

**Report to
Rapport au:**

**Planning Committee / Comité de l'urbanisme
24 September 2020 / 24 septembre 2020**

and / et

**Agriculture and Rural Affairs Committee
Comité de l'agriculture et des affaires rurales
1 October 2020 / 1er octobre 2020**

**and Council / et au Conseil
14 October 2020 / 14 octobre 2020**

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**Submitted by / Soumis par:
Douglas James,
Acting Director / Directeur par intérim
Planning Services / Services de la planification,
Planning, Infrastructure and Economic Development Department / Direction
générale de la planification, de l'infrastructure et du développement économique**

**Contact Person
Personne ressource:
Amanda Marsh, Planner / Urbaniste, Planning Operations / Opérations de
planification
613-580-2424, 13409, Amanda.Marsh@ottawa.ca**

Ward: CITY WIDE / À L'ÉCHELLE DE LA VILLE File Number: ACS2020-PIE-PS-0098

SUBJECT: Changes to the Definition of the 'Minor' Rezoning Application Type

**OBJET: Changement à la définition du type « demande de modification
mineure du zonage »**

REPORT RECOMMENDATIONS

That Planning Committee and Agriculture and Rural Affairs Committee recommend Council approve amendments to the definition of ‘minor rezoning application’ as set out in By-law 2015-96 respecting fees for planning applications, as detailed in Document 1.

RECOMMANDATIONS DU RAPPORT

Que le Comité de l’urbanisme et le Comité de l’agriculture et des affaires rurales recommandent au Conseil d’approuver les modifications apportées à la définition de « demande de modification mineure du zonage » établie dans le Règlement municipal 2015-96 au sujet des droits de demande d’aménagement, comme l’explique en détail le document 1.

BACKGROUND

On June 12, 2001, Council approved recommendations regarding new City of Ottawa fees to be imposed for planning applications. One aspect, however, of application fees requiring further consideration and reporting back to Council was defining what types of requests for rezoning would be considered ‘minor’ and ‘major’ for the purposes of applying different fees. A subsequent report was brought forward to the Planning and Development Committee on August 9, 2001, which was carried by Council, as modified, on September 12, 2001. The following types of Zoning By-law Amendment applications, reflecting both the original Council approval and a subsequent amendment, are currently defined as ‘minor’, for which a lower fee applies:

- modifications to performance regulations only;
- the extension of a zoning boundary to reflect the addition of lands to existing property;
- the establishment of a temporary garden suite, an accessory apartment or a special needs/group home;
- the lifting of interim control for one use only;
- temporary rezoning;
- any zoning changes required as a condition of severance.

As some types of requests did not need as extensive of an analysis by staff it was recommended that they be considered minor amendment applications for the purposes of applying a lower fee proportional with the amount of time and effort

required. It is important to note that an application for Zoning By-law Amendment, regardless of being defined as 'minor' or 'major', follows the same process.

A request for an amendment that would introduce a new permanent land use was both at that time and is still today classified as a 'major' rezoning application.

DISCUSSION

As part of the City's efforts to support and assist in the recovery of our local economy as a result of the pandemic, the Planning, Infrastructure and Economic Development Department (PIEDD) has worked with both internal and external stakeholders to identify a number of potential changes that can be made to further aid in this objective. As one of these potential changes, this report is being put forth to specifically introduce modifications to what types of requests for Zoning By-law Amendments can be classified as minor applications. The intent of this modification to the definition of a minor rezoning application is to help facilitate new small business development and the growth of existing businesses by reducing financial barriers. It also complements the High Economic Impact Projects (HEIP) Recovery Program being developed as part of the City's approach to COVID-19 economic recovery. The HEIP program is focused on larger commercial, industrial and institutional development projects that provide significant benefits to Ottawa, including job creation and economic growth, and are aligned with the City's economic development priorities.

Between 2014-2019, PIEDD received 489 applications for Zoning By-law Amendments of which 316 were 'major' amendments. From a review of the types of requests processed as major amendments, staff looked at both the timelines for approval but, more importantly, what types of land uses were being addressed through the amendments. The intent of this review was to delineate what, if any, opportunities existed to further define the types of requests that included introducing one new land use and could constitute a minor rezoning application.

Of the 316 major rezoning applications, 74 applications did not have timeline information, for various reasons, including instances where a decision was still pending, and as a result were not included in the review. From the remaining 242 applications, 123 were recorded as meeting the Council approved timeline, which were then further filtered to remove applications that dealt with either residential land uses or residential zones. A more detailed review of the remaining applications was then undertaken.

Of the remaining applications, staff identified a total of 13 dealing with a variety of land use requests that, with appropriate pre-screening parameters (presented below), could be processed by planning staff within shorter timelines and supported by fewer technical studies. Technical studies can also significantly increase the cost of a major zoning

application to prospective businesses. From our review, examples of applications received that could be considered as 'minor' under the proposed amendment include a request to permit an animal care establishment and animal hospital on two existing commercial development sites, a catering establishment and take-out restaurant within an existing business park, a retail store within an existing rural commercial development, and a medical facility, office and instructional facility for potential future tenants within an existing community centre.

The appropriate screening parameters are that the proposed change in use must be wholly contained within an existing buildings envelope, where no additions have been made to increase the size of the building within the previous two years. This two-year period is being recommended to discourage buildings from being enlarged with the existing use and then being followed by a minor rezoning for an additional use in the now existing building. Other criteria include that the building cannot be located within a residential zone and that there be no amendments to performance standards, so as to maintain the objective of a shorter review time and with less supporting studies. Further, a limited list of more sensitive land uses (e.g. bar, nightclub), associated with potential impacts such as noise have been identified for exclusion from a 'minor' rezoning application (Document 1). Uses such as these would continue to be major rezoning.

Based on the review of applications over the past five years, if the 13 identified applications were processed as minor rezoning, Planning Services would experience approximately \$25,000 in lost revenue per year. While the estimated annual difference will not have a great impact on Planning Services' budget, the difference to individual applicants is significant, as their planning fee would be lowered by approximately \$9,500. It is anticipated that this lost revenue would be absorbed from within Planning Services overall revenues.

The Zoning By-law contemplates and permits varying levels and types of business throughout many different areas of the City. Specific policies have been developed for home-based businesses and day cares, on-farm diversified uses, storefront industries and residential neighbourhood commercial uses. While the above have provided increased opportunity for development as-of-right, the intent of implementing this proposed amendment is to further enable new and compatible land uses being introduced, with little to no adverse impact, throughout the City. There is also recognition that a number of potential businesses may not have submitted an application because of the financial burden and/or risk to do so was previously too great. The intent of this amendment is also to create more opportunity for these types of businesses in the future.

RURAL IMPLICATIONS

The proposed amendments to the definition of 'minor rezoning application' would be applicable to all rural areas.

CONSULTATION

Consultation regarding the proposed amendment took place as part of a broader discussion of potential actions to ameliorate economic recovery efforts across the city. Internal and external stakeholders, including staff, management, and development industry representatives were engaged in this process. The proposed amendment was identified as a priority action item through the consultation process.

COMMENTS BY THE WARD COUNCILLOR

This is a City-wide report – Not applicable.

LEGAL IMPLICATIONS

There are no legal implications associated with implementing the recommendation contained within this report.

RISK MANAGEMENT IMPLICATIONS

There are no risk management implications associated with this report.

ASSET MANAGEMENT IMPLICATIONS

There are no direct asset management implications associated with the recommendations of this report.

FINANCIAL IMPLICATIONS

The proposed amendments would result in approximately \$25,000 in lost revenue per year, which would be absorbed within Planning Services' overall revenues.

ACCESSIBILITY IMPACTS

There are no direct accessibility impacts associated with this report.

TERM OF COUNCIL PRIORITIES

This project addresses the following Term of Council Priorities:

- Economic Growth and Diversification

SUPPORTING DOCUMENTATION

Document 1 – Proposed Amendments to By-law 2015-96

DISPOSITION

Planning, Infrastructure, and Economic Development Department to prepare the implementing by-law and forward to Legal Services.

Legal Services, Innovative Client Services Department to forward the implementing by-law to City Council.

Document 1 – Proposed Amendments to By-law 2015-96

That By-law 2015-96, respecting the fees for planning applications, be amended as follows:

1. The definition of “minor rezoning application” in Section (1) of By-law No. 2015-96, entitled “A by-law of the City of Ottawa to impose fees for planning applications and to repeal By-law No. 2013-413” is amended by adding the following to the list of items set out therein:
 - (vii) A change in use that is wholly contained within an existing buildings envelope, where no building permit has been issued within the previous two years to increase the size of the building and which is not located within a residential zone, as defined by Zoning By-law 2008-250, to introduce one new non-residential use. No additional amendments to performance standards may be sought and the change in use cannot result in the establishment of any of the following uses:
 - a. Amusement centre or Amusement Park;
 - b. Automobile body shop;
 - c. Automobile dealership;
 - d. Automobile rental establishment;
 - e. Automobile service station;
 - f. Heavy equipment and vehicle sales, rental and servicing;
 - g. Drive-through facility;
 - h. Bar;
 - i. Kennel;
 - j. Nightclub;
 - k. Payday Loan Establishment;