



Staff Report for Council Public Meeting

Date of Meeting: February 11, 2025

Report Number: SRPBS.25.009

Department: Planning and Building Services

Division: Policy Planning

Subject: **SRPBS.25.009 - Request for Comments -
Municipally-Initiated Official Plan Amendment
on Employment Land Protection - City File
MOPA-24-0002**

Purpose:

A request for comments concerning a proposed municipally-initiated Official Plan Amendment to add policies that would authorize the continuation of existing uses within the City's designated employment lands, which would maintain the employment designation and associated protections from conversion requests.

Recommendation(s):

- a) That staff report SRPBS.25.009 with respect to the draft municipally-initiated Official Plan Amendment regarding employment lands be received for information purposes only and that all comments be referred back to staff.

Contact Person(s):

- Andrew Crawford, Planner II - Policy, extension 5528
- Phoebe Chow, Manager, Policy, extension 2472
- Maria Flores, Director, Policy Planning, extension 5438
- Gus Galanis, Commissioner, Planning and Building Services, extension 2465

Report Approval:

All reports are electronically reviewed and/or approved by the Division Director, Treasurer (as required), City Solicitor (as required), Commissioner, and City Manager. Details of the reports approval are attached.

Page 2

Background:

The purpose of this staff report is to request comments on proposed policies in the Official Plan (OP) that would allow for the continuation of existing uses within the City's designated employment lands and maintain the employment designation and associated protections from conversion requests.

Under the *Planning Act* and the Provincial Planning Statement ("PPS"), municipalities may designate employment lands in their Official Plan where policies permit certain employment-generating uses and prohibit incompatible uses. Designating employment land ensures that the City has appropriate land supply to accommodate businesses that may be incompatible with sensitive land uses (such as residential or institutional) and are unsuitable elsewhere due to reasons such as size, scale, emissions/nuisances and security. An attempt to change land use permissions within designated employment lands is considered an "employment conversion" request and may only be considered or approved based on criteria for conversions.

On October 20, 2024, changes to the *Planning Act* and a new Provincial Planning Statement, 2024 ("PPS 2024") came into effect, including substantial changes related to employment areas. For example, the definition of "area of employment" was revised to limit designated employment lands to uses such as manufacturing, warehousing, goods movement, and related ancillary uses. Previously permitted uses, such as stand-alone retail, commercial, and office uses not associated with another employment use, were removed from the definition. Although these uses technically provide employment (i.e. jobs), they are now excluded from being a business or economic use permitted under a designated area of employment, as they may be accommodated elsewhere in the City. Additionally, PPS policies surrounding the criteria for considering employment conversions have either been watered down or removed. For instance, the previous requirement for conversion requests to be considered only at the time of a municipal comprehensive review is no longer in place. Under the PPS 2024, conversion requests can be submitted to the City at any time, and staff and Council must review these conversion requests on a site-by-site basis rather than as part of a systematic review of all employment areas.

Under the *Planning Act*, excluded business or economic uses located within the defined employment area may continue, as long as those uses were legally existing prior to October 20, 2024 (the day the *Planning Act* changes took effect) and the municipality has OP policies to specifically enable those excluded uses to continue. The purpose of this proposed Official Plan Amendment (OPA) is to add those enabling policies to ensure the continued protection and integrity of the City's employment lands.

The City is currently undergoing its statutory update to the 2010 Official Plan. Employment-related policy updates will be part of the Official Plan Update, which are anticipated to be adopted in Q2 2026. Given the potential risk of a conversion request being submitted in the intervening period, staff are recommending that the policy

Page 3

amendment outlined in this report be advanced sooner than the Official Plan Update to close this policy gap as soon as possible.

Discussion:

Analysis

A wide range of employment-related uses has traditionally been permitted within Richmond Hill's designated employment lands, as is common in Business Parks and as permitted by previous provincial policy at the time. As such, the City's employment lands currently contain a mixture of: manufacturing, industrial, and warehousing uses; stand-alone office buildings; hotels, convention centres and banquet halls; and pockets of commercial and restaurant uses that generally serve the needs of nearby businesses and their employees.

Changes in the *Planning Act* and the PPS 2024 to exclude institutional, stand-alone office and retail/commercial uses ("excluded uses") are intended to protect designated employment lands solely for uses that are not compatible with or cannot be co-located with sensitive uses. Since office and retail uses are compatible with sensitive uses and can be located elsewhere, the Province is directing these uses to be located outside of designated employment areas.

The Province recognizes that many municipalities currently allow excluded uses in their designated employment areas which are critical to the local economy. Accordingly, recent changes to the *Planning Act* also provide municipalities with the ability to authorize the continuation of legally existing excluded uses, provided the municipality's OP specifically contains policies to do so. If municipalities choose not to include such policies, the lands that support these excluded uses will no longer be considered an "area of employment" under the *Planning Act* and the PPS 2024. Without these authorizing policies, conversion of these lands to non-employment uses (i.e., mixed-use, residential) would not be subject to the employment land conversion criteria in the PPS 2024.

For example, converting the designation of an employment-designated property that currently supports a stand-alone office building into a designation that supports a commercial-residential mixed-use building would no longer be subject to the employment conversion criteria in the PPS 2024. The landowner could request an official plan amendment and zoning by-law amendment to redesignate and rezone the lands without having to demonstrate a need for the conversion, or meet the conversion criteria set out in the PPS. Although Council is the approval authority for such requests and may still deny the application, if the application were to be appealed and approved by the Ontario Land Tribunal, it would set a precedent in the area that could potentially lead to adjacent sites also converting to non-employment uses and destabilize the City's employment areas.

Page 4

Given that Richmond Hill is predominately built-out, with no room to create new “areas of employment” due to the presence of the Oak Ridges Moraine, it would not be possible to replace any designated employment lands lost to conversions. As such, it is important for the City to protect the viability of its existing employment lands, in order to accommodate the anticipated growth in employment, provide room for existing businesses to expand, and attract new businesses to the City.

The proposed Official Plan Amendment (OPA) would add two policies to specifically authorize all existing excluded uses within the Employment Area and Employment Corridor designations as part of the defined “areas of employment” under the *Planning Act* and PPS 2024. Under these grandfathering policies, properties with excluded uses would be able to maintain their employment land designation and the associated protections from conversion requests. Having these policies in place will help the City maintain the overall extent and integrity of the City’s employment lands.

This policy approach has been proposed by other GTA municipalities and has been a generally accepted approach to respond to the changes in provincial legislation surrounding employment areas.

Comments

The draft OPA has been circulated internally to other City departments for review, with no significant comments or objections received. Copies of the draft OPA have been circulated to external agencies and any comments received will be considered prior to adoption of this OPA.

Financial Implications:

The recommendation of this report does not have any financial, staffing or other implications.

Relationship to Strategic Plan 2024-2027:

This OPA relates to Pillar 1, Growing a livable, sustainable community by ensuring that Richmond Hill’s employment lands are protected over the long term, and remain viable to allow for jobs within our local community.

Attachments:

The following attached documents may include scanned images of appendixes, maps and photographs. All attachments have been reviewed and made accessible. If you require an alternative format please call the contact person listed in this document.

- Appendix 1 – Draft Official Plan Amendment

Page 5

Report Approval Details

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| Document Title: | SRPBS.25.009 – Request for Comments – Municipally-Initiated Official Plan Amendment on Employment Land Protection.docx |
| Attachments: | - SRPBS.25.009 - Appendix 1 - Draft Official Plan Amendment.pdf |
| Final Approval Date: | Jan 21, 2025 |

This report and all of its attachments were approved and signed as outlined below:

Maria Flores - Jan 20, 2025 - 4:52 PM

Gus Galanis - Jan 21, 2025 - 10:20 AM

Darlene Joslin - Jan 21, 2025 - 10:39 AM