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File No. O-8014
T. Macbeth

TO:	CHAIR AND MEMBERS PLANNING & ENVIRONMENT COMMITTEE
FROM:	JOHN M. FLEMING MANAGING DIRECTOR, PLANNING AND CITY PLANNER
SUBJECT:	URBAN GROWTH BOUNDARY EXPANSION FOR FUTURE INDUSTRIAL GROWTH PUBLIC PARTICIPATION MEETING ON DECEMBER 14, 2015

RECOMMENDATION

That, on the recommendation of the Managing Director, Planning & City Planner, **NO FURTHER ACTION BE TAKEN** regarding the expansion of the Urban Growth Boundary for future Industrial Growth.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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March 5, 2012	Strategic Priorities and Policy Committee, "Status of the 2011 Industrial Land Development Strategy Update"
December 4, 2012	Strategic Priorities and Policy Committee, "O-8014: Industrial Lands Review"
April 23, 2013	Planning and Environment Committee, "O-8014: Industrial Lands Review Public Participation Meeting"
March 17, 2014	Strategic Priorities and Policy Committee, "Industrial Land Development Strategy"
June 17, 2014	Planning and Environment Committee, "Industrial Land Review: Urban Growth Boundary for Future Industrial Growth"
September 9, 2014	Planning and Environment Committee, "O-8362: City of London lands south of Exeter Road, north of Dingman Drive, east of White Oak Road and west of the Marr Drain Public Participation Meeting"
September 23, 2014	Planning and Environment Committee, "O-8014: Industrial Lands Review"
March 23, 2015	Planning and Environment Committee, "O-8014/O-8362: Lands South of Exeter Road, North of Dingman Drive, East of White Oak Road and West of the Marr Drain [and] Recommended Urban Growth Boundary for Future Industrial Growth"

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PURPOSE AND EFFECT

The purpose of this report is to review and consider options for the expansion of the Urban Growth Boundary (UGB) for Industrial land uses for the lands that were identified for inclusion within the UGB that were deferred by Council.

BACKGROUND

Municipal Council, at its meeting held on March 31, 2015 referred clause 11 b)iii) back to staff to consider future options for urban growth boundary expansion for industrial uses, given the new information that has emerged since the Planning and Environment Committee meeting.

Clause 11 b)iii) as referenced read as follows:

- 11. *That, the following actions be taken with respect to the lands located south of Exeter Road, north of Dingman Drive, east of White Oak Road and west of the Marr Drain and the recommended Urban Growth Boundary expansion for future industrial growth:*
 - iii) *the proposed by-law, as appended as Appendix “E” to the staff report dated March 23, 2015, BE INTRODUCED at the Municipal Council meeting to be held on March 31, 2015 to:*
 - I) *amend Schedule “A” - Land Use of the Official Plan, to add additional lands south of Highway 401, east of the Veterans Memorial Parkway extension and north of Wilton Grove Road, within the Urban Growth Boundary (UGB) for future industrial uses; and,*
 - II) *change the designation of the subject lands identified to be included within the Urban Growth Boundary, as amended by clause b) iii) I), above, FROM “Agriculture” TO “Urban Reserve-Industrial Growth”;*

The new information received related to the adjacent livestock operation and the construction of a new earthen manure facility prior to the March 31, 2105 meeting of Council. This new information changed the required minimum distance separation (MDS) requirements for non-agricultural uses.

As a result of this deferral, approximately 80 hectares of land identified to be included within the Urban Growth Boundary to support future industrial development were not added.

The remainder of this report provides a brief update on the status of the related White Oaks/Dingman area Official Plan Amendment for re-designation of Industrial lands to other non-industrial uses and a review of options for the deferred lands, including a Staff recommendation regarding the 80 hectare allotment of future Industrial growth land deferred by Council on March 31, 2015.

Chronology of previous Industrial Lands Review process to date

As part of the City’s statutory five year Official Plan Review process, Council directed that the issue of future industrial land needs be addressed. The comprehensive review of land needs and demands for future Industrial lands was separated from the comprehensive review of future non-Industrial lands (called Community Growth lands).

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In October 2011, Council resolved that Civic Administration bring forward updates to the Industrial Land Development Strategy and any associated Urban Growth Boundary amendments. Following on this direction, the need for expanding the urban growth boundary was conducted together with the City of London’s Official Plan review launched in 2012. The process began in 2012 with the preparation of growth forecasts by Altus Group Economic Consulting.

In November of 2012, a comprehensive review of the supply and demand for industrial uses over the time horizon of the new Official Plan was completed by planning consultant R.W. Panzer. This review was presented to Council’s Strategic Priorities and Policy Committee in December of 2012, with the addition of a staff report that summarized the study and its results. The study recommended an expansion to the urban growth boundary of 500 ha for industrial land uses and identified a series of criteria that should be considered in evaluating where this expansion should occur. These criteria were in keeping with the criteria identified in the Provincial Policy Statement.

In April of 2013, a public meeting was held to allow stakeholders and the public the opportunity to identify lands they wished to be evaluated and considered for inclusion in the UGB, if the UGB was to be expanded. The accompanying report outlined the criteria that were to be considered in any such expansion, consistent with the Provincial Policy Statement.

In April 2014, the update to the Industrial Land Development Strategy (ILDS), which identifies the Municipal Corporation’s long-term strategic role within industrial land development, including planning, servicing, acquisitions and marketing, was also completed.

In June of 2014, Planning Staff presented a report and recommendation to the Planning and Environment Committee which recommended an expansion to the Urban Growth Boundary by approximately 300 ha for future industrial land uses. The report undertook a further review of the need for an urban growth expansion and also identified/recommended lands that should be brought within the urban growth boundary for industrial purposes. The report evaluated a variety of options for expanding the urban growth boundary, based on a series of evaluation criteria consistent with the Provincial Policy Statement. The basis for expanding the Urban Growth Boundary included a review of both the qualitative condition of the existing lands within the Industrial land inventory, and a misalignment between the vacant land supply and the land requirements of target industrial sectors.

The existing land supply included Industrial lands with locations, parcel sizes and configurations, or servicing constraints or other constraints identified in the November 2012 comprehensive review as inadequate to meet the needs of Industrial sectors. The recommended 300 ha expansion of the Urban Growth Boundary would both qualitatively improve the Industrial land supply and quantitatively ensure that there is an adequate supply of industrial lands-the right lands in the right place. The UGB expansion is connected to a concurrent redesignation of some vacant Industrial lands in the White Oak/Dingman area that did not meet the Industrial marketplace’s requirements, based on the evaluation criteria. Those vacant Industrial lands were intended for redesignation to other non-Industrial (Community Growth) uses.

At the September 9, 2014 meeting of the Planning and Environment Committee, an Official Plan amendment was recommended to change the designation for approximately 180 ha of lands within the White Oak/Dingman area from “Light Industrial” and “General Industrial” to “Transitional Industrial”, “Urban Reserve Community Growth”, “Open Space” and “Environmental Review” to consider alternative land designations, including residential uses, and to allow existing uses to transition to new uses.

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At the October 1, 2014 meeting of Council it was resolved that the Industrial Lands Review and the Industrial Urban Growth Boundary expansion be deferred to a future meeting of the Planning and Environment Committee to coordinate the Industrial Lands Review with the related White Oak/Dingman area Official Plan Amendment, and to ensure minimum distance separation (MDS) between livestock operations and other land uses were addressed.

A combined report regarding the White Oak/Dingman Official Plan Amendment and the Industrial Urban Growth Boundary processes (Files O-8362 and O-8014, respectively) was presented to Planning and Environment Committee on March 23, 2015. As a result of that meeting, Council approved approximately 220 hectares of the proposed 300 hectare Urban Growth Boundary expansion, deferred the consideration of 80 hectares of the recommended 300 hectare expansion affected by the adjacent livestock operation, and approved the Official Plan Amendment for the White Oaks/Dingman area to redesignate vacant Industrial lands to future Community Growth and Open Space land uses.

UPDATE

Status of the March 31, 2015, Council Decisions

The March 31, 2015, decision of Council to expand the Urban Growth Boundary by approximately 220 hectares for future Industrial uses is in force and effect. As such, the current Official Plan has been amended to incorporate the expanded boundary. These changes have also been incorporated into the second draft (June 2015) of the London Plan.

The associated Official Plan Amendment approved by Council on March 31, 2015 to redesignate approximately 180 ha of the White Oak/Dingman area from Industrial to non-Industrial Community Growth land use designations was appealed to the Ontario Municipal Board (OMB). The White Oaks/Dingman redesignation would remove lands from the City's industrial lands inventory. The appeal therefore presents some uncertainty regarding the total amount of Industrial land that may be available for future industrial uses.

In addition to the uncertainty associated with the appeal of the White Oaks/Dingman lands, there have also been some Industrial land-related activities since Council's consideration of this matter in March. These activities have implications for the City of London and the City's justification for further expansion of the Urban Growth Boundary to include the approximately eighty (80) hectare allotment that was deferred.

OPTIONS FOR UGB EXPANSION FOR LANDS DEFERRED ON MARCH 31, 2015

Based on previous reports to Council, including the evaluation of candidate sites for inclusion within the UGB based on the evaluation criteria of the Industrial Lands Study (November 2012) and the City's Industrial Lands Development Strategy 2014, there are three options for the approximately 80 hectares of deferred lands.

Option 1: VMP 6

The City could reintroduce the previous recommendation and include the "VMP 6" block of land that was deferred at the March 31, 2015 meeting of Council into the UGB (See Figure 1). This block of land is located south of Highway 401, east of the Veterans Memorial Parkway extension and north of Dingman Drive, and is the strategic eastern "gateway" to the city. It is a

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strategic gateway because it is located along major transportation corridors sought by target industrial sectors (Highway 401 and the Veterans Memorial Parkway), and is at the eastern municipal limits, with easiest access to the Greater Toronto Area/Greater Golden Horseshoe market. Both in terms of location and transportation access, as well as parcel size, this block of land ranked highly on the evaluation.

However, the MDS constraint, which ensures setbacks between livestock operations and non-agricultural land uses, was recently expanded to cover a greater portion of the block because of an expansion to the livestock operation and its manure storage. Only a small portion of the easternmost land in block VMP 6 could develop for non-agricultural uses until such time as the MDS constraint no longer existed. For this reason, this option is not recommended.

Option 2: Next Highest Ranking in Evaluation: “VMP1”

The second option is to include within the UGB all or a portion of the lands that were the next highest ranking in the evaluation. As identified in the March 23, 2015, report to Planning and Environment Committee, the next highest ranking lands within the evaluation were the lands fronting onto Highway 401 south of Bradley Avenue, referred to as “VMP 1” (See Figure 1).

It is important to note that as part of previous land needs reviews for non-Industrial Community Growth land uses, it was identified that the Bradley Avenue area would become the north-south divide between planned residential and planned Industrial uses, respectively. The land needs review for Community Growth determined that no further expansion for Community Growth uses could be justified based on projected growth and land needs over the twenty (20) year planning horizon. As such, lands outside of the UGB between the “Jackson Lands” (east of Jackson Road), and Old Victoria Road, north of Bradley Avenue, could not be included in the Urban Growth Boundary for Community Growth purposes. Although there is justification for expansion of the Urban Growth Boundary for future Industrial uses, and the next highest ranking area in the land evaluation was the remainder of the Bradley Avenue area in “VMP 1”, adding these lands would isolate the lands north of Bradley Avenue, and these lands would remain as a small, Agriculturally-designated area.

Based on the planning considerations that a potential UGB expansion for Industrial lands not have a significant impact on other non-Industrial land uses, and that the lands north of Bradley not be isolated, this option is not recommended.

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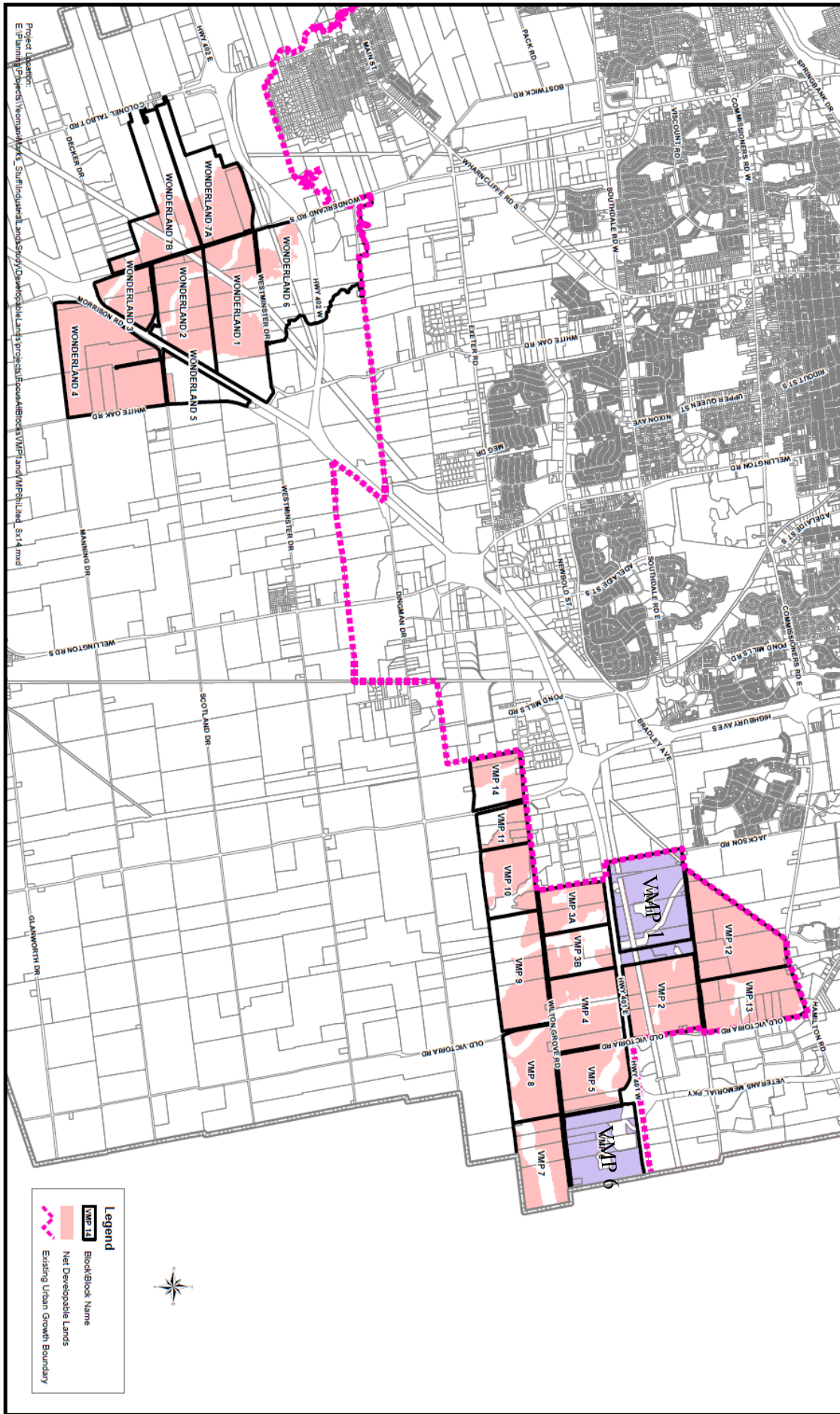


Figure 1: Map of Study Area Blocks

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Option 3: No Further Expansion

Given the limitations associated with the livestock MDS on the VMP 6 block, as well as the current limitations associated with the VMP 1 block related to creation of an agricultural exclave, or “doughnut”, additional options for the approximately 80 hectare allotment of land deferred could either include: (a) seeking different locations; or (b) not expanding the Urban Growth Boundary further as part of the current cycle of Official Plan review. Alternative locations were evaluated and ranked through the Industrial Lands Review process.

Locations identified and evaluated in the east end of the City included lands in the area around the VMP, Bradley Avenue, Highway 401, and Forest City Industrial Park are referred to as “VMP” blocks. Locations identified and evaluated in the west end of the city, referred to as “Wonderland” blocks, are in the vicinity of Colonel Talbot Rd, Wonderland Road, and Highways 401 and 402. Lands requested by landowners to be given consideration as part of this review were also evaluated. Lands requested for consideration came from across the city (see Figure 2), and were evaluated using the same criteria as the Blocks identified by Staff. The Staff-identified blocks incorporated input from LEDC and Realty Services regarding market trends and the land needs of the city’s target industrial sectors.

The Wonderland/Highway 402/Highway 401 area was considered through the Industrial Lands Review process. However, based on the evaluation, the blocks of land in the west of the city ranked lower than those in the east, primarily due to the lack of market interest regarding any lands west of Highbury Avenue. This reflects the importance and draw of the GTA/GGH market on London’s Industrial land needs.

As previously noted, there is uncertainty regarding the quantity of land that will be re-designated to non-Industrial uses in the White Oaks/Dingman Official Plan Amendment area. This related Official Plan Amendment for re-designation of approximately 180 ha was appealed to the Ontario Municipal Board, and it is uncertain to what extent the lands Council approved for re-designation could, in fact, remain Industrial. If all or a portion of those lands remain designated for Industrial development there would be less need to identify alternative lands, although it is important to note that from an Industrial land market perspective, these are not desirable for Industrial use.

Also, the ILDS has been confirmed as a priority action item in *London’s Community Economic Road Map, November 2015*. To implement the ILDS, municipal acquisitions of lands for future Industrial growth are required. Implementation actions of the ILDS are moving forward, and the acquisition processes are for lands within the existing Urban Growth Boundary which could potentially include the March 31, 2015, expansion areas. These acquisitions could increase the City’s near and mid-term Industrial land supply. The ILDS Staff team have noted that land needs for a further expansion of the UGB are not for immediate needs, but longer term in order to satisfy the development strategy of the ILDS. As comprehensive reviews are undertaken as part of the statutory review and update of the City’s Official Plan, longer term land needs and supply will continue to be addressed as required.

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RECOMMENDATION

No further expansion of the Urban Growth Boundary for Industrial lands to add the 80 ha of land deferred in March is recommended for the following reasons:

1. VMP 6 block has considerable MDS constraints on any non-agricultural development.
2. The VMP 1 block would affect the viability of agricultural land north of Bradley Avenue and would create an agricultural “enclave” or “doughnut” surrounded by urban uses.
3. Other alternative locations across the city have been evaluated and were lower ranked against evaluation criteria that included market trends and demands regarding parcel sizes, locations, and servicing.
4. The outcome of the OMB appeal on the redesignation of the White Oaks/Dingman lands is unknown. If all or a portion of these lands remain Industrial, there will be less need to add additional Industrial land.
5. Land acquisitions in support of the City’s ILDS are moving forward within the current UGB and will meet the City’s near and mid-term land needs. As the land supply is reviewed as part of every Official Plan review, the longer term land needs and supply shall continue to be addressed as required.

PREPARED BY:	SUBMITTED BY:
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RECOMMENDED BY:	
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November 18, 2015
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