



September 16, 2021

**Paula Lombardi, Partner**  
**Siskinds**  
680 Waterloo Street  
London, ON N6A 3V8

Dear Ms. Lombardi:

RE: Zoning By-law Amendment Application (City of London File: Z-9356)  
McCor Management Inc.  
755-785 Wonderland Road South (Westmount Mall)  
Our File: 18159'P'

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In response to your request, MHBC has conducted a review of materials submitted in conjunction with the above-noted application relative to the planning policy framework applying to 755-785 Wonderland Road South (the "Subject Lands). We have also had the opportunity to review the public notices issued for this application and the Development Services report (the "Staff Report") issued for the September 20, 2021 public meeting before the City of London's Planning and Environment Committee.

As identified in the City's Public Meeting Notice, dated September 1, 2021, the intent of application Z-9356 is to either (1) add business service establishment as an additional permitted use to the existing Regional Shopping Area Special Provision (RSA2(2)) Zone applied to the Subject Lands or (2) increase the maximum 'cap' for office space in this zone.

The following outlines our preliminary comments relating to the application materials, addressing both Zoning By-law Amendment (ZBA) options and related Official Plan considerations.

### **Application Review**

It is our understanding that the applicant is seeking an additional business service establishment use to broaden the range of permitted uses on the Subject Lands, and to specifically permit a call centre use. Generally, the existing RSA2(2) Zone permits several service commercial and office uses; however business service establishments as defined in Section 2 of the City's Zoning By-law are not expressly permitted:

*"BUSINESS SERVICE ESTABLISHMENT" means an establishment primarily engaged in providing services to business establishments on a fee or contract basis, including advertising and mailing, building maintenance, employment services, protective services, and small equipment rental, leasing and repair.*

As set out in the City's public notices, call centres and customer field offices would be among the uses that would be considered business service establishments and permitted if the first ZBA proposal were approved. In our review of the application materials and the Staff Report, it is unclear if, generically, business service establishments would be considered 'office' uses in the context of the RSA Zone structure. Pursuant to Table 21.3 of the Zoning By-law, a maximum of 10% of the gross leasable floor area (GLFA) of the shopping centre can be allocated to office uses in the applicable RSA Zone structure. Additionally, the application materials and public notices do not appear to indicate the anticipated mall GLFA that would be allocated for the proposed business service establishments.

With respect to the second ZBA proposal, an inventory of floor space within the Westmount Mall, dated September 22, 2016, was made available with the application materials. As set out in the Staff Report, City staff subsequently calculated that under current conditions, the building has approximately 9,100 m<sup>2</sup> of office GLFA; equating to more than twice the permitted floor area under the cap (4,184 m<sup>2</sup>). However, it is further noted in this report that based on the interpretation of the City's Zoning Division, a number of existing uses included in this calculation would not be classified as offices in the context of the Zoning By-law. Notwithstanding, with the inclusion of all existing uses, the amount of current office GLFA may exceed the cap prior to the introduction of any new office-type uses (as contemplated by this application).

In our opinion, in order to assess the potential planning impacts of both ZBA proposals, at a minimum, the applicant should (1) prepare an updated inventory of the existing office GLFA for further evaluation and (2) confirm the amount of space intended for new office-related users. This information would help clarify existing conditions relative to the office cap, and help confirm the magnitude of any proposed cap exceedance. City staff should also confirm if a call centre would be subject to this cap and included in the calculations of total GLFA pursuant to Table 21.3. Rationale should be provided if it is concluded that this type of use is separate and distinct from those office uses subject to the cap.

### **Official Plan Considerations**

The City's Official Plans contain a number of policies that are intended to help sustain and enhance the vitality of the City's Downtown, and to reflect related objectives and guidance in London's Downtown Plan (Our Move Forward), the Downtown London Community Improvement Plan and the Core Area Action Plan. It is our opinion that this direction is largely encapsulated in the following policies of The London Plan and the 1989 Official Plan:

#### The London Plan

City Structure Plan:

**128\_** At the top of the hierarchy for these centres [*Downtown, Transit Village, Rapid Transit Corridor place types*], the Downtown will offer rich cultural opportunities and a wide variety of services that will be offered to those who live throughout the city as well as those living Downtown. With the exception of offices that are directly ancillary to industrial uses, our large office spaces will be directed to the Downtown to ensure its long- term health and vibrancy.

Downtown Place Type:

795\_ Our Downtown will be the hub of our economy's business community, containing the city's largest office buildings and a complex blend of professional and business service functions that collectively create dynamic synergies. Our vibrant Downtown restaurants, entertainment venues, hotels, and convention centre facilities, combined with the highest-order communications infrastructure, will be attractive to those who work Downtown and those businesses that seek out the best and the brightest employees.

1989 Official Plan

City Structure Policies:

- 2.4.1. i) The Downtown shall be primary business, office, institutional, entertainment and cultural centre for the City of London.
- vii) The Downtown shall continue to be the dominant office employment area in the City, and large office developments shall be encouraged to locate there. Opportunities will be provided for small and medium-scale office development in locations outside of the Downtown to accommodate uses that have site area, location or accessibility requirements which may not be appropriate for a Downtown location

Downtown Designation Policies:

- 4.1.1. i) Promote the continued development of the Downtown as the primary business, administrative, institutional, entertainment and cultural centre for the City of London and as a regional centre for Southwestern Ontario.
- ii) Concentrate the development of major office buildings, hotels, convention facilities, entertainment and cultural uses, major indoor sports facilities and government buildings, having City-wide or regional significance, within the Downtown.

The London Plan also includes two applicable intensity policies relating to office space caps which, in our opinion, are intended to support the planned function of the Downtown and protect the Downtown office market:

799\_14. Direct large-scale office developments, greater than 5,000m<sup>2</sup>, to the Downtown to prevent the deterioration of the important Downtown office market while still allowing for a reasonable supply of office uses outside of the Downtown.

878\_6. Total aggregate office uses will not exceed 2,000m<sup>2</sup> within a Shopping Area Place Type.

In our opinion, in the context of both Official Plans, business service establishments would likely be considered office uses and would be subject to Policy 878\_6 of The London Plan. This finding reflects the conclusion set out in Section the Staff Report respecting call centres. Accordingly, to assess whether this application conforms with this Shopping Area place type policy, a current inventory of existing office space within the existing mall is required and additional information is required on the total space intended for new office-type uses. It is also our opinion that this information is required to assess the potential impact of this proposal on the planned function of Downtown London, as described in Policy 795 of The London Plan, and the Downtown office market.

## Summation

In light of these concerns, without additional information confirming the inventory of existing office space, the magnitude of any proposed cap exceedance and detailed rationale for the proposed cap increase, in our opinion, the potential planning impacts of this proposal cannot be adequately assessed. Absent confirmation of this inventory any consideration of the inclusion, or increase, of additional office space is premature. At a minimum, the applicant should also demonstrate that this proposal (1) satisfies applicable Official Plan policies and Zoning By-law regulations regarding office space caps and (2) would not adversely impact on the planned function of other areas designated for office development, particularly Downtown London. Based on the information provided to date, in our opinion the applicant has not provided sufficient rationale to adequately address these fundamental matters.

Our concerns are reflective of the commentary provided in the Staff Report, and we are in agreement with the basis for the refusal recommendation detailed in the report. In this respect, we agree with the following conclusion set out in Section 3.3 of the report:

“The proposed zoning by-law amendment has numerous negative impacts on the office space situated in the Downtown area and fails to comply with the policies set out in The London Plan. Any increase in office space at the subject property should not be permitted until such time as it can be clearly demonstrated that the proposed increase will not adversely impact on the viability of the Downtown office market.”

We trust this information is of assistance. Should you have any questions pertaining to our comments, please do not hesitate to contact the undersigned.

Yours truly,

**MHBC**

A handwritten signature in black ink, appearing to read "Scott Allen". The signature is fluid and cursive, with the first name "Scott" and last name "Allen" clearly distinguishable.

Scott Allen, MA, RPP  
Partner