

Report to: Development Services Committee

Report Date: May 6th, 2014

SUBJECT: PRELIMINARY REPORT

Neamsby Investments Inc., Rosina Mauro and Fulton Homes

Limited

Official Plan amendment application to redesignate

employment lands to allow residential uses at 5659 to 5933

14<sup>th</sup> Avenue

File No: OP 13 108448

PREPARED BY: Stacia Muradali, Ext. 2008

Senior Planner, East District

**REVIEWED BY:** Dave Miller, Ext. 4960

Manager, East District

### **RECOMMENDATION:**

That the report titled "PRELIMINARY REPORT, Neamsby Investments Inc., Rosina Mauro and Fulton Homes Limited, Official Plan amendment application to redesignate employment lands to allow residential uses at 5659 to 5933 14<sup>th</sup> Avenue, File No: OP 13 108448," be received;

- 2) That staff be authorized to schedule a statutory Public Meeting to consider the Official Plan amendment application;
- 3) And that staff be authorized and directed to do all things necessary to give effect to this resolution.

### **EXECUTIVE SUMMARY:**

Not applicable.

### **PURPOSE:**

The purpose of this report is to provide preliminary information on the Official Plan amendment application submitted by Neamsby Investments Inc., Rosina Mauro and Fulton Homes Limited (referred to as Neamsby Investments Inc. et al) to redesignate employment lands to allow residential uses at 5659 to 5933 14<sup>th</sup> Avenue, and to seek authorization to hold a statutory Public Meeting. This report contains general information in regards to applicable OP or other policies as well as other issues and the report should not be taken as Staff's opinion or recommendation on the application.

The Official Plan amendment application was deemed complete on April 3, 2013.

### **BACKGROUND:**

### Subject lands and area context

The "subject lands" are comprised of nine (9) individual properties (5659 to 5933 14<sup>th</sup> Avenue) the majority of which (7 properties) are owned by Neamsby Investments Inc. and other companies all of which are affiliated with the Remington Group Inc., with the remainder of the subject lands owned by Rosina Mauro and Fulton Homes Limited. The subject lands in total are approximately 26.6 hectares (65.7 acres) and are located on the south side of 14<sup>th</sup> Avenue, east of Middlefield Road, west of Markham Road. There is an existing heritage house located on 5933 14<sup>th</sup> Avenue (see Figure 3). There are industrial uses located on the north side of 14<sup>th</sup> Avenue, a retail/commercial development located to the east, and low density residential uses and a fire station on the west side of Middlefield Road. Low density residential uses also abut the subject land on the south side. The South East Community Centre and Library under construction at the south-east corner of Middlefield Road and 14<sup>th</sup> Avenue, and a future neighbourhood park, also abut the subject lands.

### Proposed redesignation of employment lands to permit residential uses

The applicants are proposing to redesignate 22.2 hectares (54.8 acres) of the subject lands from employment uses to residential uses. Under the current Official Plan (Revised 1987) the majority of the lands which are proposed to be converted from employment to residential uses are designated "Industrial – General Industrial Area". The remainder of the subject lands which front onto 14<sup>th</sup> Avenue are designated "Industrial – Business Corridor Area" (see Figure 5). The "Industrial – General Industrial Area" is intended to accommodate industrial activities related to manufacturing, processing, repair and servicing and warehousing.

The applicants are proposing to develop 22.2 hectares (54.8 acres) of the subject lands with residential uses which will be comprised of 283 single detached homes and 371 townhouses for a total of 654 residential units (see Figure 4). The proponents are proposing to retain a 4.4 hectare (10.9 acre) portion of the subject lands which fronts onto 14<sup>th</sup> Avenue in an employment designation. An office building or a number of office buildings with the potential for other types of employment uses on the ground floor of the office building(s) are envisioned for the lands along the 14<sup>th</sup> Avenue frontage, however, it is still in the preliminary stage and the proponents have not made any formal submissions to the City in this regard.

The City's new Official Plan, adopted by Markham Council in December 2013 but which has not yet been approved by the Region designates the subject land "General Employment". Manufacturing, processing and warehousing uses are contemplated for these areas. The lands proposed to be redesignated from "General Employment" to residential are shown as a 'Deferral Area' on Map 3- Land Use and are subject to site-specific policies which are described in detail later in this report.

# Staff previously recommended denial of a number of Official Plan amendment applications for the conversion of employment lands

On May 21, 2013, in a report titled "Draft Official Plan 2012 – Employment Conversion and Redesignation Applications", the Development Services Commission recommended denial of a number of applications to amend the new Official Plan to redesignate employment lands to non-employment uses, including the Official Plan Amendment application submitted by Neamsby Investments Inc. et al. The reasons for recommending denial of the employment conversion applications cited in the May 21, 2013 report include among others, the following:

- 1. The need for the removal of employment lands has not been adequately justified.
- 2. Staff are not satisfied that the employment targets will be met by the proposed developments.
- 3. Staff are not satisfied that the employment conversions will not affect the viability of the employment areas.
- 4. Staff are of the opinion that all of the employment lands are required over the long term to maintain and grow a strong and vibrant economy. It is also staff's opinion that all of the employment lands are needed to achieve Markham's employment targets.

The Provincial Growth Plan states that municipalities may permit the conversion of employment lands to non-employment uses only through a municipal comprehensive review where it has been demonstrated that the following six (6) tests have been met:

- 1. there is a need for the conversion;
- 2. the municipality will meet the employment forecasts allocated to it by the Growth Plan;
- 3. the conversion will not adversely affect the overall viability of the employment area, and achievement of the intensification target, density target and other policies of the Plan;
- 4. there is existing or planned infrastructure to accommodate the proposed conversion;
- 5. the lands are not required over the long term for the employment purposes for which they are designated; and
- 6. cross-jurisdicational issues have been considered.

# Landowners planning justification for proposing the conversion of employment lands

The proponents submitted a planning justification report prepared by Opus Management Inc. dated March 21, 2013 (the "planning justification report"), in support of the Official Plan amendment application to redesignate the employment land. The planning justification report identifies the following planning rationale and considerations in support of the redesignation of the subject lands from employment to allow residential uses:

- 1. The proposed conversion is needed and timely given that the current Industrial designation has been in place for at least 35 years, during which time the locational and surrounding compatibility context have changed considerably while the intended function has not.
- 2. The location of the subject lands is unsuitable for ELE (Employment Land Employment- related to manufacturing, processing, warehousing and distribution uses) because of associated difficulties competing with 400 series Highway corridors. The proponents' planning justification report contends that market feedback has indicated that the lands are not viewed as being competitive or preferred for employment as compared to other locations in respect of location, accessibility, rail access and particularly in terms of proximity to residential and other sensitive uses.
- 3. The proximity of sensitive land uses such as residential and community centre/institutional uses limit the function of the subject lands and the type of employment the lands can provide would contribute few jobs
- 4. The proposed conversion will not result in a reduction in the employment inventory by providing "a comparable level of employment but in a more contemporary, compatible and complementary context" when the retained lands along the 14<sup>th</sup> Avenue frontage are developed with future office/employment uses. The proponents have indicated that future office building(s) with the potential for other types of employment uses on the ground floor will be developed on the retained lands in the future.
- 5. The Employment Lands Assessment undertaken by MMM Group Limited and dated March 15, 2013 estimated that the current "Industrial" designations could yield between 1,036 and 1,244 jobs. The proposed future office building(s) and light industrial uses to be developed on the retained lands along 14<sup>th</sup> Avenue could yield 1,206 jobs.
- 6. A preliminary assessment of transportation infrastructure concludes that the proposed development is consistent with the City's overall direction for encouraging transit-oriented development and travel demand management given the location of the site with proximity to transit.
- 7. There is adequate servicing and community infrastructure to support the proposed conversion.
- 8. There are no cross-jurisdictional issues with respect to land use compatibility, infrastructure, access, transportation or coordination matters.

### Staff response to landowners planning justification rationale

In 2013, Staff provided the following comments to Development Services Committee, specific to this Official Plan Amendment application submitted by Neamsby Investments Inc. in addition to the aforementioned overall comments and did not support the request for conversion for the following reasons:

- 1. Additional residential lands are not needed to achieve Markham's residential intensification targets.
- 2. The accommodation of the lost ELE jobs has not been addressed. The loss of the General Employment lands which form the majority of the subject lands, reduces

the viability of the remaining Business Corridor/Service Employment lands along the 14<sup>th</sup> Avenue frontage.

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- 3. There is a long term need for ELE lands in Markham to ensure a diversity of employment types.
- 4. The interface with adjoining land uses can be appropriately managed.
- 5. The redesignation of the General Employment lands to residential may have the effect of further restricting the uses on the 14<sup>th</sup> Avenue lands, further compromising Markham's employment forecasts.

### Recommendations from Development Services Subcommittee on applications for the conversion or redesignation of employment lands

The applications identified in the May 2013 staff report were referred to a Development Services Subcommittee for further consideration and recommendation regarding the appropriateness of allowing the lands to be considered for conversion, and for continuing to process the applications. The Development Services Sub-Committee held a number of meetings between July and October 2013, to consider the applications for employment land conversions.

On October 22, 2013, staff reported on the "Recommendations from Development Services Subcommittee on Applications for Conversion or Redesignation of Employment Lands." The Subcommittee's recommendations on the Official Plan Amendment application submitted by Neamsby Investments Inc. et al. are as follows:

1. That staff be directed to continue to process the employment land conversion application by Neamsby Investments Inc. et al and that the employment land designation be deferred in the new Official Plan.

The Subcommittee also recommended the following criteria to be considered by Development Services Committee and Council in reviewing all applications for employment conversion identified for deferral in the new Official Plan:

- 1. Compatibility to adjacent land use;
- 2. Achieving an increase in the number of jobs that would otherwise be provided under the "Employment Lands' designation on the subject land, or at minimum, no net reduction in jobs on the site;
- 3. Proximity to transit;
- 4. Provision of lands for a VIVA terminal;
- 5. Achieving better public amenities, including but not limited to public art, Section 37 community benefits and publicly accessible private amenity spaces; and
- 6. Where the location is appropriate, provide for affordable or seniors housing.

Development Services Subcommittee also recommended including the criteria in any special deferral policy applicable to the said sites in the new Official Plan. The deferral policy relating to the Neamsby application provides for Council consideration of a land use designation other than an 'Employment Lands' designation if the proposed amendment conforms to the policies of the Provincial Growth Plan and all other policies

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of the new Official Plan, and having regard for amongst other things, the criteria prescribed by Council as applicable. Development Services Committee adopted the Subcommittee's recommendations.

### Landowners response to the new Official Plan site-specific criteria

The proponents submitted a letter dated April 8<sup>th</sup>, 2014 prepared by The Remington Group (attached as Appendix 'A') to respond to how the proposed development satisfies the Council criteria established in the new Official Plan site-specific policies applicable to the subject lands. The letter prepared by The Remington Group is summarized below.

- 1. Compatibility with adjacent land use
  - The proposed residential uses would be compatible with the adjacent residential community.
  - The current employment designation has the potential to impact the adjacent residential neighbourhood by generating noise, dust and odours from truck traffic, manufacturing, processing and open storage activities.
- 2. Achieving an increase in the number of jobs that would otherwise be provided under the "Employment Lands" designation on the site, or at a minimum, no net reduction in jobs on the site
  - The proponents retained MMM Group to undertake an economic analysis of the potential employment activity for the subject lands. The analysis was based on employment numbers which were derived from the Armadale Employment Park on the north side of 14<sup>th</sup> Avenue.
  - The MMM Group analysis determined that the current permitted employment uses could yield 1,036 jobs while the future office space of approximately 244,000 square feet which is proposed for the retained lands, could generate a total of 1,320 jobs.
- 3. Proximity to transit
  - 14<sup>th</sup> Avenue is designated as a "Regional Transit Priority Network" in the Region of York Official Plan. Bus routes including York Region and TTC currently operate on 14<sup>th</sup> Avenue and Markham Road.
- 4. Provision of land for a VIVA terminal
  - To date there has been no expression of interest with respect to the provision of a VIVA terminal on the subject lands.
- 5. Achieving public amenities, including but not limited to public art, Section 37 community benefits and publicly accessible private amenity spaces
  - The Remington Group in their letter, committed to applying innovative green building and construction techniques to the proposed residential development which could include Low Impact Development (LID) 'green roads" (which may include incorporating where appropriate, swales/ bioswales, permeable pavement, and/or different forms of bioretention) and LEED certified residential homes.

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6. Where the location is appropriate, provide for affordable or seniors housing

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• The Remington Group in their letter states that the proposed development will be comprised of a smaller housing product which can serve as starter homes for families or young adults, and also serves seniors who have fixed or lower incomes to purchase their own homes.

### Zoning

The subject lands are zoned "Rural Residential Two (RR2)", "Rural Residential Four (RR4)", "Business Corridor (BC)" and "Industrial ("M"). The current zoning does not permit the proposed residential development. An application to amend the Zoning Bylaws to permit the proposed development in addition to an application for draft plan of subdivision will be submitted at a later date.

### **OPTIONS/ DISCUSSION:**

The following is a brief summary of concerns/issues raised to date. Other matters may be identified through the detailed review of the proposal.

- The Region of York is the approval authority for the Official Plan Amendment application.
- Staff continue to have concerns with the non-employment redesignation of these employment lands for residential uses.
- Future Zoning By-law amendment and Draft Plan of Subdivision applications will be required to permit the proposed residential development, if the Official Plan Amendment application is approved.
- A Community Design Plan related to the major Official Plan Amendment application will be required prior to any development approvals.
- Staff will review the appropriateness of the applicant's response to the sitespecific criteria in the new Official Plan.

**FINANCIAL CONSIDERATIONS AND TEMPLATE: (external link)** Not applicable.

# **HUMAN RESOURCES CONSIDERATIONS**

Not applicable.

## ALIGNMENT WITH STRATEGIC PRIORITIES:

The Official Plan Amendment application will be evaluated against the City's strategic priorities especially as it relates to growth management.

# **BUSINESS UNITS CONSULTED AND AFFECTED:**

The application has been circulated to various City departments and external agencies for their review and comments.

### **RECOMMENDED BY:**

Biju Karumanchery, M.C.I.P.,R.P.P.

Senior Development Manager

Jim Baird, M.C.I.P., R.P.P.

Commissioner of Development Services

### **ATTACHMENTS:**

Figure 1: Location Map

Figure 2: Area Context/ Zoning

Figure 3: Air Photo

Figure 4: Proposed Draft Plan

Figure 5: Official Plan Designations

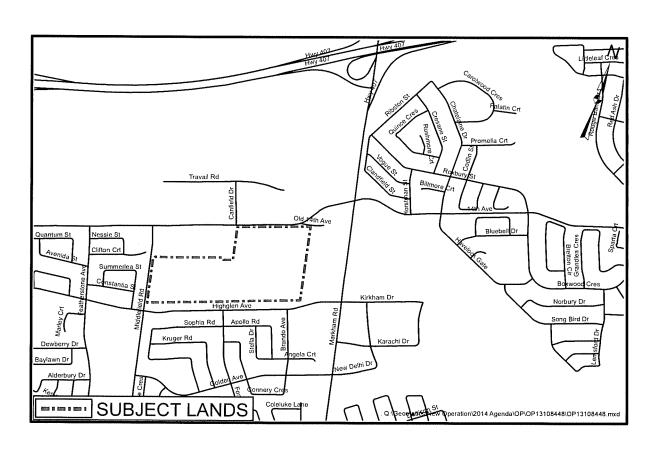
Appendix 'A': Letter dated April 8<sup>th</sup>, 2014 from The Remington Group

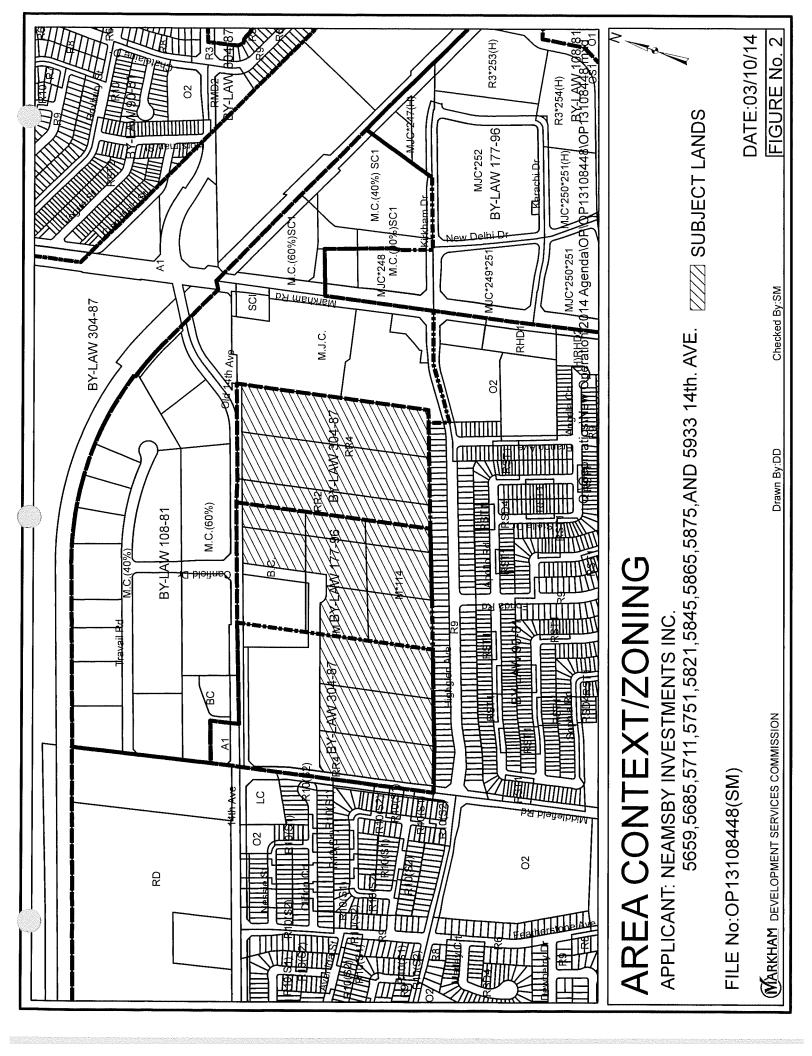
# APPLICANT CONTACT INFORMATION:

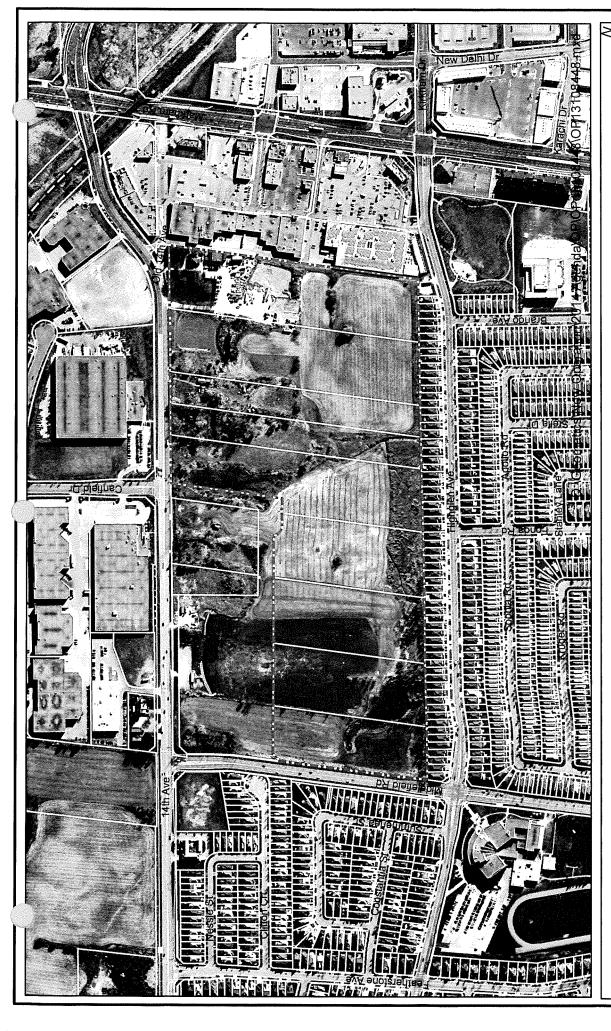
Mr. Randy Peddigrew Senior Vice President The Remington Group Inc. 7501 Keele Street, Suite 101 Vaughan, ON, L4K 1Y2 (Tel) 905-761-8200

(Email): rpeddigrew@remingtongroupinc.com

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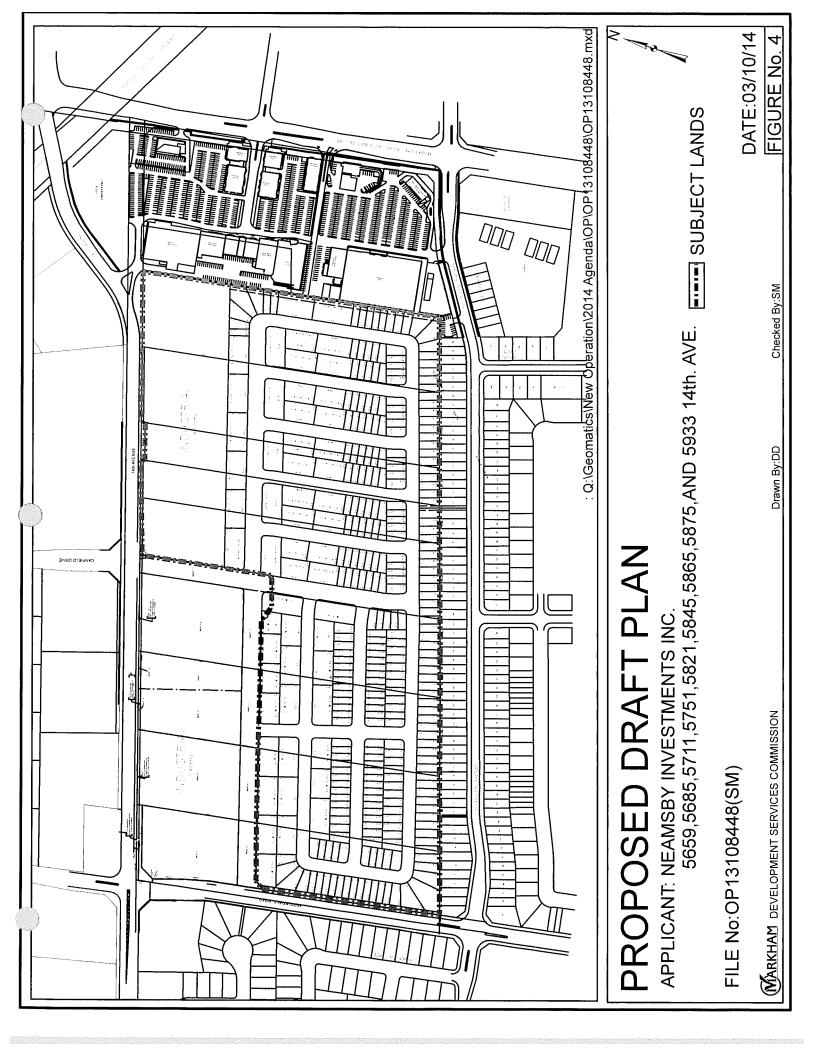
# **AIR PHOTO 2012**

SUBJECT LANDS APPLICANT: NEAMSBY INVESTMENTS INC. 5659,5685,5711,5751,5821,5845,5865,5875,AND 5933 14th. AVE.

FILE No: OP13108448(SM)

(MARKHAM DEVELOPMENT SERVICES COMMISSION

DATE:03/10/14





# - PLAN DESIGNATIONS OFFICIAL

APPLICANT: NEAMSBY INVESTMENTS INC. 5659,5685,5711,5751,5821,5845,5865,5875,AND 5933 14th. AVE.

OP13108448(SM) FILE No: Q.\Geomatics\New Operation\2014 Agenda\OP\0P13108448\0P13108448.mxd



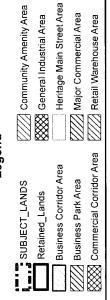


FIGURE No. DATE:04/16/14

Drawn By: CPW

Checked By:SM



THE REMINGTON GROUP INC.

April 8, 2014

City of Markham Planning and Urban Design Department 101 Town Centre Boulevard Markham, Ontario L3R 9W3

Attention: Ms. Stacia Muradali, Senior Planner

Dear Ms. Muradali:

RE: Official Plan Application OP 13 108448

Neamsby Investments Inc. - South 14th Avenue

Conformity Criteria Section 9.2.10

In respect of Section 9.2.10 contained within the City of Markham's New Official plan, which has been approved by Markham Council but not yet adopted by the Region of York. We provide the following information for your consideration.

### 1. Compatibility with Adjacent Land Use

The subject lands are located immediately adjacent to an established residential community (attachment 1) both to the west and to the south. The southern boundary of the lands are shared with an existing residential neighbourhood. The proposed residential land use would be compatible with this community by providing housing types that are similar in nature. The existing employment designation would introduce a building type that would have a high probability of generating noise, dust and odours from truck traffic/movements, potential manufacturing and processing activities and open storage. To have those types of employment uses immediately adjacent to an established residential neighbourhood would not be appropriate and will result in ongoing conflicts with the existing community.

In addition to the proximity of this site to an established residential neighbourhood, a new municipal community centre/library and neighbourhood park (attachment 2) is under

construction at the south east corner of Middlefield Road and 14<sup>th</sup> Avenue. The selection of this site as a community centre/ library and neighbourhood park was done so because of its convenient location for the existing residents in the area. It is anticipated that the community centre/park site will generate significant pedestrian movement as members of the community walk from either their homes or from the elementary school located at Middlefield and Highglen Avenue. The introduction of an industrial subdivision with truck traffic is not compatible with the municipal facility or the new neighbourhood park and would create an unnecessary safety risk for all pedestrians (particularly school age children) who will visit the site.

The proposed land use would allow for the introduction of a residential community that would not only be compatible with the surrounding residential community but with the community centre and neighbourhood park (attachment 3).

In addition the new land use proposal contemplates the retention of the lands along the 14<sup>th</sup> Avenue frontage for a higher order office employment use (attachment 4). The intent is to provide a land use transition from the industrial park located on the north side of 14<sup>th</sup> with uses that are intended to serve the needs of the proposed new residential community and the existing community. The office/service employment uses would not generate a high level of truck traffic and is located in an area that would not result in the same safety and noise concerns to the existing community that the other employment uses will surly generate.

Immediately to the east of the subject lands is a full service commercial retail plaza with shopping and restaurant uses. The proximity of this use to the new proposed residential community will encourage more pedestrian movement in the community. Providing more opportunities for residents to 'leave the car at home' while conducting their daily shopping needs should be encouraged.

It is our submission that <u>if</u> this site was undesignated today and applications were submitted for an industrial development plan it would not be supportable from a planning perspective, given the surrounding land use context.

It must further be noted that given the proximity of the existing established neighbourhoods, industrial users are hesitant to undertake a substantial capital investment in an area where conflicts are sure to arise and interfere with their daily commercial activities. The types of uses that would be established on lands with a similar designation will seek out locations that do not have established residential communities in such close proximity.

### 2. Employment Job Creation

In support of our official plan application we retained the services of the MMM Group to prepare an economic analysis of the potential employment activity for these lands, based on the current designations and based on the proposed designations.

The analysis determined, based on the employment numbers derived from the Armadale Employment Park located on the north side of 14<sup>th</sup> Avenue, that the average employment density that would be expected from these lands if they were to be developed as an industrial park would be 48.2 jobs per hectare. It should be noted that most employment users would be reluctant to locate on the subject lands due to the land use compatibility issues identified above.

The net developable area of the subject lands is 21.5 ha. Based on an employment generation of 48.2 jobs per hectare the total number of jobs likely to be generated under the current designation would be 1,036. The retention of the lands along the south side of 14<sup>th</sup> for higher order office uses (approximately 244,000 sq.ft. of office space) would generate a total of 1320 jobs, based on a ratio of 185 sq.ft. per employee.

Based on the above it is clear that there would be no net reduction in jobs but an actual increase in employment activity (284 jobs) of a type that would not only be compatible with the existing established neighbourhood's but would be potentially complimentary.

### 3. Proximity to Transit

The York Region Official Plan designates 14<sup>th</sup> Avenue as a "Regional Transit Priority Network". The York Region Official Plan states the following regarding Regional Transit Priority Network:

24. To provide preferential treatment for transit vehicles on Regional Streets, designated as Regional Transit Priority Network on Map 11, including the construction of high-occupancy vehicle lanes, dedicated transit lanes, transit signal priority and other transit priority measures within the right-of-way.

Currently 14<sup>th</sup> Avenue has York Region Transit during the week (Route 14) that travels past the lands, YRT/ Viva runs a service from Denison, north on Middlefield to Highglen Avenue and York Region Transit and the TTC have a route on Markham Road (Highway 48) that travels to and from the Warden Subway facility.

This site is well serviced by transit and would not result in a need to extend service routes. It will also allow for intensification of residential uses along existing transit routes which will increase the opportunity for ridership and lower operating costs.

### 4. Provision for a VIVA Terminal

Although to date no expression of interest has been received regarding the provision of a VIVA terminal on the subject lands, should the interest or need for transit facilities arise we would entertain the opportunity and integrate the facility into our proposed development.

### 5. Achieving Public Amenities

We have maintained that the development of the subject lands as a 'green' demonstration site remains applicable. It is intended that the site would become an opportunity for the municipality and the Toronto and Region Conservation Authority to explore with the landowners green building and construction techniques that have yet to be applied to ground related residential communities in Markham. Among the many initiatives that would be explored items such as LID 'green roads' and LEED certified residential homes.

We are of the opinion that the techniques explored on this site would assist the municipality as it grows into green field areas to understand what environmentally friendly measures can be achieved in the public realm (roads, sidewalks et cetera) within new ground related subdivisions.

Some of the items that would be explored within the new homes would be the following:

- increased insulation levels;
- Draft proofing;
- Low e2 dual pane windows with argon gas;
- Integrated HRV and air handler;
- Properly sized and sealed ductwork;
- Radiant heating system roughed in for the basement floor;
- Roof overhangs for solar shading;
- · Rough in for gas dryer and range;
- · Energy efficient lighting;
- Programmable web-connected thermostat;
- In home real-time energy monitor;
- Rainwater harvesting cistern to supply toilets and irrigation;
- Dual flush low flow toilets;

- Low flow facets;
- Touchless vanity facets;
- Automated "SMART" irrigation system;
- Locally sourced construction materials;
- Fifty year shingles;
- Built in kitchen recycling centre;
- On-site waste diversion and recycling program;
- Low VOC paints;
- Steam based insulation propellant;
- Hard surface flooring;
- HEPA filtration unit;
- Formaldehyde free plywood cabinets and forest stewardship council (FSC) wood.

In addition to sustainable building techniques we are proposing to introduce pedestrian connections to the new community centre and neighbourhood park, an amenity area on the retained employment block that would serve both the employees and residents in the community (attachment 4).

### 6. Affordable or Seniors Housing

By the nature of the homes to be constructed on the site they will provide a range of ground related housing options from traditional single family homes to townhomes. By offering a smaller housing product to the market we will fulfill a market demand for starter homes within the community. This will allow families who have either young adults or seniors who have lower or fixed incomes to purchase their own home and stay within the community.

Based on the above it appears that the subject official plan amendment application does meet the general intent of policy 9.2.10. Specifically:

- Resolves potential land use conflicts by introducing a compatible land use;
- Will provide more jobs than originally anticipated;
- Is located on existing transit routes and adjacent to a "Regional Priority Transit Network";
- Provision for a VIVA Terminal can be accommodated;
- Substantial public amenities will be achieved by the introduction of LEED or LEED equivalent constructed housing program and green infrastructure;
- Will provide for a variety of ground related housing types, including smaller housing products that will appeal to the first time buyer or seniors looking to downsize but stay within the community.

Trusting that this is of assistance. Should you require any additional information, please do not hesitate to contact me at (905) 761-8200.

Sincerely,

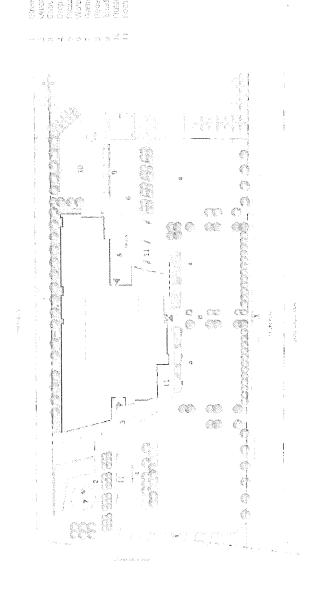
Randy Peddigrew

Senior Vice President, Land Development

Encl.

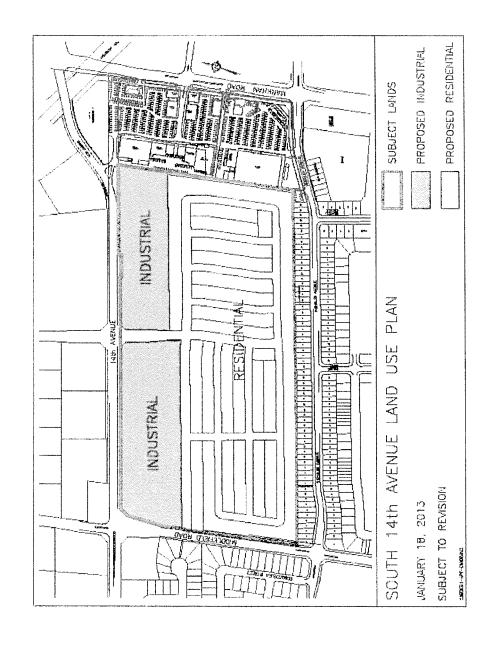


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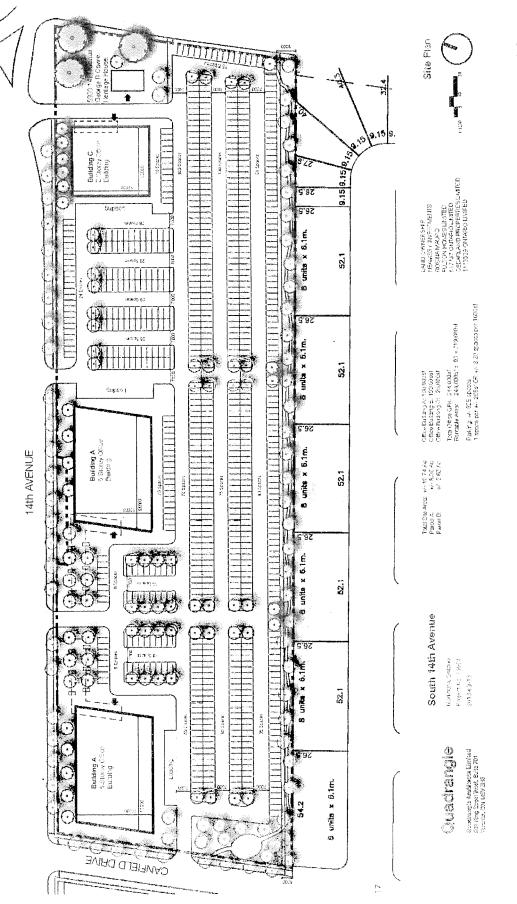


STELLANDSCAPE PLAN

# 



# South 14th Avenue - Site Plan



official Plan Application OP 13 108448 - Neamsby Investments Inc.

Attachment 4