

REPORT

PLANNING AND DEVELOPMENT COUNCIL MEETING

MEETING DATE: APRIL 13, 2015

FROM: Planning Services Department

PD-025-15

DATE: March 19, 2015

SUBJECT: Recommendation Report - Zoning By-law Amendment
First Gulf Corporation - Z.1611.16, By-law 2015-032

LOCATION: 514 South Service Road

WARD: 3

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RECOMMENDATION:

1. That, in accordance with Section 34 (17) of the *Planning Act*, no further notice is determined to be necessary;
2. That the Zoning By-law Amendment by First Gulf Corporation (File Z.1611.16) be approved;
3. That By-law 2015-032 be passed; and
4. That the agreement between First Gulf Corporation and the Town of Oakville for funding of transit service, be executed.

KEY FACTS:

The following are key points for consideration with respect to this report:

- This report provides a staff recommendation regarding a proposed Zoning By-law Amendment application submitted by First Gulf Corporation.
- The subject property is located at the southwest corner of the South Service Road East and Chartwell Road intersection, and is located within the Midtown Growth Area.
- The application was submitted in September 2014 and deemed complete in December 2014.
- A Public Information Meeting (PIM) has held on December 18, 2014. Three members of the public attended.
- A statutory Public Meeting was hosted by Town Council on January 12, 2015.
- The proposed zoning by-law has been drafted to protect for the future Cross Avenue extension.

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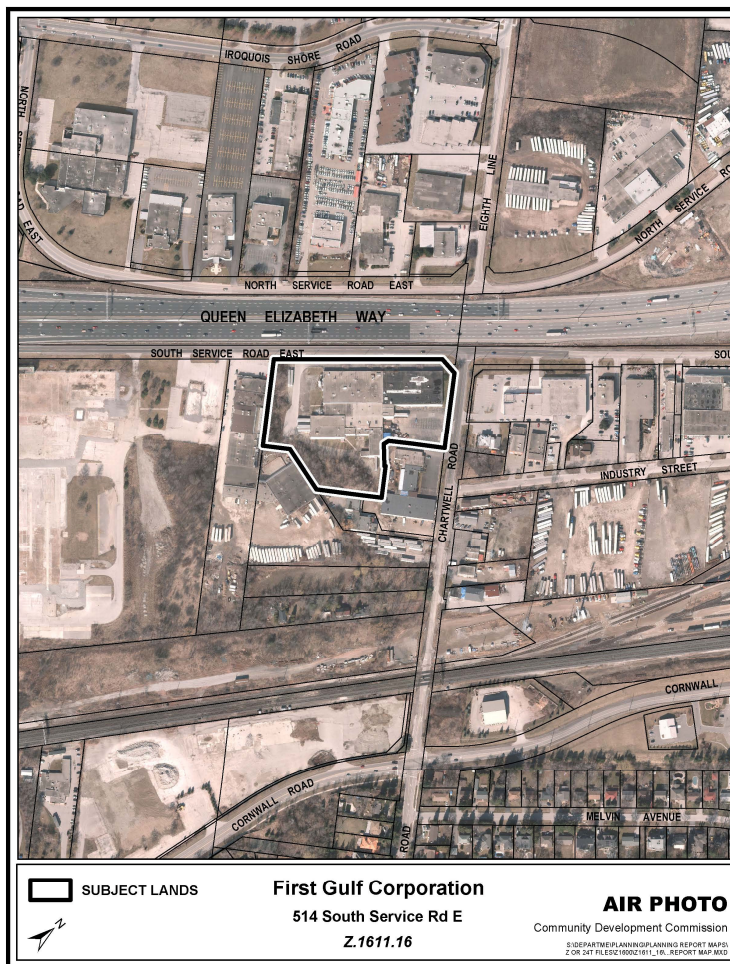
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- The proposed Zoning By-law Amendment to permit a four storey office building is in keeping with the intent of the draft Midtown Official Plan Amendment and the Livable Oakville Plan.
- Staff recommends approval of the application.

BACKGROUND:

The purpose of this report is to provide a full staff review of the application and a recommendation on the proposed Zoning By-law Amendment submitted by First Gulf Corporation. The property is located within the Midtown Growth Area at the southwest corner of the South Service Road East and Chartwell Road.



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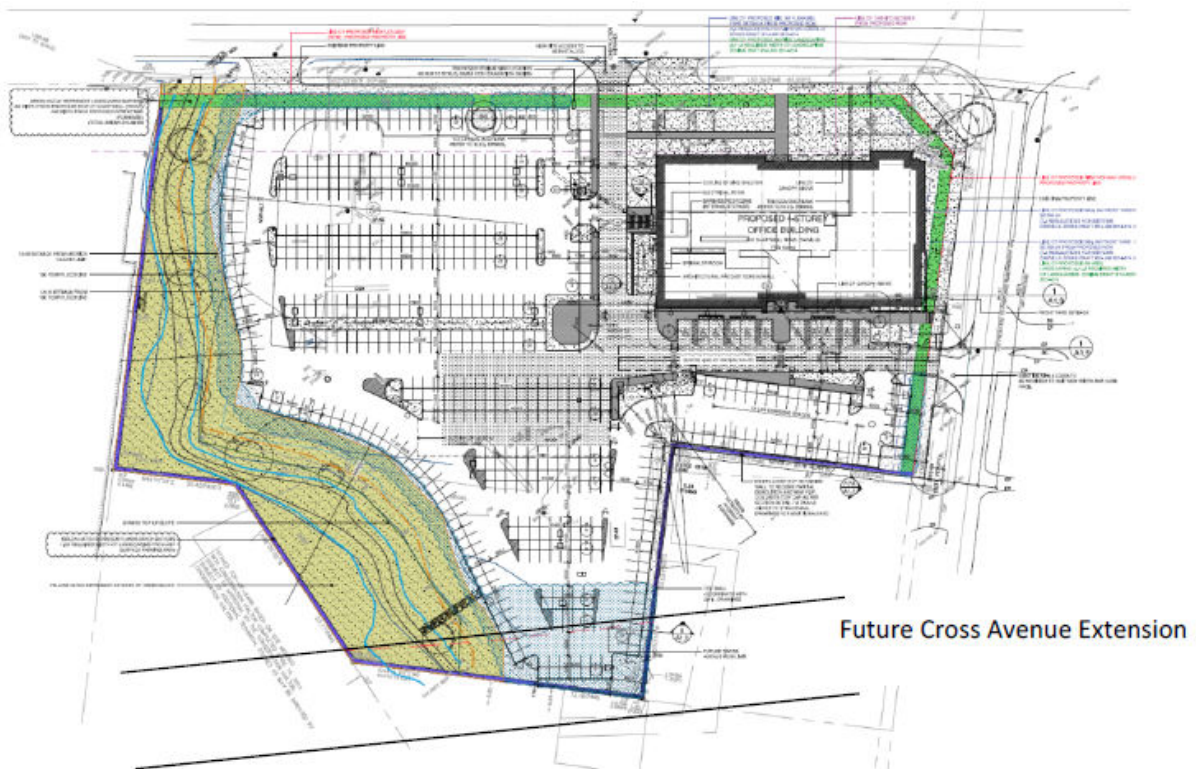
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Proposal

The applicant proposes to construct a four storey 9,196 square metre professional office building with a total of 413 surface parking spaces. Driveway access is proposed from the South Service Road East and Chartwell Road. A site specific Midtown Transitional Employment (MTE) zoning by-law is proposed which is intended to reflect the overall design elements of the proposal.

The overall layout of the site has been designed to provide an opportunity for the long term development of a second office building on the site fronting onto South Service Road.



Location

The lands are located at the southwest corner of South Service Road East and Chartwell Road. The municipal address is 514 South Service Road East.

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Site Description

The site is approximately 2.4 hectares in area and has 187 metres of frontage on South Service Road East and 84 metres of frontage on Chartwell Road. The Morrison-Wedgewood Diversion Channel is located on the west and southwest corner of the site. There are a number of trees along the western and southern edges of the property.

The Hennings Automotive building that occupied the site has now been demolished.

Surrounding Land Uses

The surrounding land uses are as follows:

- South: Three one storey buildings containing various light industrial uses as well as a transport company.
- West: One storey, multi-tenant office and retail building.
- North: QEW, office buildings and a car dealership fronting onto the North Service Road.
- East: One storey building (Pioneer Family Pools and Fitness Depot).

POLICY FRAMEWORK

The applications are subject to the following policy framework: the Provincial Policy Statement (PPS 2014), the Growth Plan for the Greater Golden Horseshoe (2006), the Halton Region Official Plan, the Livable Oakville Plan and the Zoning By-law.

Provincial Policy Statement

The Provincial Policy Statement is intended to promote a policy led system, which recognises that there are complex relationships among environmental, economic and social factors in land use planning. The PPS encourages the wise management of land to achieve efficient development and land use patterns by directing growth to settlement areas and by promoting a compact development form.

On February 24, 2014, the Ministry of Municipal Affairs and Housing issued a new Provincial Policy Statement (PPS) 2014 under Section 3 of the *Planning Act*. The new PPS replaces the 2005 statement and is effective April 30, 2014.

The subject application is consistent with the new PPS.

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Growth Plan for the Greater Golden Horseshoe

In 2006, the Growth Plan was approved and provides a framework for implementing the Province's vision for building stronger, prosperous communities by better managing growth. The Plan directs growth to built-up areas through intensification where development proposals can efficiently use existing transportation and servicing infrastructure.

The subject application generally conforms to the Growth Plan as it would establish an employment use within Midtown Oakville.

Region of Halton Official Plan

The OMB has issued a series of decisions regarding the partial approval of ROPA 38 to the Halton Region's Official Plan. The policies of ROPA 38 to Halton's Official Plan are in force with the exception of site specific and policy specific matters unrelated to this application.

The lands are designated "Urban Area" with an Urban Growth Centre overlay by ROPA 38 and contain an "Urban Area" designation in the Region's Official Plan (2006). The Urban Area is "planned to accommodate the distribution of population and employment for the Region and the four Local Municipalities". One of the objectives of the Urban Area (Policy 72(1)) is to "accommodate growth in accordance with the Region's desire to improve and maintain regional unity, retain local community identity, create healthy communities, promote economic prosperity, maintain a high quality, sustainable natural environment, and preserve certain landscapes permanently". The range of permitted uses and the creation of new lots in the Urban Area will be in accordance with Local Official Plans and Zoning By-laws. All development, however, shall be subject to the policies of the Regional Plan.

The applications conform to the policies of the Regional Plan.

Livable Oakville Plan

The Livable Oakville Plan was approved by the Ontario Municipal Board on May 10th, 2011 and is consistent with the 2005 Provincial Policy Statement and conforms to the Provincial Growth Plan for the Greater Golden Horseshoe

The following Livable Oakville Policies apply to the proposed development:

- Schedule A2 – Built Boundary and Urban Growth Centre – identifies the property as being located within the "Midtown Oakville Urban Growth Centre".

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- Schedule L1 – Midtown Oakville Land Use - designates the lands “Office Employment”. The existing creek channel is designated “Natural Area”.
- Schedule L2 – Midtown Oakville Building Heights – recognizes a two to six storey height limit for the subject lands.
- Schedule L3 – Midtown Oakville Transportation Network – identifies the future Cross Avenue extension as a future road to be located along the southern boundary of the property.
- The Chartwell District is anticipated to be developed as a business campus style setting with permissions for prestige office uses, including high-tech industries and professional offices best suited for areas with a high degree of access and visibility along a major transportation corridor as noted in Policy 14.3.3 of Livable Oakville.
- Part E: Growth Areas, Special Policy Areas and Exception includes Midtown Oakville specific policies providing direction for the development of this area. Policy 20.4.1 speaks to the requirement of a variety of transportation facilities to be improved and constructed to achieve the development objective within Midtown, and identifies environmental assessments and detailed transportation studies where required

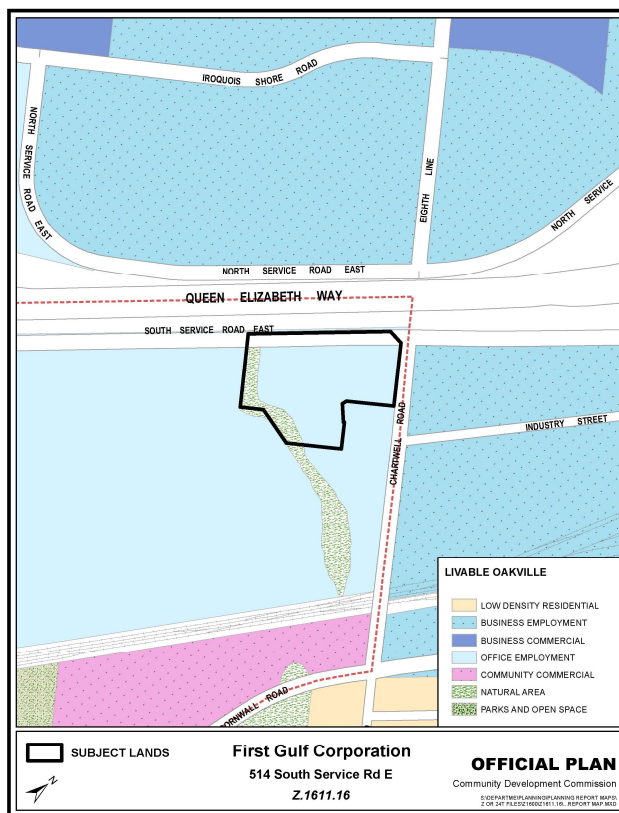


Figure 1: Livable Oakville Plan Excerpt

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Draft Official Plan Amendment (OPA) – Midtown Growth Area

On May 27, 2014, Council considered a Planning Services staff report and held a public meeting regarding a draft Official Plan Amendment, draft zoning by-law, urban design and parking strategy for the Midtown Growth Area. The preferred alternative road network as recommended by the Midtown Class Environmental Assessment (EA) was also presented and approved by Council at the meeting. Upon final approval of the Midtown EA by the Ministry of the Environment, the recommendation report on the Official Plan Amendment for Midtown to implement the preferred road network will be brought forward to Council. While these documents are in various stages of approval and are not in full force and effect, they have been considered as emerging policy and as representative of good planning for the area

Midtown Class Environmental Assessment (EA)

The Town has completed the Midtown Class EA to determine the infrastructure needs to accommodate growth in Midtown up to the year 2031 as identified in the Livable Oakville Plan. The impact of the Cross Avenue extension has been evaluated through the Midtown Class EA and impacts the southern portion of the subject site.

The applicant has designed the site in a manner to accommodate the alignment of the future Cross Avenue extension. The proposed building has been located outside the future Cross Avenue right-of-way and only surplus parking is to be located within the future right-of-way.

In addition the future widening of the South Service Road and Chartwell Road also impacts the property along the northern edge of the site and the building is proposed outside of the future right-of-way conveyance.

The final alignment of the Cross Avenue extension will be determined through the Town's detailed design work in conjunction with the phasing plan for the road network improvements and new construction in Midtown. The future Midtown road network (including Cross Avenue) will be acquired by the Town over time through various land securement opportunities.

Zoning By-law

Zoning by-law 2014-014 has been partially deemed in force by the Ontario Municipal Board. The new zoning provisions for this site remains subject to appeals. Where

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a development application or building permit is made on lands subject to a regulation not yet in force, any changes will require amendments to both by-laws.

Zoning By-law 2014-014 (Transition Zones)

The subject lands are currently zoned Midtown Transitional Employment (MTE) which restricts all building envelopes to those legally existing on the effective date of the 2014 Zoning By-law. All new buildings and structures would therefore require an amendment to Zoning By-law 2014-014 which would provide an opportunity for staff to evaluate the impacts of the proposal in terms of conformity with the Livable Oakville Plan (in particular, the acquisition of future roads required in Midtown Oakville).

A portion of the subject property which contains the creek channel is zoned Natural Area (N).

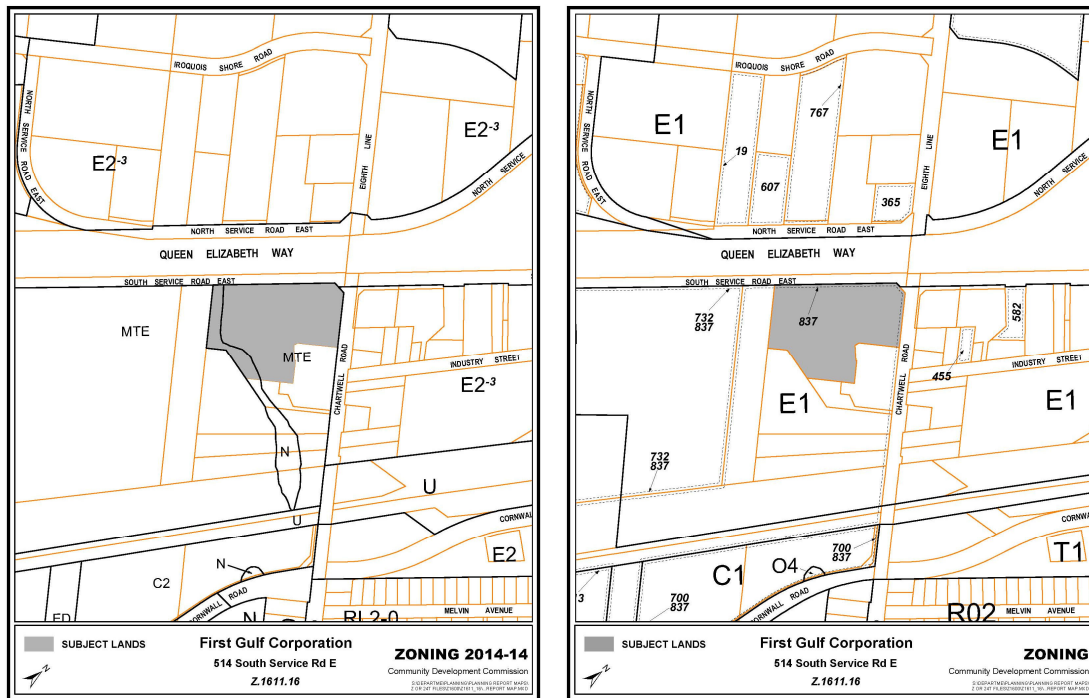


Figure 2: Zoning By-law excerpts for 2014-014 and 1984-63

Zoning By-law 1984-63

Zoning By-law 1984-63 zones the property Light Employment (E1) with a special provision on the site (SP 837) that restricts a drive-thru use on this site. The Light Employment (E1) Zone permits a wide range of employment uses included, administrative offices, business, professional and medical offices to name a few.

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PLANNING ANALYSIS:

Planning matters considered

Physical context

The subject property fronts along the south side of the QEW and has excellent exposure to the highway for office tenants and users. The one-storey building that occupied the site has recently been demolished. The Morrison-Wedgewood Diversion Channel runs through the west side of the property.

Conformity with the Livable Oakville Plan

Growth Area

Midtown Oakville is defined as a primary Growth Area and is intended to accommodate the highest levels of intensification within the Town. Growth areas are intended to be developed as transit supportive mixed use centres. Section 20.2 of the Livable Oakville Plan sets out a number of development objectives including matters related to achieving the growth targets of 200 jobs and residents per hectare (20,000 residents and jobs) by 2031, and ensuring that development occurs in a comprehensive and progressive manner.

The proposed development is located within the Chartwell District of Midtown Oakville which is intended to accommodate a diverse range of employment uses that will attract high-tech industries and innovative business and office uses.

The proposal is in keeping with the intent of the Chartwell District policies within Midtown as it would result in a development which would accommodate approximately 280 employees per hectare.

Land Use

The proposal includes a four storey professional office building, with 9,196 square metres of gross floor area. Town staff support the office use as it implements the land use and policy objectives of the Chartwell District in Midtown Oakville.

The proposal protects for the extension of Cross Avenue and defined right-of-way impacts to the subject lands as a result of the Midtown Oakville Environmental EA. The proposed zoning by-law has been drafted to ensure that the building is located outside the limits of the future Cross Avenue extension. Only non-required parking is permitted within the future right-of-way for Cross Avenue.

Road Network

Road widenings and the ability to require rights-of-ways (ROW) from existing roadways are identified through the transportation master plans and environmental assessments and incorporated within an Official Plan. The site has been designed

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to recognize the future widening of the South Service Road East and Chartwell Road which will be conveyed to the Town through the site plan approval process.

The Livable Oakville Plan Schedule L3: Midtown Oakville Transportation Network identifies, at a high level, the Cross Avenue extension extending east from Trafalgar Road and connecting through to Chartwell and connecting to the Royal Windsor Drive and QEW interchanges. The Midtown Oakville EA clarified the exact location and anticipated ROW needs from each impacted property. The Town has requested that the applicant protect of the ROW identified in the EA for the extension of Cross Avenue and ensure that no buildings or permanent structures are placed within the future ROW. Parking located within the future Cross Avenue right of way is surplus to the proposed zoning by-law requirements.

Parking

The applicant is proposing approximately 413 vehicular surface parking spaces and 24 bicycle parking spaces. Zoning By-law 2014-014 establishes a parking requirement of 1/35 square metres of Net Leasable Area which would result in a parking requirement of 263 spaces. The unapproved draft Midtown zoning by-law proposes a minimum parking requirement of 230 spaces, based on a parking ratio of 2.5 spaces/100 square metres. Justification for the increase in spaces proposed is based on the changing office culture whereby there are more employees per 100 square metres typically being accommodated in new office environments. First Gulf is proposing tele-commuting opportunities, and transit usage as a means of reducing the number of vehicles requiring parking. Approximately 7 employees/100 square metres and an anticipated 65 percent of the total number of employees will require parking at any given time.

Livable Oakville policies encourage parking to be provided in an underground or structured parking. Staff will therefore require a structured parking garage to be constructed at such a time a second building is constructed.

Transit

First Gulf and the tenant of the building are working with Oakville Transit to conduct surveys of employees to better understand their travel needs and the attractiveness of offering transit service to the proposed development. Midtown Oakville is intended to have high transit modal splits as a result of the Oakville GO station including future plans to extend the GO station to the east side of Trafalgar Road and the goals of the Town's Transportation Master Plan: Switching Gears, and the Midtown Oakville EA.

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Technical Review

Transportation

The Midtown Oakville Environmental Assessment (EA) was approved by Council in May 2014. Three Part II Order Requests were received opposing the conclusions of the EA. Staff have responded to the Part II Order Requests and are awaiting a written decision from the Ministry of the Environment and Climate Change.

The transportation network identified in the EA includes 10 capital projects, 5 of which are identified in the 10-year capital forecast. Completion of the transportation network projects is expected to take 20 years or more.

Through the review of the application for 514 South Service Road, interim transportation capacity issues were raised. The applicant was required to prepare a comprehensive review of the existing transportation network and discuss options for reducing the transportation impacts associated with single occupancy vehicle trips. The transportation analysis for this site identifies the use of transit or a shuttle service as a key component required to reduce the number of trips to and from the site. With transportation demand management and transit (or shuttle) service in place, this development is expected to generate 125 net new trips in the morning peak hour, or an average of just over 2 vehicles per minute.

Transportation staff acknowledge that the developer's planned completion and occupation dates for this site will likely precede the completion of key Midtown transportation projects, such as the extension of Royal Windsor Drive to Iroquois Shore Road, the realignment and extension of Cross Avenue and interchange improvements at QEW and Royal Windsor Drive, which will add capacity to the transportation network. Therefore, it is recommended that transportation demand management and transit (or shuttle) service to the level outlined in the memorandum regarding site traffic impact dated March 12, 2015 from BA Group to the town and the Region be implemented.

To mitigate the traffic generation impact the subject development will have on the road network in the interim, the Owner will be required to provide funding for transit service operated by Oakville Transit connecting to the Oakville GO Station for a period of six years. Details of the transit service area are currently being finalized. However, it is Staff's expectation that the funding will be provided and the agreement will be executed by the applicant prior to the Council approval of the Zoning By-law 2015-032.

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Transportation staff would therefore support the application for 514 South Service Road, subject to:

- Receipt of the final Transportation Impact Assessment document, prepared to the town's standards and specifications, to be submitted prior to final site plan approval,
- That the Owner enter into an agreement with the Town for the funding of transit to and from 514 South Service Road and connecting to the Oakville GO Station and local transit routes, and

It is staff opinion, that the trip generation numbers and growth rates used in the Transportation Impact Analysis for 514 South Service Road are specific to this site, and are not directly transferrable or applicable to other developments in Midtown or along the Trafalgar Road corridor. Staff will be requesting that the applicant's traffic study also acknowledge this statement.

Proposed Zoning By-law Amendment

The proposed Zoning By-law Amendment employs the in-effect zones found in Zoning By-law 1984-63 and 2014-014 with some site specific provisions intended to provide greater clarity and some flexibility generally consistent with the Livable Oakville Plan and Design Midtown and Parking Strategy study.

The following is an overview of the principles of the draft zoning by-law:

- Establish a maximum height limit of four storeys and 24.5 metres.
- Establish a minimum parking standard of 2.5 spaces per 100 square metres of net floor area consistent with the draft Midtown zoning by-law. This would result in a minimum of 230 parking spaces.
- Establish a maximum parking standard of 1 space per 22 square metres to reflect the 418 proposed parking spaces.
- Establish front, side, rear and flankage setbacks to address the configuration of the building and to ensure no buildings and structures are located within the future Cross Avenue extension.
- Establish site specific regulations pertaining to parapet projections and landscape requirements.
- Recognize the creek channel in a natural area zoning category.

The changes to zoning by-law 1984-63 and 2014-014 since the public hearing are considered minor with no further notice being required.

Site Plan Approval Process

The proposed office development is subject to site plan approval at which time landscaping, grading, servicing, and stormwater management issues will be addressed to the satisfaction of the applicable agencies.

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Matters raised at the Public Meeting

The following issues were raised at the December 18, 2014 public meeting:

Parking

The amount of parking proposed for the development (418 spaces) is well in excess of the minimum standard required for an office use in Midtown.

The Midtown Oakville Parking Strategy report suggested that consideration be given to establishing a maximum parking ratio for major land uses within Midtown as a long term objective. The report also indicated that it would be reasonable to allow for a carefully managed transition overtime from current parking demand characteristics.

Staff note that although the draft Midtown zoning by-law did not incorporate a maximum parking ratio requirement, the site specific zoning by-law does establish a maximum parking regulation.

Midtown Class Environmental Assessment Status

Staff are waiting for a written decision from the Ministry of the Environment on the three Part II Order Requests. Given that the proposal continues to protect for the future Cross Avenue extension, and furthermore, that the zoning by-law has been drafted to ensure that no buildings or structure will be located within the future right-of-way, Staff do not consider the application to be premature.

Traffic Impact

The Transportation Impact Study report identifies existing capacity issues within Midtown. It is anticipated that the completion of key Midtown infrastructure projects such as the extension of Royal Windsor Drive to Iroquois Shore Road, the realignment and extension of Cross Avenue and interchange improvements at the QEW and Royal Windsor Drive will add capacity to the network.

To further mitigate the impact the subject development will have on the road network from a traffic generation perspective, the Owner has agreed to fund a new transit route, operated by Oakville Transit connecting to the Oakville GO Station for a period of six years.

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CONCLUSION

The report recommends approval of a zoning amendment application which would have the effect of permitting a four storey 9,196 square metre office use.

The proposed development is in keeping with the draft Midtown OPA and Livable Oakville Plan. The site has been configured and zoned in a manner which protects for the future Cross Avenue road extension as identified in the Midtown Class EA.

The Midtown infrastructure projects are key to providing needed transportation capacity in the Midtown. In light of these concerns, the Owner has agreed to fund an Oakville Transit operated transit route connecting the subject site to the Oakville GO station to further mitigate the impact the proposed development will have on the road network.

Staff is satisfied that the application conforms to the overall policy direction of Livable Oakville Plan and other relevant policy documents, and recommends approval of the application.

CONSIDERATIONS:

(A) PUBLIC

A Public Information Meeting was held December 18, 2014 and the Statutory Public Meeting was held January 12, 2015.

(B) FINANCIAL

The Owner will be required to pay all applicable development charges net of any eligible demolition credits and cash in lieu of parkland in accordance with the applicable by-laws prior to the issuance of any building permits.

(C) IMPACT ON OTHER DEPARTMENTS & USERS

Town departments and agencies have been consulted in the review of the planning applications.

(D) CORPORATE AND/OR DEPARTMENT STRATEGIC GOALS

This report addresses the corporate strategic goal to:

- be the most livable town in Canada

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(E) COMMUNITY SUSTAINABILITY

The proposed development furthers the Midtown Oakville growth and development principles established in the Livable Oakville Plan.

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