



Planning and Building Department

TO: Development and Infrastructure Committee

**SUBJECT: Official Plan Review:
Directions Report on the Draft Employment Land Conversion Policies;
and, Proposed Strategic Assessment of Vacant Employment Land
Inventory**

Report Number: PB-17-13

File Number(s): 505-08-02

Report Date: January 3, 2013

Ward(s) Affected: 1 2 3 4 5 6 All

Date to Committee: January 14, 2013

Date to Council: January 28, 2013

Recommendation: ENDORSE the draft employment land conversion policies contained in Appendix B for the purposes of consultation in conjunction with the Employment Lands Study Phase 2 Draft Report.

DIRECT the Executive Director of the Burlington Economic Development Corporation and the Director of Planning and Building to conduct an assessment of the vacant employment land inventory to assist with the evaluations of conversion applications, and to inform employment land operational plans, marketing of sites/districts, servicing priorities and secondary plans for employment areas.

Purpose:

- Address goal or action in strategic plan
- Establish new or revised policy or service standard
- Respond to legislation
- Respond to staff direction
- Address other area of responsibility

The purpose of the subject report is to provide discussion related to:

- background studies and policy review completed on employment lands to date,
- areas of change related to employment land conversion policies; and,
- proposed collaborative approach to a strategic assessment of the vacant employment land inventory.

**Reference to
Strategic Plan:**

- | | |
|---|--|
| <input type="checkbox"/> Vibrant Neighbourhoods | <input checked="" type="checkbox"/> Prosperity |
| <input type="checkbox"/> Excellence in Government | <input type="checkbox"/> N/A |

Planning for the City's neighbourhoods is an important alignment consideration between the Strategic Plan and the Official Plan Review. The Strategic Plan identifies a direction to complete the policy work on a study of employment lands available in Burlington with the expected result being that there is available land to attract new business.

1.0 Background:

Directions Reports

On September 4, 2012, Council endorsed the work plan for the Official Plan Review (OPR)(PB-53-12). The work plan identified that as part of the OPR process, a series of directions reports would be prepared for Council's consideration. The purpose of a directions report is to provide initial findings of the review of existing policy, to discuss areas of potential change to those policies and to provide the opportunity for public and stakeholder consultation regarding the potential changes.

The subject report is a directions report regarding employment land conversion policies of the Official Plan.

The step following this directions report is the preparation of a second Employment Lands directions report for Council's consideration. The purpose of this second directions report is to:

- provide revised policy changes,
- acknowledge and consider the feedback received through the consultation process,
- consider the various policy recommendations from the Employment Lands Study Phase 2 Report beyond the conversion policies, and,
- consider the strategic assessment of the vacant land inventory.

Pertinent Council Resolutions

On November 23, 2012 the Development and Infrastructure Committee considered a report from staff (PB-101-12) transmitting the Employment Lands Study Phase 2 Draft Report prepared by

Dillon Consulting and Watson and Associates. On December 10, Council approved the following resolutions:

- Receive the Employment Lands Study Phase 2 Draft Report prepared by Dillon Consulting Limited;
- Direct the Director of Planning and Building to conduct public consultation regarding the Draft Employment Lands Study Phase 2; and
- Direct the Director of Planning and Building to provide a Directions Report which considers the findings of the public engagement and presents the Final Employment Lands Study Phase 2 report. (PB-101-12-1)

Given that the Employment Lands Study Phase 2 Draft Report has been received, staff is in a position to bring forward a directions report to advance the discussion of employment lands policy as part of the Official Plan Review.

2.0 Discussion:

The following section will discuss: background studies and policy review completed on employment lands to date, areas of change related to employment land conversion policies; and, proposed collaborative strategic assessment of the vacant employment land inventory research and policy.

2.1 Key Employment Studies

To date the progress made in the planning of employment lands in the City has included the preparation of the following three key information sources:

- Employment Lands Study, (2011, prepared by Metropolitan Knowledge International and MMM Group) (referred to as the Phase 1 Employment Study (Phase I ELS).
- The Employment Lands Study Phase 2 (Phase 2 ELS) (in progress, prepared by Dillon Consulting).
- Securing our Prosperity: Employment Lands Operational Plan (September 14, 2012, BEDC) (referred to as the Employment Lands Operational Plan).

For a more complete discussion of the various studies please refer to PB-101-12.

These employment studies have provided information on various elements of employment land planning. Considerable collaboration has occurred to date between the Planning and Building Department and BEDC as well as the consulting team. The collaboration has provided the opportunity to review methodologies, assumptions and various considerations relevant in the planning for employment lands.

There has been substantial discussion regarding the alignment of the Phase 1 ELS and the Phase 2 ELS in terms of findings and policy implications as well as methodology. As detailed in staff report PB-101-12 the Phase 2 Employment Lands Study Draft Report was initiated to develop a policy framework for employment within the city and utilized information in part from the Phase I Employment land study. The Employment Lands Study Phase 2 Draft Report proposes a number of recommendations to build a long term strategy for employment lands in the city. Chief among those recommendations is the direction to build upon the existing employment land conversion policies found within the Official Plan.

In terms of comparing and contrasting the ELS Phase 1 and ELS Phase 2 reports, both studies used a series of assumptions, some of which were the same while some differed. The result was that the absolute numbers for demand for employment lands over the next twenty years from the two studies are marginally different. The ELS Phase 1 report forecast that demand for employment lands to 2031, based on the policy scenario, would be 175 ha and determined at the time of the study that the 'effective supply' of vacant employment lands was 295 ha. The ELS Phase 1 forecast that by 2031 the City would have 120 ha of vacant employment land in its supply. The ELS Phase 2 Draft Report forecast that demand for employment lands to 2031, based on the policy scenario would be 149 ha and that the supply was 308 ha. The ELS Phase 2 Draft Report forecast that by 2031 the City would have 163 ha of vacant employment land in its supply. Both reflect independent professional approaches to forecasting demand, both are reasonable and both identify that the city has sufficient employment lands to accommodate the Places to Grow growth requirement to 2031.

It is important to note, that while some different assumptions were used, the policy direction and general conclusions are consistent. Both studies determined that by 2031 there will be sufficient land to accommodate projected employment growth on employment lands and came to the conclusion that the supply is more than adequate. The goal of the Employment Lands Study Phase 2 Draft Report was to recommend a policy framework for employment lands. Given this goal the marginal difference in forecast demand has not changed the policy direction.

2.2 Key Provincial and Regional Policy Context

Planning for employment is considered at the Provincial, Regional, and local levels. The *Planning Act* identifies "the adequate provision of employment opportunities" as a matter of provincial interest.

Provincial Policy Statement

The *Provincial Policy Statement* (PPS) provides direction on matters of provincial interest related to land use planning and development. The PPS includes several policies related to employment land and employment land conversion policies:

- Part V, Section 1.1 – Managing and Directing Land Use to Achieve Efficient Development and Land Use Patterns
- Part V, Section 1.3 – Employment Areas

The PPS directs that municipalities should accommodate an appropriate mix and range of employment (including industrial, commercial and institutional uses) to meet long-term needs. The PPS states that planning authorities may permit conversion only where it has been determined through a comprehensive review that the land is not required for employment purposes over the long-term and that there is a need for the conversion. The draft employment land conversion policies presented in Appendix B are consistent with the PPS.

Places to Grow

The policies of *Places to Grow: Growth Plan for the Greater Golden Horseshoe* (Growth Plan) incorporate a number of policies related to planning for employment. The Growth Plan includes employment growth forecasts, directions on employment land planning, directions for economic competitiveness and, directions on employment land conversion. The policy regarding employment land conversion lists specific criteria to be applied in the consideration of a proposal for an employment land conversion. The draft employment land conversion policies presented in Appendix B are in conformity with the Growth Plan.

Region of Halton Official Plan

The Region of Halton's growth plan conformity exercise (ROPA #38, currently under appeal) identifies employment and population growth targets specific to each of its lower tier municipalities. The policies in ROPA #38 give direction on the protection of employment lands, the preferred location of employment lands and require that local municipalities include policies detailing the criteria against which conversion will be considered. The draft employment land conversion policies presented in Appendix B are in conformity with the policies of ROPA #38.

2.3 City of Burlington Policy Context - City of Burlington Official Plan

The City of Burlington Official Plan currently requires that for lands designated General Employment, Business Corridor, Mixed Use Corridor-Employment and Uptown Mixed Use Corridor-Employment, any proposal to re-designate the property to non-employment uses must be considered in conjunction with the comprehensive review provisions identified in the Provincial Policy Statement and the policies of Provincial Plans. Policies for conversion are included in the Employment Lands Policies section (Appendix A), the same conversion policies are repeated in the Mixed Use Corridor – Employment designation and in the Uptown Mixed Use Corridor – Employment Area designation. For simplicity, only the Employment Lands policies are included in Appendix A.

The nature of the employment land conversion means that as we undertake the Official Plan Review we will also need to engage with stakeholders to discuss any proposed changes to the employment land conversion policies.

Existing Official Plan Policies

As part of OPA #55 which was the culmination of the last five-year review of the Official Plan a number of modifications were incorporated to meet the requirements of *Places to Grow*. Please see Appendix A for the existing employment lands policies.

The policies are based on a number of principles in Part III Section 3.1:

- the employment and economic base shall be strengthened by encouraging the establishment, retention and expansion of businesses and institutions.
- the economic strength of the City will be enhanced by increasing job opportunities and expanding the assessment base through employment and economic development.
- Economic development shall occur within the context of a balanced consideration of physical, social, economic and environmental demands and constraints.
- Employment activities shall develop and operate in a fashion that is compatible with other land uses, especially residential.
- A full range of industrial/manufacturing and office uses and related services shall be permitted in Employment Lands.
- Employment activities that attract large number of employees shall be served by public transit.
- A sufficient supply of lands for employment purposes shall be maintained to meet existing and future needs.

The policies also include a number of objectives including:

"To maintain a sufficient supply of lands within the Urban Planning Area for employment uses in order to meet the anticipated needs, including an adequate supply of serviced land and an allowance for choice in terms of location, size of property and servicing needs. It is the general intent of this Plan that this supply shall not be reduced through re-designation of employment lands to permit non-employment uses"

The Official Plan currently includes conversion policies related to General Employment and Business Corridor designations (Part III – Section 3.2.2 d)), for Mixed Use Corridor Employment (Part III - 5.3.4 k)) and for the Uptown Mixed Use Corridor - Employment Area (Part III - 5.6.12 e)).

The conversion policies contained in Appendix A are those found in Part III, Section 3.2.2 d). The same policies are repeated in the above noted sections and have not been included in Appendix A.

The existing policies cover matters relating to:

- Process which details when a conversion proposal be considered, and
- The criteria to be considered in relation to a specific proposal for employment land conversion including:
 - Ability to meet our commitments
 - Land use considerations
 - Site specific considerations
 - Elements required in the proposal

The existing and proposed conversion policies are intended to work in conjunction with existing policies in the plan including but not limited to those that deal with information required as part of a complete application and financial impact on the municipal tax base.

2.4 Official Plan Employment Land Conversion Policies Directions

The Employment Lands Study Draft Phase 2 report assessed all of the vacant employment lands supply parcel by parcel (the *Vacant Employment Lands – Site Visit Notes* is provided under separate cover) against an analytical framework consisting of the following elements:

- Transportation and transit access (400 series highway access, rail access, access to transit and higher order transit systems),
- Visibility (visibility along 400 series highways),
- Parcel size,
- Land use permissions (Official Plan and Zoning designations),
- Potential for environmental constraint, and
- Municipal servicing (water, wastewater and other utilities).

The analysis is presented in section 4 of the Employment Lands Study Phase 2 Draft Report in the form of written discussion, mapping and tables. The findings of the supply analysis confirm and restate the Employment Lands Study findings and indicate that there is a sufficient amount of vacant employment land to accommodate the forecast twenty year demand, though, as noted earlier the demand projected over the next twenty years was marginally different for each study due to differences in assumptions. The analyses of the various elements above indicate that the current vacant employment land supply is able to meet a wide range of employment uses and that this supply as a whole represents a significant advantage for the City.

The findings of the Employment Lands Study Phase 2 Draft Report indicate that the existing vacant land supply identified in the Employment Lands Study (2011) and analyzed in the Employment Lands Study Phase 2 Draft Report is of strategic importance in the context of ensuring that the City of Burlington continues to develop as a complete community as defined by *Places to Grow*. A complete community is one that is well designed, offers transportation choices, accommodates people at all stages

of life and has the right mix of housing, a good range of jobs, and easy access to stores and services to meet daily needs.

The City of Burlington has an urban boundary fixed by the *Provincial Greenbelt Plan* and *Places to Grow*. As a result the city has a limited ability to designate new greenfield lands for employment. In addition the Province has released employment and population growth forecasts to 2041. The figures released for consultation indicate that Halton Region is expected to accommodate further employment and population growth. The Region's allocation to Burlington is yet to be determined. Given these factors the Employment Lands Study Phase 2 Draft Report recommends that the city will need to maintain its designated supply of employment lands to capitalize on future growth potential.

With these findings the Employment Lands Study Draft Phase 2 report included recommendations to strengthen the policy framework to fully utilize the employment generation and economic potential of the city's employment lands. As one component of a long range employment lands strategy, modifications were proposed to the existing employment land conversion criteria that would enhance the city's ability to meet land use planning and financial goals. Strengthening the policy framework will provide Council with the tools to make decisions on employment land conversion proposals that meet the planned function of the employment lands, or meet a demonstrated need as determined by the city.

The employment land conversion policies in the Official Plan (described above and included in Appendix A) meet the requirements of *Places to Grow*. The draft official plan employment land conversion policies relate to the following designations and specific policies:

- General Employment and Business Corridor designations (3.2.2 d)),
- Mixed Use Corridor Employment (5.3.4 k)), and
- Uptown Mixed Use Corridor - Employment Area (5.6.12 e)).

Appendix B presents the draft policy; Appendix C presents the draft policy noting text additions and deletions; and Appendix D provides a comparison of the existing policies and the draft policies. The tools are provided for the purposes of consultation only and provide detail regarding the nature of the modifications proposed in the draft employment land conversion policies.

The Employment Lands Study Draft Phase 2 Report proposes a policy framework that protects against unwarranted conversion by setting new criteria to be considered at the time of an application for conversion of employment lands. The framework establishes a rigorous yet flexible approach to considering the merits of a proposal for employment land conversion, where warranted. The framework positions the city to ensure that employment lands will deliver their planned function which is to provide generous opportunities to accommodate employment and enhance the city's ability to meet other policy objectives to improve the long term economic potential of the City. Planning Staff supports these conversion policies in principle, subject to consultation.

2.5 Additional Strategic Research for Employment Lands

Employment lands are a critical component of the development of a complete community. As evidenced by provincial, regional and local employment land policies, these lands are often under pressure for conversion to other non-employment uses and can benefit from considered approaches to policy development.

The evolution and timing of the Employment Lands work has allowed for alignment of the efforts made by BEDC to develop an Employment Lands Operational Plan alongside the finalization of the Employment Lands Study Phase 2 Draft Report. The advantage of being able to consider these two streams of effort have highlighted an opportunity to further collaborate to assist in development and the marketing of this resource to support the long term health of the city's employment lands and the long term financial sustainability of the City of Burlington.

The Employment Lands Study Phase 2 Draft Report provided an assessment of the vacant employment land supply for the city. In section 4 of the Employment Lands Study Phase 2 Draft Report the analysis built upon individual site assessments (*Vacant Employment Lands – Site Visit Notes* provided under separate cover) and an analytical framework against which the entire supply was measured. The industrial/office development potential and marketability of individual sites could be another lens to apply to the vacant employment lands supply to understand the supply from a new perspective. Through collaboration with BEDC, the city will be better equipped to develop an enhanced understanding of the market opportunities present now and in the future for the city. To this end, Sheila Botting of Deloitte has been retained to assist with this assessment. Planning will work with Ms. Botting and BEDC to develop a strategic approach to the servicing, marketing and protecting available vacant employment lands.

By combining planning and land use factors with economic development factors staff will be equipped to discuss the opportunities for the development of a complete community with a full range of employment uses at both the site level and for the identified strategic employment land districts. This work has taken shape over the last month informed through discussions with BEDC and Planning and Development and is proposed for Q2 of 2013.

2.6 Strategy/Process

There are two process streams underway. The first stream is related to the consultation related to the conversion policies. The draft policy will be released for consultation alongside the Employment Lands Study Phase 2 Draft Report. The feedback will be incorporated and considered in developing the Directions Report. The final draft policy will be released for consultation with the public in the context of the release of the draft Official Plan in accordance with the Official Plan Review work plan.

To this point planning has led the development of the employment lands studies with a goal to develop a policy framework as part of the Official Plan Review. This report presents the foundation of the employment policy approach through the discussion of draft employment land conversion policies for endorsement in principle for the purpose of consultation. Consultation on both the Employment Lands Study Phase 2 Draft Report and the draft proposed conversion policies will be undertaken in Q1 of 2013. Planning staff will continue to lead this process.

The second directions Report related to employment land planning will be informed by the finalized Employment Lands Study Phase 2 Report as well as the additional collaborative work, identified in Section 2.5 of this report. This work will provide further information about the vacant employment lands supply and will assist the city in demonstrating that the various elements of the Places to Grow 'Employment Lands' policies have been considered and applied to employment land planning within the city. Specific reference to the promotion of economic development and competitiveness as detailed in Places to Grow will be an important element of this work.

The second stream is related to the development of additional research to identify strategic factors related to the pool of available vacant land. Subject to Council's approval, BEDC and Planning and Building Department staff along with the consulting team will immediately initiate work to develop the details of this effort. This additional work will have an impact on the overall timing of the second directions report referenced above. This work is expected to be delivered in Q2 of 2013.

The culmination of the streams will be the return to Council with the final Employment Lands Study Phase 2 report in conjunction with a staff Policy Directions Report.

3.0 Financial Matters:

The study was developed at a total cost of \$93,751.00 of which \$89,650.29 has been disbursed to date from the approved capital budget account for the Official Plan Review and from the General Managers account.

Additional costs are being incurred as a result of the direction to ensure alignment with the Employment Lands Operational Plan. These costs are being tracked and will be confirmed upon receipt of the final invoice from the consultant.

There is some potential for additional costs related to the additional strategic research for employment Lands as it relates to the Official Plan Review. Consistent with the approach of the Official Plan Review any significant impact to the OPR budget would be reported to Council.

4.0 Communication Matters:

Consultation on the Draft Employment Lands Study Phase 2 report will be undertaken in early 2013.

Conclusion:

Planning Staff supports these conversion policies attached in Appendix B in principle, subject to consultation. These conversion policies provide an appropriate basis for engaging in a consultation process.

Planning Staff supports the proposed strategic assessment of the vacant employment land inventory. This work would be advantageous to the City in assisting with the evaluations of conversion applications, and informing employment land operational plans, marketing of sites, servicing and secondary plans for employment areas.

Respectfully submitted,

Alison Enns, MCIP, RPP
 Acting Senior Planner - Policy
 905-335-7600 ext 7787

Appendices:

- A. Existing Official Plan Policies- Employment Lands Part III, Section 3.0
- B. Draft Official Plan Employment Land Conversion Policies
- C. Draft Official Plan Employment Land Conversion Policies showing modifications
- D. Comparison between existing and draft employment land conversion policies

Notifications:
 (after Council decision)

Name	Mailing or E-mail Address
BEDC	Kyle Benham
Region of Halton	

Approvals:

*required

_____ *Department

_____ City Treasurer

_____ General Manager

_____ City Manager

	To be completed by the Clerks Department
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Committee Disposition & Comments	
	01-Approved 02-Not Approved 03-Amended 04-Referred 06-Received & Filed 07-Withdrawn
Council Disposition & Comments	
	01-Approved 02-Not Approved 03-Amended 04-Referred 06-Received & Filed 07-Withdrawn