The Regional Municipality of York

Committee of the Whole Planning and Economic Development June 16, 2022

Report of the Commissioner of Corporate Services and Chief Planner

Block 66 East Request for Community Area Designation

1. Recommendations

- 1. The Block 66 East lands in the City of Vaughan be designated Employment Area in the proposed York Region Official Plan.
- 2. The Regional Clerk circulate this report to the City of Vaughan for information.

2. Summary

This report provides information in response to <u>Council Motion 1.5</u>, referred to Staff by Council at its meeting on May 26, 2022 for a report back, specifically to assess an Employment Area designation versus Community Area designation as part of the proposed York Region Official Plan (ROP) for Block 66 lands in the City of Vaughan (Attachment 1).

Key Points:

- Consultation with stakeholders throughout the Municipal Comprehensive Review, and Council direction, informed the forecast, land needs assessment and urban expansion areas in the draft Regional Official Plan (ROP) released in November 2021 for public consultation
- The Growth Plan for the Greater Golden Horseshoe (Growth Plan) and Provincial Policy Statement (PPS) require municipalities to plan for employment by ensuring land is available in appropriate locations to accommodate employment growth to 2051 and beyond
- Designating and protecting strategically located employment areas along the 400 series Highways is important for the Region's long-term prosperity and viability
- Maintaining a robust supply of employment areas is critical for providing flexibility for employers in high quality locations over the long term
- Mixed employment with accessory employment uses on the site along Huntington Road will allow for appropriate transition to the community area that is being planned on the east side of Huntington Road

3. Background

Motion I.5 recommends a Community Area designation be supported for lands within Block 66 East

In <u>May 2022</u>, Council directed staff to report back on a <u>motion</u> to designate portions of Block 66 East (the site) in the City of Vaughan as Community Area instead of Employment Area. The site is located west of Huntington Road and South of Nashville Road and is part of the West Vaughan Employment Area (see Attachment 1). The site is approximately 77 hectares (190 acres) in area.

The Province requires York Region to designate employment areas in the Regional Official Plan

Provincial policies recognize that preservation of employment areas is an important planning tool for securing the Region's economic future. The PPS recognizes the need to protect and preserve employment areas for the long term, beyond the 30-year planning horizon. Provincial policies identify the importance of protecting employment areas along major transportation corridors to support the movement of goods. Policy direction in the Growth Plan requires that upper and single-tier municipalities designate lands and set density targets for employment areas in the ROP and assess requests for employment land conversion. These are new Regional responsibilities whereas previously, employment designations were only included in local municipal official plans.

Long term employment areas support complete community objectives by ensuring a sufficient supply of land for a variety of employment types

Provincial and Regional planning policies direct municipalities to create complete communities where residents can fulfill all or most of their daily requirements. This includes an appropriate mix of jobs, local stores and services, a full range of housing, transportation options and public service facilities. Ensuring availability of a range of employment opportunities for residents in a variety of locations is a key component of complete communities and contributes to a diversified economic base. While some types of employment uses can be accommodated within community areas through a mixed use setting, other employment uses have specific locational requirements and benefit from being removed from sensitive land uses, including residential. York Region's employment areas provide landowners and end-users with a broad range of market choice with respect to site selection, size, and transportation access/exposure. Protecting a diverse range, size and mix of employment areas for employment uses, including lands protected from incompatible uses, not only ensures a competitive economic environment, but also provides employment opportunities closer to home for residents working within these sectors.

Provincial Land Needs Assessment confirmed need for 970 hectares of additional employment land through urban expansion

As outlined in the <u>Proposed 2051 Forecast and Land Needs Assessment</u> and <u>Alternate 2051</u> Forecast and Land Needs Assessment Scenarios in Response to Consultation, applying the Provincial Land Needs Assessment with a phased 50-55% intensification scenario results in a need for 3,150 hectares of urban expansion to accommodate the 2051 population and employment forecast for York Region. This includes a need for 970 hectares of employment land and 2,180 hectares of community land to ensure an adequate supply of land to accommodate residential, personal services, retail, cultural, recreational, and human services uses for the growing population.

In consultation with local municipal staff, lands were classified into potential community and employment areas based on their connectivity to existing community/employment areas and prioritizing lands adjacent to or near existing or provincially planned 400 series highways for employment purposes. In addition to providing easier access for goods movement and high visibility for businesses, providing employment near highways is preferred over sensitive uses, including residential, for compatibility reasons.

Comprehensive evaluation informed employment area mapping and recommendations on site-specific conversion requests

Through the Municipal Comprehensive Review (MCR), the Region received over 70 requests for employment area conversions. Regional staff in partnership with local municipal staff, undertook analysis and assessment of employment area in the Region to identify areas appropriate for designation as employment in the ROP. The evaluation of, and recommendations on site-specific employment area conversion requests was completed through application of <u>Regional Council endorsed conversion criteria</u>. Public and stakeholder consultation also informed employment planning decisions. A complete summary of the comprehensive employment planning process can be found in <u>Planning for Employment</u> <u>Background Report (May 2019)</u> Council Report, <u>Employment Area Conversion Process</u> <u>Update (October 2019)</u> Council Report, <u>Planning for Employment</u> <u>Area Mapping and</u> <u>Employment Conversions (October 2020)</u> Council Report and <u>Potential For Employment</u> <u>Lands Along 400 Series Highways (October 2020)</u> Council Report.

4. Analysis

While Block 66 East is not an employment conversion, Council endorsed conversion criteria were useful to assess the appropriate land use designation

Like the process followed for employment area conversion requests received by the Region, the request for a Community Area versus Employment designation was assessed against <u>Regional Council endorsed conversion criteria</u> as set out below. While Block 66 East is proposed to be newly designated employment lands and not a conversion, the conversion criteria are useful to evaluate the proposed designation change contemplated by motion I.5. This analysis is set out below:

1. Supply

Preserving an adequate and diverse supply of employment land is vital to meeting overall regional and local long-term employment needs. The Block 66 East lands are a key

contributor to the supply providing opportunities for a full range of employment options, and the use of large parcel sizes with high visibility for businesses. The area is large enough to provide employment options compatible with the nearby residential greenfield development.

2. <u>Viability</u>

Viability is the ability for an employment area to operate successfully and sustain success over the long-term. The Growth Plan policies speak to preserving the viability of employment areas. More specifically this includes factors such as opportunities for future business investment, linkages between businesses and compatibility of land uses. Both the Regional Official Plan and the Growth Plan include policies to protect, designate and preserve lands adjacent to major goods corridors, including major highway interchanges as areas for manufacturing, warehousing and logistics and appropriate associated uses. Residential development on the Block 66 East lands introduces compatibility of the remaining lands being designated as employment in this area next to the future highway. Huntington Road provides a suitable boundary between Community and Employment designations, and along which compatible employment uses can locate to make the transition.

3. Access

Provincial Plans and the Regional Official Plan encourage protection of sites in the vicinity of major highways, rail yards and airports for goods movement, and industrial, manufacturing, transportation, warehousing, and logistics land uses. The Block 66 East lands provide access to a significant goods movement corridor given their location around the CP intermodal facility, the CN rail yard, Highway 427, and the future Highway 427 extension and future Highway 413.

4. Infrastructure

Existing or planned infrastructure such as sewage, water, energy and transportation as well as public service facilities must be available to accommodate non-employment uses. This item is not applicable to the analysis of this site.

5. Region-wide Interests

Under the Growth Plan, the Region is now responsible for planning employment areas. Together with local municipal partners, the Region is responsible to ensure that Regional and local planning objectives are considered and met and that employment planning does not compromise any other regional or local municipal planning objectives, including potential issues that cross regional boundaries. The location of the site in the West Vaughan Employment Area, a major manufacturing, industrial and transportation node in the GTHA, with access to a goods movement corridor makes it an attractive site for employment growth, particularly for the transportation, distribution, and logistics sectors. The nature of employment and jobs created by these businesses serve not only the needs of the local municipality but are important to the Region and the GTHA. Again, while Block 66 East is not a conversion, assessing the site against the criteria helps to inform the recommendation that a Community Area designation is not appropriate and does not enhance policy objectives in the ROP (see Attachment 2). A Community Area designation could impact the long-term supply and/or viability of the employment area and would result in reduced quality of life for residents given the proximity to proposed major highways.

The location and size of the Block 66 East lands are a suitable extension of the Vaughan West Employment Area

Block 66 East is a logical extension of the West Vaughan Employment Area. The traditional manufacturing / industrial node in Central and West Vaughan is home to a significant number of jobs and a wide range of industries and one of three key large scale employment nodes having an important role in the Region's economy.

The West Vaughan Employment Area has a strategic location close to the CP intermodal facility, the CN rail yard, Highway 427 and proximity to future freeways (Highway 427 extension, Highway 413) makes it an attractive location for land extensive operations such as manufacturing, transportation, distribution and logistics. These types of business operations typically locate in areas with easier access to well planned goods movement corridors. The site is just north of the Tor-York West megazone, which is one of three regionally, provincially, and nationally significant employment zones in the GTHA identified by the Neptis foundation. This megazone has a significant concentration of manufacturing, construction, and wholesale trade and transportation jobs.

Large contiguous parcels of new employment areas like the Block 66 site provide important opportunities to attract or retain large and growing businesses. Protecting the supply of large-sized parcels with exposure and access to highways, helps maintain economic viability while not limiting the types of employment uses that can locate there, and maximizing future investment by employers seeking large parcels in strategically located employment areas.

The West-Vaughan Employment Area is a major driver of economic activity in the GTHA

The current trends in e-Commerce and industrial land markets have led to a strong demand for employment areas which is likely to continue. The GTHA is one of the largest industrial real estate markets in North America and the West Vaughan Employment Area is one of the largest employment areas remaining in the GTHA. This employment area is likely to be in high demand, particularly for large distribution uses and transportation/logistics providers in close proximity to the CP intermodal yard. Over the past few years, West Vaughan has attracted several new facilities including Costco and Fed Ex distribution centres, Home Depot Canada's shipping facility and Longo's Canadian head office and central distribution center. The nature of employment and jobs created by these businesses serve the needs of the local municipality and are important to the Region overall. The Region's ability to provide large parcels of development lands is a major competitive advantage which makes retention of these lands important.

Local municipalities have flexibility to plan Regional employment areas based on area-specific context

The new employment policy framework in the ROP provides flexibility for local municipalities to develop more detailed employment policies and designations based on area-specific context, to permit a broader mix of employment uses and to differentiate between core and supporting employment areas in their local official plans. It is intended that core employment areas be identified and protected to allow for traditional employment uses with limited opportunity for retail and institutional uses while supporting employment areas provide for a broader range and mix of employment types and flexibility. Employment lands located on the periphery of larger employment areas such as the Huntington Road frontage of Block 66 East site are candidates for supporting employment area designation in local official plans. Mixed employment and accessory uses will allow for more flexibility and compatible land uses between the community area on the east side of Huntington Road and any incompatible existing or future employment uses within the employment area. This is accommodated by the employment area designation.

Future Municipal Comprehensive Reviews provide opportunity to re-evaluate the employment area designation for the site

The Region's forecast, land needs assessment and urban expansion areas shown in the draft ROP were finalized after extensive analysis, consideration by Council, consultation and input from local municipal staff and stakeholders. A change in designation for the site at an advanced stage of the MCR without fulsome consultation or analysis is not recommended. The redesignation request may act as a trigger for other such requests leading to fragmentation and loss of strategic employment lands in the Region.

Opportunities for community area designation are more abundant in the Region, but strategic locations for employment area designation in the Region are finite. Businesses looking to locate in the Region have specific location requirements for large parcels and access to, and visibility from, goods movement corridors. Large blocks of land adjacent to 400 series highways are critical for long term employment use protection as they are of limited supply in the Region.

5. Financial

Employment areas play a central role in the Region's economy. Availability of a wide range of employment land is integral to fiscal health of a community and can directly affect economic development and diversification of the assessment base. Employment growth generates spinoff economic benefits increasing economic stability for the entire community, raising the overall standard of living and creating complete communities that provide opportunities for residents to work close to where they live. This reduces impacts on the environment, reliance on automobiles, commute times and transit trips to downtown Toronto.

6. Local Impact

The traditional manufacturing / industrial node in West Vaughan is home to a significant number of jobs and a wide range of industries. Its strategic location around the CP intermodal facility, the CN rail yard, and a network of 400-series highways, such as the 400 and 427, makes this area attractive for employment growth, particularly the distribution and logistics sector. The nature of employment and jobs provided in the West Vaughan employment area serve the needs of the local municipality and are important to the Region overall.

Local municipalities are key partners in updating the ROP, providing expertise and knowledge implementing ROP policies in their local municipal context. A proactive and cooperative approach has been taken involving local municipal partners in the development and review of ROP policies and mapping. It is important to work closely and regularly with local municipalities to align policy direction, having regard for implementation of Regional policies at the local level and promoting collaboration across jurisdictions.

7. Conclusion

Employment areas are strategic and vital to the Regional economy and act as major drivers of economic activity in the Region. Demand for jobs in employment areas is expected to remain strong in the future. Maintaining an adequate and generous future supply of employment lands in the right location will be important for all types of industry to provide flexibility for employers in high quality locations over the long term. Evaluation of Block 66 East confirms an Employment Area designation for these lands.

For more information on this report, please contact Sandra Malcic, Director, Long Range Planning at 1-877-464-9675 ext. 75274. Accessible formats or communication supports are available upon request.

Recommended by:

Paul Freeman, MCIP, RPP Chief Planner

Dino Basso Commissioner of Corporate Services

Approved for Submission:

Bruce Macgregor Chief Administrative Officer

June 10, 2022 Attachments (2) 13951543