

Memorandum

October 9, 2024

MEMO TO: Mayor West and Members of Council

COPY TO: Darlene Joslin, City Manager
Stephen Huycke, Director, Legislative Services/City Clerk

FROM: Gus Galanis, Commissioner of Planning and Building Services

SUBJECT: **Potential Implications of Excluding 600 and 650 Highway 7 East and 9005 Leslie Street from the Comprehensive Official Plan Update and East Beaver Creek/Hwy 7 Secondary Plan Processes**

At its meeting on October 2, 2024 the Committee of the Whole considered staff report [SRPBS.24.078 Completion of Comprehensive Official Plan Update and Secondary Plan Approach](#). At the meeting, a motion was brought forward to exclude the lands at 600 and 650 Highway 7 East and 9005 Leslie Street (“subject lands”) from the Comprehensive Official Plan Update and the East Beaver Creek/Hwy 7 Secondary Plan processes. There were several questions and comments raised by members of Council regarding the implications of the motion. The purpose of this memo is to outline those potential implications.

Background

When the City’s Official Plan (“the Plan”) was adopted in 2010, the subject lands were designated **Employment Lands** and a site-specific exception was identified for the property to permit residential apartment uses to be vertically integrated within the hotel building. Through the York Region Official Plan (“ROP 2022”), the subject lands were removed from the Region’s **Employment Area** designation and were designated **Community Area**. As of July 1, 2024, the in-effect ROP 2022 was deemed to be part of the City’s Official Plan (OP) and the City became responsible for administering the ROP 2022. Even before this change took effect, however, the City’s OP Conformity Update had already been underway with the intention of converting the subject lands from an Employment designation to a mixed-use centre designation in accordance with the ROP.

As part of the OP Conformity Update, the subject lands were identified as part of a **Local Centre** when Council adopted Official Plan Amendment (OPA) 18.3 Vision and City Structure in 2022. **Local Centres** are envisioned to serve as community focal points and to develop as “*revitalized, mixed-use centres with pedestrian-oriented, human-scaled main streets*”. Based on the City Structure and intensification hierarchy frameworks established through **Section 3.1.3** of the Plan, **Local Centres** are contemplated to accommodate lesser scales of intensification behind the **Richmond Hill Centre** and **Key Development Areas**.

In 2023, an OPA application was submitted to the City for the subject lands also known as the Sheraton Parkway development. The proposed development on the subject lands contemplates a maximum site-specific density of 7.0 FSI and building heights ranging from 29 to 55 storeys. In contrast, policies for the existing **Local Centres** permit densities in the general range of 1.0 FSI to 3.0 FSI and maximum building heights ranging from 15 to 20 storeys.

Policy Implications

1. Council approved the East Beaver Creek/Hwy 7 area as a Local Centre and it can only be redesignated through a comprehensive review

- When OPA 18.3 was considered by Council in [2022](#), Lauren Capilongo addressed Council on behalf of the land owner noting that the East Beaver Creek/Hwy 7 area (“EBC area”) should be identified as a Key Development Area (“KDA”) rather than a Local Centre. Incidentally, Council approved the EBC area as a Local Centre through the updated City Structure in OPA 18.3. Staff have since identified a work program to prepare a Secondary Plan for the Local Centre (refer to SRPBS.24.078) in accordance with Council’s direction.
- Policy 3.1.3.2 of the Plan states “*the addition of new or expansion of existing centres and corridors is not anticipated and shall only be initiated by the City through a municipal comprehensive review*”. This policy is to prevent site-specific requests from proposing substantive changes to the City Structure, which is best reviewed on a system-wide/comprehensive basis. Any changes to the City Structure must consider the impacts to servicing, transportation, and other public facilities while also aligning with the larger City vision for growth and development as well as the intensification hierarchy. As noted in the policy, new or expanded centres cannot be added outside of a municipally-initiated comprehensive review (such as an OP update or Secondary Plan process).
- Should Council reconsider the Local Centre status of the EBC area, staff would recommend this status be considered through the Secondary Plan process where the area will be looked at comprehensively in relation to the City Structure.

2. The Need for a Comprehensive Secondary Plan Process for the East Beaver Creek/Hwy 7 area

- Policy 2.3.2 of the ROP 2022, states “*communities shall be planned in a comprehensive and coordinated manner using land efficiently and optimizing infrastructure with a compact, mixed-use, pedestrian friendly and transit-supportive built form*”. The East Beaver Creek/Hwy 7 Secondary Plan (“EBC Secondary Plan”) is needed to establish appropriate land use, building heights, densities, transition, parkland, transportation network, servicing capacity and infrastructure, among other matters identified in the Plan. Moreover, while the proposed Sheraton Parkway development represents a site-specific development on a unique site, it is not the only property within the area with unique characteristics that would benefit from a comprehensive secondary plan framework.
- The Provincial Planning Statement (PPS 2024) emphasizes the need for municipalities to coordinate and integrate planning for infrastructure with land use planning for the purposes of orderly and efficient growth management. Good planning is more than just meeting population and job targets. It requires comprehensive growth management that balances land use planning against other factors such market demand and the feasibility of infrastructure and servicing capacity. When the City’s growth target is “distributed” across the City Structure in accordance with the intensification hierarchy, community services and infrastructure capacities are planned accordingly. Specifically, parks, transportation, water and wastewater master plans are based on density permissions in approved Official Plan and Secondary Plans. Site-specific amendments that significantly depart from the City Structure and are assessed outside of a comprehensive exercise could potentially result in inadequate water and wastewater and road network service capacity. Inability to accommodate ultimate population and jobs for the area could result in significant costs due to unintended service disruptions and the need for additional service upgrades in the future.
- Excluding the subject lands from the Comprehensive Official Plan Update and the EBC Secondary Plan processes may pose several negative planning impacts including, but not limited to:
 - the inability to plan for a fine-grain street network that promotes multi-modal transportation connectivity and mobility. Future public roads and connections are normally identified through the secondary planning process to distribute traffic evenly and to reduce reliance on arterial roads within and surrounding the study area;
 - lost opportunity to identify an appropriate location for a community park for the EBC area. The City’s 2022 Parks Plan confirms that this area is deficient in parkland and requires a new Community Park. In this regard, the City requires a sizable, flat, programmable park block to provide active parkland facilities to serve this area of the City. Finding an appropriate and equitable location would typically be identified and reviewed through a comprehensive secondary planning process, taking into consideration the lands proposed for development, the population that it will ultimately

generate, and the context of the larger area to determine parkland needs for the Local Centre as a whole;

- inability to establish an Urban Design Strategy and objectives for the entire Secondary Plan area to ensure that design solutions contribute to the quality and character of Richmond Hill and are physically compatible with the scale of surrounding areas. In this case, the applicant is proposing a KDA level of intensification which goes beyond the densities and built form contemplated for a Local Centre; and,
- inability to ensure the establishment of an appropriate gateway feature and mix of land uses for the EBC area as identified in the Plan. This area straddles the boundary between Richmond Hill and Markham, is serviced by rapid transit and is adjacent to a Provincial highway. Hence, a review of the appropriate boundary of the Local Centre is required, which may result in changes to the study area boundary and impact where certain land uses and features should be located.

Technical Implications

- Should the subject lands be excluded from the Comprehensive Official Plan Update and the EBC Secondary Plan, staff will continue to process and review the site-specific OPA application submitted by Parkway Hotels and Convention Centre. In consideration of the scale of the proposed site-specific OPA application and potential implications to adjacent and surrounding lands, the applicant will be required to prepare up-front secondary plan level analysis as noted below to justify the feasibility and appropriateness of the proposal, not just site-specifically for its lands, but also in the context of the broader area. The analysis should include, but would not necessarily be limited to servicing constraints and transit service planned for the area. Furthermore, studies and plans submitted in support of the site-specific OPA application must demonstrate planning for a complete community such as parks, community services and walkable retail/employment uses.
- At a minimum, the following analyses will be required as set out in accordance with Section 5.1 (Secondary Plans) of the Plan:
 - specific location and boundaries of the Secondary Plan area;
 - proposed development concept for the Secondary Plan area;
 - overall capacity for development in the area, including population and employment projections;
 - land use policies for development, including policies to ensure compatibility with existing and planned adjacent land uses;
 - policies for minimum and maximum density for development blocks;

- polices for location of public parks and urban open spaces;
- policies for the location of community uses;
- urban design objectives, guidelines or parameters including streetscape, gateways, urban open space and public realm improvements;
- a Greenway System Plan;
- detailed analysis of necessary infrastructure upgrades and investments required for the overall development of the overall proposed secondary plan area, including requirements for transportation upgrades, infrastructure and municipal water and sewage services in accordance with the Urban Master Environmental Servicing Plan;
- traffic impacts and transportation facilities; and,
- provision of affordable housing.

Staffing/Resource Implications

- Staff Report SRPBS.24.078 outlines the estimated cost of retaining a consulting team in 2026 to develop the EBC Secondary Plan and perform the required technical analyses. The estimated budget of \$745,000 for this Secondary Plan only covers the cost of consultants and is based on the premise that staff capacity will be available in 2026 to manage and lead the project.
- Should Council direct staff to exclude the subject lands from the Comprehensive OP Update and the EBC Secondary Plan, to process the application sooner, additional staff resources will be required to prepare Terms of Reference and respond to various technical analyses outlined above.
- Similarly, should Council direct staff to advance development of the EBC Secondary Plan before the 2026 timeframe, additional staff resources will be required to coordinate and manage this project. Prioritization of this Secondary Plan and/or related development proposal work may also necessitate additional/dedicated resources from other critical City business units, including but not limited to Infrastructure Planning and Development Engineering, Urban Design, and Parks and Natural Heritage Planning.
- Staff workplans have already been allocated over the next two years to complete other statutory and corporate commitments, such as the OP Conformity Update and streamlining processes to reflect legislative changes and the new PPS, consolidating policies as a result of the recent downloading of the ROP to the City, participating in the defense of the City's batch 1 and batch 2 OPAs at the Ontario Land Tribunal, and developing and implementing a series of housing initiatives related to the City's Housing Accelerator Fund Agreement. Consequently, these commitments are all high priority projects that cannot be paused or

delayed. Regardless of how the work is implemented (i.e. through a separate development application process or alongside a Secondary Plan process), initiating the work sooner would require funding for dedicated resources, such as a Project Manager and appropriate technical staff to review and comment on the consultant's work.

- Development charges may be used for studies intended to support growth, including the cost of consulting and staff resources.

Conclusion:

As outlined throughout this memo, excluding the subject lands from the Comprehensive Official Plan Update and the EBC Secondary Plan processes would result in a number of policy, technical and staffing/resource implications. The inability to redesignate centres outside of a comprehensive review and the lost opportunity of planning for the area comprehensively are some of the consequences of exempting the subject lands from the process. By proceeding with the development application on its own and in advance of an area-specific policy framework, the applicant would be required to prepare up-front Secondary Plan level analyses of the area to justify the appropriateness and demonstrate the feasibility of the proposed development in the context of the broader Secondary Plan area. Furthermore, in order to avoid pausing or delaying other statutory and high priority commitments, the City would have to hire additional staff resources to accommodate and manage the advanced timing of the proposed development and/or Secondary Plan work.

Submitted by:



Gus Galanis
Commissioner of Planning and Building Services