



REPORT

LIVABLE OAKVILLE (OFFICIAL PLAN) COUNCIL SUB-COMMITTEE

MEETING DATE: SEPTEMBER 6, 2016

FROM: Planning Services Department

DATE: August 31, 2016

SUBJECT: Employment and Commercial Review: Employment Land
Demand and Supply Analysis

LOCATION: Town wide

WARD: Town wide

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RECOMMENDATION

That the report entitled *Employment and Commercial Review: Employment Land Demand and Supply Analysis*, dated August 31, 2016, be received.

KEY FACTS

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

- The Employment and Commercial Review, which was initiated in late 2014, is a key component of the Official Plan Review. It is intended to assist the town to proactively plan for employment and commercial growth to 2041.
- At its meeting on March 21, 2016, the Subcommittee referred a report entitled *Employment and Commercial Review: Preliminary Directions* back to staff for further work based on the comments provided.
- The timeline for the Employment and Commercial Review project has been adjusted to address the comments from the Subcommittee and any relevant recommendations that may emerge from the Urban Structure Review, which was initiated earlier this year.
- The July 2016 *Commercial Report* prepared by Dillon Consulting was presented and discussed at the Subcommittee meeting on July 25, 2016.
- The August 2016 *Employment Report* prepared by Dillon Consulting is attached as Appendix A. Representatives of the consulting team will attend the Subcommittee meeting on September 6, 2016 to present the employment land demand and supply analysis and answer questions. This will be an opportunity for the Subcommittee to comment on the consulting team's methodology and findings, and provide additional guidance and input.

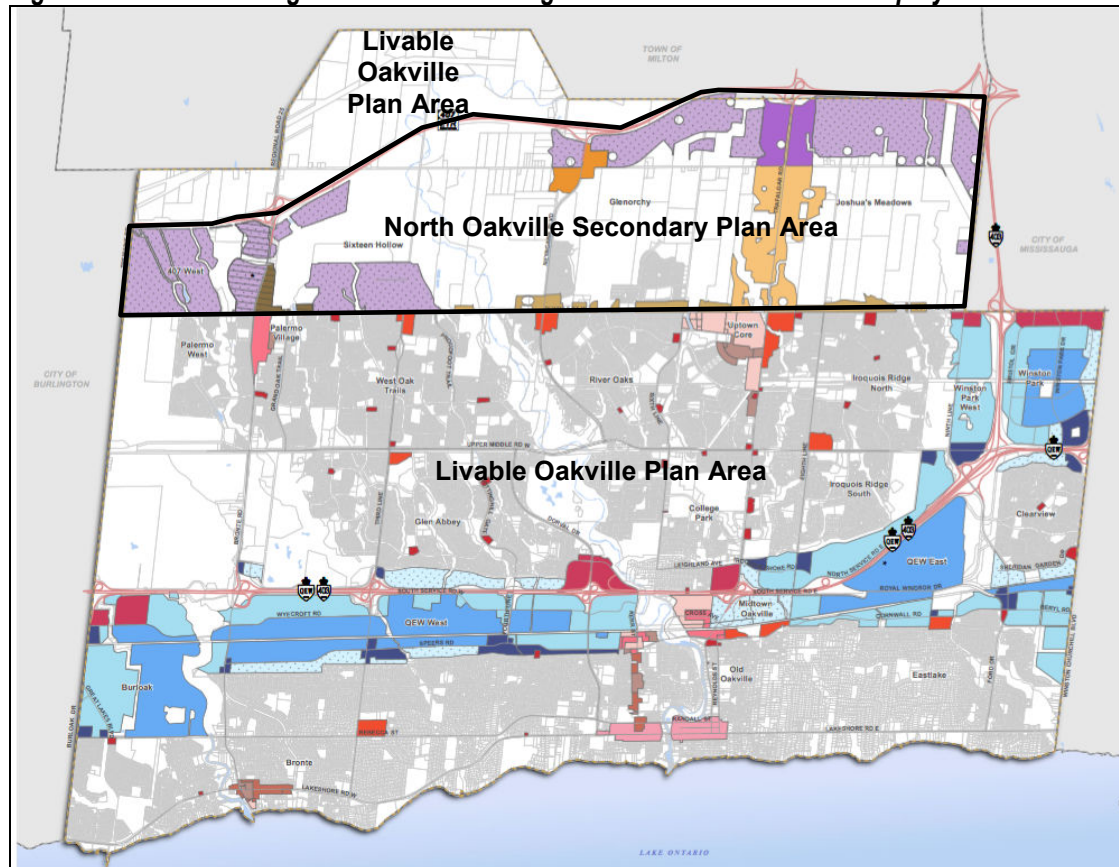
BACKGROUND

The town-wide Employment and Commercial Review is being undertaken as part of the town's Official Plan Review. The study objectives are to:

- confirm the town's employment and commercial land supply and ability to meet projected needs to 2041;
- assess the current employment generating lands use designations and policies;
- identify any lands that are appropriate for employment land conversions; and
- provide policy directions to facilitate the town's goals and objectives for employment and commercial growth.

A multi-disciplinary team led by Dillon Consulting Inc. has been retained to provide technical analysis and policy directions.

Figure 1 – Local Planning Context: Lands Designated for Commercial and Employment Uses



Legend: Employment = shades of blue and purple; Commercial = shades of pink, orange and beige

Existing Employment Policies

Livable Oakville Plan

The existing hierarchy of Employment land use designations and the associated policies are the result of work completed through the town's 2008-2009 Employment Land Review Study, including the report entitled *Employment Land Review* (February 2009, Hemson Consulting Ltd.), as well as amendments approved by the Ontario Municipal Board since the Plan's adoption by Council.

Within the Livable Oakville Plan area there are a range of locations – primarily along the QEW and Highway 403 corridors – designated and developed for concentrations of industrial, business and office activities. The four Employment land use designations are: Office Employment, Business Employment, Industrial, and Business Commercial.

Table 1 – Livable Oakville Employment Land Use Designations

Designation (section of Plan)	Purpose / Description	Examples
Office Employment (s. 14.3)	- intended to provide primarily for prestige office uses adjacent to the QEW and Highway 403 corridors	- north side of North Service Road, between Third Line and Dorval Crossing
Business Employment (s. 14.4)	- intended to provide for a wide range of business and industrial uses, primarily within enclosed buildings, as well as limited service commercial uses	- Great Lakes Business Park - Cornwall Road between Chartwell Rd. and Maple Grove Dr.
Industrial (s. 14.5)	- intended to provide for heavy industrial operations	- Ford Motor Company - Suncor Energy
Business Commercial (s.14.6)	- intended to provide for service commercial and convenience retail uses to support the surrounding employment areas and the travelling public	- Speers Rd. and Fourth Line - Royal Windsor Dr. & Ford Dr.

North Oakville East and West Secondary Plans

Within the North Oakville East and West Secondary Plans the primary employment designation is Employment District, which applies to areas along the south side of Highway 407 and along the north side of Dundas Street, west of Sixteen Mile Creek. This designation permits a range of uses including offices,

light/heavy manufacturing, warehousing and wholesaling, plus supporting service commercial uses. In addition, the land use policies applicable to Trafalgar Urban Core 1 (at the intersection of Trafalgar Road and Burnhamthorpe Road) allow for employment based uses such as office centre and prestige Industrial.

The North Oakville Secondary Plans establish employment targets for the respective planning areas. The East secondary plan has a target of 300 net hectares of employment land and 16,500 jobs at capacity. The West secondary plan has a target of 250 net hectares of employment land and 10,000 jobs at capacity. The employment land density target average identified in the North Oakville Secondary Plans is 55 employees per net hectare. In addition, the plans identify 8,700 jobs to be accommodated through population related employees (8,500 in the east and 200 in the west).

Conversion Policies

It is the policy of the province, region and town to protect and preserve employment areas for employment purposes to meet the long-term forecasted demand. Requests to convert lands designated for employment uses to non-employment uses may only be considered by Council as part of a municipal comprehensive review such as the town's Official Plan Review, subject to conditions set out in the 2014 Provincial Policy Statement, Growth Plan for the Greater Golden Horseshoe, Halton Region Official Plan, and local official plan documents.

Section 14.2 of the Livable Oakville Plan sets out policies to address the potential conversion of employment lands to non-employment uses. Section 14.2.3 includes the provincial criteria to be satisfied in order for an employment land conversion to be considered within the Plan area (e.g., "will not prevent the ability of the Town to meet the employment forecasts established by the Region").

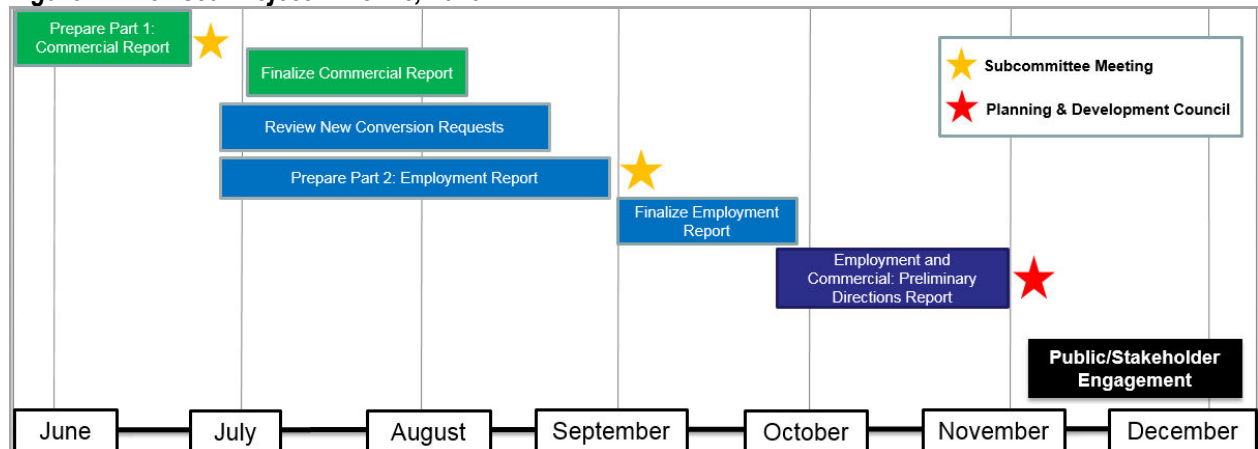
COMMENT/OPTIONS

At its meeting on March 21, 2016, the Subcommittee referred a previous report entitled *Employment and Commercial Review: Preliminary Directions* back to staff for further work based on the comments provided.

The timeline for the Employment and Commercial Review project has been adjusted to address the comments from the Subcommittee and any relevant recommendations that may emerge from the Urban Structure Review, which was initiated earlier this year (Figure 2). Separate reports have been provided to the Subcommittee regarding the commercial and employment analysis (July 25 and

September 6, 2016) so that the consulting team may present their work and the Subcommittee may ask questions, and provide additional input and guidance. It is anticipated that a comprehensive preliminary directions report will be presented to Planning and Development Council later this fall.

Figure 2 – Revised Project Timeline, 2016



Employment Report

The August 2016 *Employment Report* prepared by Dillon Consulting is attached as Appendix A. It is an analysis of the town's employment lands by the consulting team, based on a "moment in time" in late 2014. Changes to the employment landscape since then have also been considered.

Representatives of the consulting team will attend the Subcommittee meeting on September 6, 2016 to present the employment land demand and supply analysis and answer questions. This will be an opportunity for the Subcommittee to comment on the consulting team's methodology and findings, and provide additional guidance and input. Staff will facilitate a discussion about planning for employment lands and uses, framed around the key sections of the report. The comments related to the employment analysis that were provided by the Subcommittee on March 21 and July 25, 2016 will also be addressed.

It is noted that, because official 2041 population and employment forecasts for the town do not yet exist (i.e., approved by Regional Council), the forecasted market demand relies upon the population and employment forecasts prepared by Watson & Associates to inform the Employment and Commercial Review, and other Official Plan Review projects. Those forecasts were prepared using the best available information, and are based on a thorough review of the growth context for Oakville. They are also intended to inform Halton Region's forecasts, which will be developed for each of the lower-tier municipalities as part of the

Region's Official Plan Review process. Any changes as to how the Region's population forecasts impact the assumptions in this report will be considered at that time.

Report Highlights

- According to the consultants' analysis, the town has a sufficient supply of employment land to meet long-term demand beyond 2041. However, the town's 2041 employment forecast has not been confirmed.
- Oakville is approaching full build-out and its boundaries are fixed. As such, the town should reserve priority areas and strategically important lands for employment uses beyond 2041.
- In Oakville, as in many Ontario municipalities, there is increasing pressure to convert designated employment lands to non-employment uses, namely service commercial, retail and residential uses.

Options

The *Employment Report* (Appendix A) sets out the key issues and opportunities related to planning for employment lands and uses, which have informed the preliminary employment policy directions. As part of the discussion at the Subcommittee meeting on September 6, 2016, input and guidance will be sought about other issues that are relevant to address, or opportunities that are important to leverage, in the town's employment lands strategy. Additional comments from the Subcommittee are also encouraged related to the preliminary employment policy directions and employment land conversions requests.

Key Issues

Refer to Appendix A, section 7.2.1, for more information on the following key issues identified by the consulting team:

1. The distribution of vacant employment land is unbalanced. Approximately 73% of the vacant employment land supply is north of Dundas Street. This presents a challenge to the distribution of amenities and overall management of development costs and land prices in the long term.
2. Most of the vacant employment lands (approx. 84%) are not yet connected to Regional water and wastewater services (i.e., "unserved"). Infrastructure is installed as approved planning applications are developed.
3. There is a limited supply of designated employment land that is accessible by transit. Only 35% of the supply has access to existing transit.

4. The stability of employment lands needs to be preserved. The town must consider ways to retain the existing employment base in order to support long-term economic success.

Key Opportunities

Refer to Appendix A, section 7.2.2, for more information on the following key opportunities identified by the consulting team:

1. The employment land supply north of Dundas Street provides many larger parcels (i.e., over 10 hectares or 24.7 acres), which can accommodate land intensive uses such as advanced manufacturing and wholesaling.
2. The employment land supply north of Dundas Street has good 400 series highway access and visibility, which is a key site requirement for the office, advanced manufacturing and wholesale trade industries. Almost all of the supply within the North Oakville Secondary Plan areas is within three kilometers of a Highway 407 interchange, and many parcels have direct visibility from the highway.
3. There are opportunities for employment intensification and redevelopment within the occupied employment lands south of Dundas Street.
4. There are opportunities to improve existing employment areas through the introduction of amenities such as transit, sidewalks and trail linkages, as well as employment-supportive services such as daycares and restaurants. Such improvements could help to improve the attractiveness of an area to new businesses and help to retain existing businesses.
5. The emergence of urban models for employment such as innovation districts provides an opportunity for improved employment growth clusters. The new hospital can become a catalyst to the development of complementary facilities and services and a driver for new technologies, industries and businesses that rely upon the hospital.

Preliminary Employment Policy Directions

Refer to Appendix A, chapter 8.0, for more information on the following preliminary directions from the consulting team:

1. Maintain a strong town-wide supply employment land.
2. Resist large-scale conversions of employment lands.
3. Minor, site-specific, employment land conversions may be appropriate.

4. Enhance the policy framework for Midtown Oakville to promote mixed use development (while maintaining the minimum density target for people and jobs).
5. Revitalize the lands around the Bronte GO Station area.
6. Comprehensively plan for an innovation district surrounding the new hospital.
7. Recognize the function of Speers Road.
8. Direct office uses to priority areas.
9. Harmonize employment land use designations and policies between Livable Oakville and the North Oakville Secondary Plans.
10. Allow for a broader range of amenities within the employment areas.
11. Designate additional Business Commercial lands.
12. Update policies on land use compatibility.
13. Update employment design guidelines.
14. Encourage employment land intensification and more efficient use of employment lands
15. Work with Halton Region to track the alignment of growth to best planning estimates.
16. Develop a monitoring program.
17. Work with Halton Region and other levels of government to identify proactive approaches to infrastructure.
18. Address inconsistencies between the Regional Employment Area overlay designation in the Region of Halton Official Plan and the town's employment areas.

Employment Land Conversion Requests

Council may only consider requests to convert designated employment lands to non-employment uses through a municipal comprehensive review ("MCR"). The Employment and Commercial Review provides for the consideration and evaluation of employment land conversion requests in accordance with provincial, regional and local employment conversion policies and criteria.

Over the summer of 2015, owners of employment lands in the town were notified by mail that the Employment and Commercial Review was underway and that any employment land conversion requests should be submitted with appropriate documentation. The original deadline for submissions was September 4, 2015

but, given project's extended timeline, submissions have continued to be accepted and a new deadline of September 9, 2016 has been set.

Of the 19 submissions received to date:

- 15 are requests to redesignate employment lands to non-employment land uses;
- two are requests to redesignate one employment land use designation to another employment designation; and,
- two are requests for modifications to address irregularities in the Regional Employment Area overlay designation in the Region of Halton Official Plan.

Following the Subcommittee's input in March 2016 related to employment land conversion requests, we can advise that the consulting team has undertaken a preliminary analysis of the submissions received, which will feed into staff's review. Recommendations will be prepared by town staff, based on additional analysis and consultation, following confirmation of the urban structure (through the ongoing Urban Structure Review). Any changes to land use designations must be approved by Council.

Next Steps

It is anticipated that a comprehensive preliminary directions report will be presented to Planning and Development Council once the recommendations of the Urban Structure Review are known. A public consultation period will provide additional information and opportunities to meet with employment landowners.

It is also anticipated that a final report will be presented to Planning and Development Council by late spring of 2017. Amendments to the Livable Oakville Plan, North Oakville East and West Secondary Plans, Zoning By-law 2014-014 and North Oakville Zoning By-law 2009-189 will be proposed to implement the final recommendations of the Employment and Commercial Review. It is recognized that some changes may require coordination with other projects within the town's Official Plan Review, as well as the Region of Halton Official Plan Review.

As the Subcommittee is aware, all timelines are subject to change. In particular, the timing of changes to the Growth Plan and Greenbelt Plan arising from the province's ongoing coordinated plan review will impact local and regional planning projects, which will be required to address and implement the updated provincial policies when they come into effect.

CONCLUSION

This staff report and the *Town of Oakville Employment and Commercial Review – Employment Report* (August 2016, Dillon Consulting) attached as Appendix A represent a town-wide employment land demand and supply analysis. The input and guidance provided by the Subcommittee will be incorporated into future reporting as part of the Employment and Commercial Review.

CONSIDERATIONS

(A) PUBLIC

Stakeholder meetings and public open houses were hosted on June 4, 2015 (at QEPCCC) and June 16, 2015 (at SMSC) to present the consulting team's initial findings. A total of approximately 50 people attended those sessions. Input received has been incorporated into the *Employment Report* (Appendix A), or will be addressed in subsequent reports (e.g., request to review use permissions on lands adjacent to Bronte GO Station, and specific employment land conversion requests).

To receive updates about Official Plan Review projects, members of the public are encouraged to visit the town's website to join the email list:

<http://www.oakville.ca/planoakville/official-plan-review.html>

(B) FINANCIAL

The costs associated with the Employment and Commercial Review have been considered as part of the town's capital budget. Planning for an appropriate long-term supply of designated employment and commercial lands will make the town a balanced and complete community, maximize opportunities for residents to work in Oakville, and maintain a healthy tax base.

(C) IMPACT ON OTHER DEPARTMENTS & USERS

Both the Planning Services and Economic Development departments are involved in this project. The receipt of this report will not impact other departments and users.

(D) CORPORATE AND/OR DEPARTMENT STRATEGIC GOALS

This report addresses the corporate strategic goal to:

- enhance our economic environment
- continuously improve our programs and services
- be fiscally sustainable
- be the most livable town in Canada

(E) COMMUNITY SUSTAINABILITY

The Employment and Commercial Review will recommend changes to the existing land use designations and policies aimed at ensuring the town's long-term economic sustainability as a balanced community.

APPENDICES

Appendix A Town of Oakville Employment and Commercial Review –
Employment Report (August 2016, Dillon Consulting)

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