations and potential loss of critical environmental areas. Although the Plan focuses residential development in villages, only about 40 per cent of development to date has occurred in villages. A similar amount (39%) has occurred in subdivisions outside villages and the remaining 20 per cent has been on individual lots.

A comprehensive approach to managing lot creation was proposed, recognizing that a change in one area would require reconsideration of the whole. A prohibition on new country lots was proposed, along with changes to severance policies that would result in modest increases in new lots. About two-thirds of future village development was proposed for the three largest villages, where there is potential to create more complete and liveable communities. Communal servicing or extension of central municipal services would be needed to facilitate this development and development in some of the mid-size villages. The 14 smallest villages would continue to fill out their boundaries, but most residents would work, shop and access community services elsewhere.

Document 5 of report ACS2013-PAI-PGM-0076 entitled Rural Residential and Village Growth Strategy presents these proposals in more detail.

What was heard

Development in villages should not occur at the expense of their unique characteristics or lead to bedroom communities. Large lots and houses should be permitted, and Greely should be allowed to expand now.

Most respondents to the online survey supported limiting rural growth to within the boundaries of existing villages, and were not supportive of the creation of new rural subdivisions.

Rural development drew limited discussion at the forums, and focused on the proposal to continue the moratorium on country lots. The moratorium was not supported, although some proposed that future subdivisions be directed to specific locations, such as adjacent to villages, or that criteria be set for future locations. Others said that eliminating country lot subdivisions would push rural development into neighbouring municipalities. The proposal to increase lot creation through severances received few comments, although the need to retain a 10 ha "parent" parcel following a severance was noted as a major barrier to severances since it made small properties ineligible.

Going forward

Rural growth will continue to focus in villages, supported by new policies on village development. These policies are the final phase of the Village Review that saw community visioning and updates to all the village plans in 2012. Revisions to the

Zoning By-law early in 2013 made it easier to develop lots in villages and operate home-based businesses.

Most growth will be directed to the three largest villages because they have the most potential for developing into complete communities. These villages potentially can accommodate more employment, community facilities, and a variety of housing types suitable for families, retirees and seniors. As noted previously, a policy will be considered for the Official Plan amendment in June to guide the amount of employment land needed in villages to support jobs and economic development. Growth in some of the mid-size villages will also be supported.

The analysis of the developable land in villages indicates that the Official Plan objective for a 10-year supply can be met. For this reason no expansions of village boundaries are proposed.

The rate of village development depends in part on additional water and wastewater servicing. The Rural Servicing Study is reviewing the feasibility of extending municipal water and wastewater to different villages or providing these services through communal services operated by the City. The costs of different options for increasing rural servicing will also be estimated. The larger questions of affordability, risk to the municipality, and impacts on long-term sustainability and growth management will be addressed in policy proposals on rural servicing.

Subdivisions of country lots compete with villages in the provision of large lots and single-detached homes, and reduce the City's effectiveness at achieving its objective for villages. The proposal is to discontinue country lot subdivisions in order to focus growth in villages, as well as to preserve the rural area for agriculture, mineral resource development, and other rural economic activities that are not appropriate for village locations. This proposal also safeguards valuable natural environment areas from further fragmentation and other negative impacts.

This approach will not impact applications for subdivisions still being considered by the City. These applications and the vacant lots in existing subdivisions represent a potential supply of rural dwellings for the next 10 years.

These policies will be fully explored with rural residents in April and May. The policy proposal to increase lot creation through severances will also be included but no changes will be made in the required size of lots.

RURAL IMPLICATIONS

As noted above, the Employment Lands Study recommends that the City develop a policy to guide requirements for village employment land and recommends against servicing rural employment areas.

CONSULTATION

Public consultation on Building a Liveable Ottawa 2031 has been extensive and is outlined is detailed in ACS2013-PAI-PGM-0076.

COMMENTS BY THE WARD COUNCILLORS

This is a City-wide report.

LEGAL IMPLICATIONS

Conclusions reached in the Official Plan Review process are not final until the end of the process. However, it is the opinion of Legal Services that one of the lessons learned from the hearings on the Urban Boundary question with respect to OPA 76 is that the Board will give significant weight to the interim conclusions reached through the process where such interim conclusions were based on sound planning rationale. Thus, while it is possible to revisit decisions made earlier in the process, and Members of Committee and Council must always be "capable of being persuaded" as new information and submissions are brought forward, it is to be expected that the final decisions made by Council will build upon the determinations made through the process.

RISK MANAGEMENT IMPLICATIONS

There are no risk management implications associated with this report.

FINANCIAL IMPLICATIONS

There are no direct financial implications associated with this report.

ACCESSIBILITY IMPACTS

Planning and infrastructure projects that will flow from the update of the Official Plan and the Infrastructure Master Plan will meet the appropriate accessibility guidelines and legislation.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications associated with this report.

TECHNOLOGY IMPLICATIONS

There are no technological implications associated with this report.

TERM OF COUNCIL PRIORITIES

The recommendations and strategic directions of this report have a direct impact on achieving the following Term of Council priorities: EP3 – support growth and local economy; TM2 – maximize density in and around transit stations; GP3 – make sustainable choices.

SUPPORTING DOCUMENTATION

Document 1 Employment Lands Study 2012 Update

DISPOSITION

Planning and Growth Management Department will prepare and table a draft Official Plan amendment based on the directions of Council at a Joint Meeting of Planning Committee and Transportation Committee in June 2013.