

CITY OF HAMILTON

PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT Planning Division

то:	Chair and Members General Issues Committee	
COMMITTEE DATE:	November 20, 2019	
SUBJECT/REPORT NO:	GRIDS 2 and Municipal Comprehensive Review – Consultation Update and Employment Land Review (PED17010(f)) (City Wide)	
WARD(S) AFFECTED:	City Wide	
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SUBMITTED BY: SIGNATURE:	Steve Robichaud Director, Planning and Chief Planner Planning and Economic Development Department	

RECOMMENDATION

- (a) That Council receive the draft Employment Land Review Report, attached as Appendix "C" to Report PED17010(f); and,
- (b) That Council authorize staff to commence public consultation on the draft Employment Land Review Report, in addition to other GRIDS2 / MCR topics including intensification and density targets and that staff report back on the results of the consultation prior to the finalization of the Employment Land Review.

EXECUTIVE SUMMARY

Staff are seeking authorization to commence the second round of public consultation on the Growth Related Integrated Development Strategy update (GRIDS 2) and the Municipal Comprehensive Review (MCR). Staff will be seeking input form the public and stakeholders on intensification and density targets for the City, employment land review, and an evaluation framework for consideration of future growth options.

One component of the MCR and a part of the planned consultation is the review of the City's employment lands to determine if any lands warrant conversion to a non-employment use. Staff have completed a draft Employment Land Review, attached as

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Appendix "C" to this report, and staff are seeking authorization to consult on the draft report with the public and stakeholders.

Alternatives for Consideration – See Page 11

FINANCIAL - STAFFING - LEGAL IMPLICATIONS

Financial: N/A

Staffing: N/A

Legal: N/A

HISTORICAL BACKGROUND

The City is undertaking an update to the Growth Related Integrated Development Strategy (GRIDS), known as GRIDS 2, which is a long term growth strategy to allocate forecasted population and employment growth from 2031 to 2041. The forecasts for Hamilton project an increase of 40,000 jobs and 100,000 people between 2031 and 2041. A municipal comprehensive review (MCR) is a requirement of the Growth Plan for the Greater Golden Horseshoe and the Provincial Policy Statement (PPS) at the time of an Official Plan review to bring the City's Official Plans into conformity with the Provincial planning documents. The MCR is broad and encompasses many interrelated components, and must be completed prior to any expansion of the urban boundary. Many of the studies that are required as part of the MCR are also part of a growth strategy. As such, the MCR is being completed concurrently with GRIDS 2, which has the benefit of combining the public and stakeholder consultation into one process, and efficiently using staff time and resources.

One component of the MCR is the Employment Land Review, which is a review of the City's designated Employment Areas to determine if any of the areas warrant a redesignation to a non-employment use. In May, 2017, a call for public requests for employment land conversion was released which requested members of the public to submit requests for sites currently designated as Employment Area to be considered for possible conversion. The public call for requests was advertised in the Hamilton Spectator and the Realtors Association of Hamilton-Burlington, and staff presented at the Open for Business Sub-Committee on May 25, 2017 to increase awareness of the project and submission opportunity. The draft results of the Employment Land Review are attached as Appendix "C" to Report PED17010(f), and staff are seeking authorization to commence public consultation on the draft results.

The first round of public consultation on GRIDS2 / MCR was undertaken in May and June, 2018, and focussed on GRIDS background information, Major Transit Station Area (MTSA) Planning, and Urban Structure review. City staff are proposing a second

round of public consultation, including a series of public open houses, scheduled for the last week of November and first week of December at locations across the City, to seek feedback not only on the Employment Land Review, but also on other growth matters including intensification and density targets.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

Provincial Policy Statement (PPS), 2014

- "1.1.3.3 Planning authorities shall identify appropriate locations and promote opportunities for *intensification* and *redevelopment* where this can be accommodated taking into account existing building stock or areas, including *brownfield sites*, and the availability of suitable existing or planned *infrastructure* and *public service facilities* required to accommodate projected needs.
- 1.1.3.5 Planning authorities shall establish and implement minimum targets for *intensification* and *redevelopment* within built-up areas, based on local conditions. However, where provincial targets are established through *provincial plans*, the provincial target shall represent the minimum target for affected areas."

The PPS directs municipalities to promote opportunities for intensification and to implement minimum targets for intensification within built-up areas as established by provincial plans. For the City of Hamilton, the provincial plan providing direction is the Growth Plan (2019). The establishment of an appropriate intensification target for Hamilton will be one of the topics for discussion at the upcoming consultation events.

"1.3.2.2 Planning authorities may permit conversion of lands within *employment* areas to non-employment uses through a *comprehensive review*, only where it has been demonstrated that the land is not required for employment purposes over the long term and that there is a need for the conversion."

The conversion of lands within designated employment areas to a non-employment use is only permitted as part of a comprehensive review, which the City is currently undertaking (MCR). The attached draft Employment Land Review report is responding to this requirement.

Growth Plan 2019

"2.2.2.1 By the time the next *municipal comprehensive review* is approved and in effect, and for each year thereafter, the applicable minimum intensification target is as follows:

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- a. A minimum of 50 per cent of all residential development occurring annually within each of the Cities of Barrie, Brantford, Guelph, Hamilton, Orillia and Peterborough and the Regions of Durham, Halton, Niagara, Peel, Waterloo and York will be within the *delineated built-up area*; and,
- 2.2.2.4 Councils of upper- and single-tier municipalities may request an alternative to the target established in policy 2.2.2.1 where it is demonstrated that this target cannot be achieved and that the alternative target will be appropriate given the size, location and capacity of the *delineated built-up area*.
- 2.2.2.5 The Minister may permit an alternative to the target established in policy 2.2.2.1. If council does not make a request or the Minister does not permit an alternative target, the target established in policy 2.2.2.1 will apply."

The Growth Plan identifies the minimum intensification target for Hamilton of 50%. The target is a minimum target, and the City may plan for a higher target if it is deemed appropriate for the City. Conversely, the may apply for a lower target, which would require approval from the Minster. Through the next round of public consultation, staff will be seeking input from the public and stakeholders on an appropriate target for the City of Hamilton.

- "2.2.5.9 The conversion of lands within *employment areas* to non-employment uses may be permitted only through a *municipal comprehensive review* where it is demonstrated that:
 - a. there is a need for the conversion;
 - b. the lands are not required over the horizon of this Plan for the employment purposes for which they are designated;
 - c. the municipality will maintain sufficient employment lands to accommodate forecasted employment growth to the horizon of this Plan;
 - d. the proposed uses would not adversely affect the overall viability of the employment area or the achievement of the minimum intensification and density targets in this Plan, as well as the other policies of this Plan; and
 - e. there are existing or planned *infrastructure* and *public service facilities* to accommodate the proposed uses.
- 2.2.5.10 Notwithstanding policy 2.2.5.9, until the next *municipal comprehensive review*, lands within existing *employment areas* may be converted to a designation that permits non-employment uses, provided the conversion would:

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- a. satisfy the requirements of policy 2.2.5.9 a), d) and e);
- b. maintain a significant number of jobs on those lands through the establishment of development criteria; and
- c. not include any part of an *employment area* identified as a *provincially* significant employment zone."

Similar to the PPS, the *Growth Plan* requires that employment land conversions to non-employment uses may only be permitted through a municipal comprehensive review (MCR), and provides criteria to guide the evaluation of conversion considerations. A new policy (2.2.5.10) added to the 2019 Growth Plan permits employment land conversions outside of Provincially Significant Employment Zones (PSEZs) to be considered in advance of the completion of the MCR. Despite this new policy direction, it is the City's intention to consider employment land conversion comprehensively as part of the MCR. The Employment Land Review attached as Appendix "C" considers all of the City's employment areas, including those that are and are not identified as PSEZs, and evaluates potential conversion sites against the Growth Plan criteria identified in policy 2.2.5.9.

- 2.2.7.2 The minimum density target applicable to the *designated greenfield area* of each upper- and single-tier municipality is as follows:
 - a. The Cities of Barrie, Brantford, Guelph, Hamilton, Orillia and Peterborough and the Regions of Durham, Halton, Niagara, Peel, Waterloo and York will plan to achieve within the horizon of this Plan a minimum density target that is not less than 50 residents and jobs combined per hectare; and
- 2.2.7.4 Councils of upper- and single-tier municipalities may request an alternative to the target established in policy 2.2.7.2 where it is demonstrated that the target cannot be achieved and that the alternative target will support the diversification of the total range and mix of housing options and the achievement of a more *compact built form* in *designated greenfield areas* to the horizon of this Plan in a manner that is appropriate given the characteristics of the municipality and adjacent communities.
- 2.2.7.5 The Minister may permit an alternative to the target established in policy 2.2.7.2. If council does not make a request or the Minister does not permit an alternative target, the target established in policy 2.2.7.2 will apply."

The Growth Plan identifies the minimum density target for new development in the City's designated greenfield area (areas within the urban boundary but outside of the built-up area) to be 50 persons and jobs per hectare(pjh). Similar to the intensification target, the density target is a minimum and the municipality may plan for a higher target

if it is deemed appropriate. Through the next round of public consultation, staff will be seeking input from the public and stakeholders on an appropriate target for the City of Hamilton.

<u>Urban Hamilton Official Plan</u>

- "A.2.3.3.3 Greenfield areas shall be planned to achieve an overall minimum density of 50 people and jobs per hectare. The greenfield density target shall be measured over Hamilton's greenfield area, excluding natural heritage features designated in this Plan. The greenfield area includes designated employment areas. On employment lands, the City shall plan to meet a density target of 37 people and jobs per hectare. On non-employment lands, densities will need to achieve a minimum average density of 70 persons and jobs per hectare to meet the overall density target.
- A.2.3.3.4 Hamilton is required to plan to achieve a minimum of 40% of all residential development occurring annually within its built-up area by 2015. A total of 26,500 units are to be accommodated within the built-up area between 2001 and 2031. The built-up area for Hamilton is identified on Appendix G.
- B.2.4.1.1 Residential intensification shall be encouraged throughout the entire built-up area, in accordance with the policies of Chapter E Urban Systems and Designations and Chapter F Implementation.
- B.2.4.1.2 The City's primary intensification areas shall be the Urban Nodes and Urban Corridors as illustrated on Schedule E Urban Structure and as further defined in secondary plans and corridor studies for these areas, included in Volume 2.

The UHOP contains policies relating to intensification and density targets that are consistent with the former version of the Growth Plan (2006) which had identified a 40% intensification target an greenfield density target of 50 pjh fo the City of Hamilton. As noted above, Through the next round of public consultation, staff will be seeking input from the public and stakeholders on an appropriate target for the City of Hamilton.

- E.5.1.2 Maintain an adequate supply of zoned and serviced employment lands of varying parcel sizes in various locations to meet the City's projected employment growth forecast and to promote economic development and competitiveness.
- E.5.1.4 Protect lands designated Employment Area from non-employment uses and to support the employment functions of the City's Downtown, nodes and corridors. New major retail uses shall be prohibited and office uses shall be restricted in function and scale.

- E.5.2.4 Uses permitted in the Employment Area designations may include clusters of business and economic activities such as, manufacturing, research and development, transport terminal, building or contracting supply establishment, tradesperson's shop, warehousing, waste management facilities, private power generation, limited agricultural uses, office, and accessory uses. Ancillary uses which primarily support businesses and employees within the Employment Area may also be permitted. Permitted uses specific to the four Employment Area designations are contained in Policies E.5.3.2, E.5.4.3, E.5.5.1, E.5.5.2 and E.5.6.1. (OPA 23) (OPA 109)
- F.1.1.10 The City shall consider if there is a need to undertake a Municipally Initiated Comprehensive Review, at the time of an official plan review. To determine the need for a review, the City shall have regard for the following matters:
 - a) any changes to the population and employment growth targets as prescribed by provincial legislation; or,
 - b) any changes to provincial policy or legislation; or,
 - c) the amount of employment and/or non-employment land to meet the projected needs for up to 20 year time horizon; or,
 - d) any major Official Plan policies which are outdated.
- F.1.1.11 In addition to the policies of the Growth Plan for the Greater Golden Horseshoe respecting the potential conversion of employment sites, the City may prepare and apply a set of criteria to determine the potential employment conversion sites or identification of regeneration areas."

The UHOP contains policy goals relating to the protection of employment lands for employment uses and identifies the uses to be permitted within employment areas. The UHOP also provides policy direction related to the review of employment lands through the MCR, and notes that the City may establish additional criteria to that of the Growth Plan to guide the review of potential conversion sites. The draft Employment Land Review attached as Appendix "C" responds to this policy direction and utilizes criteria established by the City, in addition to the Growth Plan criteria, to evaluate conversion sites.

RELEVANT CONSULTATION

Staff are seeking authorization to commence public consultation on the attached draft Report.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

1.0 Upcoming consultation events

The first round of public consultation on GRIDS2 / MCR was undertaken in May and June, 2018, and focussed on GRIDS background information, Major Transit Station Area (MTSA) Planning, and Urban Structure review. City staff are proposing a second round of public consultation, including a series of public open houses, scheduled for the last week of November and first week of December at locations across the City. The details are:

Date	Location	Time
Tuesday, November 26, 2019	David Braley Centre	2 – 4 pm
	Auditorium	6 – 8 pm
	100 Main St W, Hamilton	
Thursday, November 28, 2019	Battlefield House Museum & Park	2 – 4 pm
,	77 King St W, Stoney Creek	6 – 8 pm
Monday, December 2, 2019	Dundas Town Hall	2 – 4 pm
	Auditorium	6 – 8 pm
	60 Main Street, Dundas	
Wednesday, December 4, 2019	St. Naum of Ohrid Macedonian	2 – 4 pm
	Orthodox Church	6 – 8 pm
	1150 Stone Church Road East,	
	Hamilton	

The topics to be considered at the open houses will focus on:

- <u>Intensification</u> topics will include an explanation of intensification and the
 intensification target, consideration of an appropriate target for Hamilton, and the
 implications of a higher or lower target. Staff are seeking feedback from members
 of the public on Hamilton's future minimum intensification target;
- <u>Designated Greenfield Area density</u> topics will include an explanation of the Designated Greenfield Area and the density target, a demonstration of what increased density looks like, and the implications of a higher or lower target. Staff are seeking input into the consideration of an appropriate density target for new communities in Hamilton;
- <u>Employment Land Review</u> draft results of staff's review of employment lands and conversion requests will be provided, including recommendations for conversion

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sites. The public, including individuals that submitted a request for conversion, will have an opportunity to comment on the draft results; and,

Evaluation framework for new growth areas – if the City's completed Land Needs
Assessment identifies a requirement for settlement boundary expansion, the next
phase of GRIDS 2 / MCR will include a consideration of growth options. Staff are
seeking feedback on important considerations to include as part of the future
evaluation framework for growth options, including the use of the GRIDS 9
Directions to Guide Development as a guiding framework.

2.0 Upcoming stakeholder event

A stakeholder working group has been established to provide feedback and input into the GRIDS 2 / MCR project. The following members were invited to join the stakeholder group:

- Conservation Authorities;
- Niagara Escarpment Commission;
- Environment Hamilton;
- Greenbelt Foundation:
- Agricultural and Rural Affairs;
- School Boards;
- Housing interest groups;
- Cultural Roundtable;
- Business Improvement Areas;
- Chambers of Commerce;
- Realtors Association of Hamilton-Burlington;
- Hamilton-Halton Homebuilders Association; and,
- Hamilton Burlington Society of Architects.

One stakeholder event has been held to date, in June 2018. A second event is scheduled for December 16, 2019, to focus on the same matters of consideration as presented at the Open Houses, with particular focus on appropriate intensification and density targets for the City, and input into the evaluation framework for review of growth options. The broad range and depth of experience amongst the stakeholder group provides valuable input on these important topics.

3.0 Draft Employment Land Review

One component of the MCR is the Employment Land Review, which is a review of the City's designated Employment Areas to determine if any of the areas warrant a redesignation to a non-employment use. Employment Areas are afforded special protection by Provincial policy. The Growth Plan 2019 introduced the new term of

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Provincially Significant Employment Zones (PSEZs). PSEZs are defined by the Minister for the purpose of long term planning for job creation and development. In Hamilton, the Bayfront and East Hamilton Industrial Areas, Stoney Creek and Red Hill North and South Business Parks, and the Airport Employment Growth District are identified as PSEZs. Lands within a PSEZ can only be converted to a non-employment designation through the MCR process. Employment Areas outside of a PSEZ may be converted to a non-employment designation outside of the MCR process provided certain criteria is met. For the purpose of the Employment Land Review, City staff reviewed all Employment Areas comprehensively, both within and outside of PSEZs.

City staff undertook a review of the City's designated Employment Areas with a focus on sites / areas at the edge of employment areas which are mixed use or contain existing non-employment land uses. Staff also reviewed the residential enclaves (residential areas within the designated Employment Areas) to determine if any policy and / or zoning updates were required on those lands.

In addition, in May, 2017, a call for public requests for employment land conversion was released which requested members of the public to submit requests for sites currently designated as Employment Area to be considered for possible conversion. A total of 19 requests were submitted for conversion consideration.

The draft results of City staff's Employment Land Review are attached as Appendix "C" to this report. The Employment Land Review is comprised of three components:

- Employment Land Review: Review of Employment Areas, with focus on edges and mixed-use areas of older industrial parks;
- Appendix "A" to Employment Land Review: Residential enclaves review; and,
- Appendix "B" to Employment Land Review: Response to Requests for Conversion.

In summary, the Employment Land Review has identified 43.85 ha of land that merits consideration by Council for conversion to a non-employment designation. The majority of the recommended conversion sites contain long-standing residential or commercial uses, and the conversion will recognize the existing situation. Included within this 43.85 ha is the "Margaret" residential enclave, which is being recommended for conversion to a Neighbourhoods designation in keeping with the existing zoning of that enclave.

With regards to the requests for conversion, staff reviewed the requests against criteria identified in the Growth Plan as well as criteria established by the City to determine if conversion was warranted. Staff are recommending support of 2 conversion requests in full and 2 requests in part. Three requested conversion sites are being deferred for consideration due to being adjacent to rural lands which may be considered as future growth options during a later phase of the MCR, and therefore the conversion request will be considered at that time.

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A breakdown of the recommended conversion sites by ward is attached as Appendix "A" and a mapping summary of the recommended conversion sites is attached as Appendix "B" to this report.

The draft Employment Land Review is attached as Appendix "C" to Report PED17010(f). Staff are requesting Council to receive the report and authorize staff to consult on the draft recommendations contained within the report. Following consultation, staff will make any required edits and the final report will be brought forward for approval at a future committee date with a recommended course of action.

ALTERNATIVES FOR CONSIDERATION

Council could not authorize staff to commence consultation on the attached draft Report or other matters including intensification and density targets.

ALIGNMENT TO THE 2016 - 2025 STRATEGIC PLAN

Economic Prosperity and Growth

Hamilton has a prosperous and diverse local economy where people have opportunities to grow and develop.

Clean and Green

Hamilton is environmentally sustainable with a healthy balance of natural and urban spaces.

Built Environment and Infrastructure

Hamilton is supported by state of the art infrastructure, transportation options, buildings and public spaces that create a dynamic City.

APPENDICES AND SCHEDULES ATTACHED

Appendix "A" – Summary of draft recommended Employment Land conversion sites by Ward

Appendix "B" – Mapping summary of draft recommended Employment Land conversion sites

Appendix "C" - Draft Employment Land Review Report