
**REPORT TITLE: Phase 2 of the Peel 2051 Municipal Comprehensive Review:
Consideration of Potential Employment Area Conversions Results**

FROM: Kealy Dedman, Commissioner of Public Works

RECOMMENDATION

- 1. That the findings outlined in the report from the Commissioner of Public Works, listed on the December 7, 2023 Regional Council agenda titled “Phase 2 of the Peel 2051 Municipal Comprehensive Review: Consideration of Potential Employment Area Conversions Results”, be endorsed; and**
- 2. That staff be directed to undertake the next steps outlined in the subject report and report back to Regional Council with a recommendation on a Regional Official Plan Amendment to consider removing Site 1 and the western portion of Site 2 in the City of Mississauga, as well as the Dry Industrial lands in the Bolton GO Station Area of the Town of Caledon, from the “Employment Area” designation on Schedule E-4 of the Region of Peel Official Plan; and**
- 3. That a copy of the subject report be forwarded to the Ministry of Municipal Affairs and Housing, City of Brampton, Town of Caledon and City of Mississauga for information.**

REPORT HIGHLIGHTS

- When adopting the new Region of Peel Official Plan on April 28, 2022, Regional Council directed staff to consider potential employment area conversions that warrant further analysis and collaboration with local municipalities, and include three employment sites in Mississauga to be considered in the analysis.
- Through consultation with local municipal staff, Caledon staff requested that lands in the vicinity of King Street West and Humber Station Road, referred to as the “Dry Industrial lands” be considered for further analysis as well.
- Regional Council directed staff to report back on the review’s findings by December 2023;
- Review of the subject lands for potential conversions to Community uses has been completed by Peel staff, jointly with Caledon and Mississauga staff.
- The Dry Industrial lands in the Bolton GO Station Area of Caledon, as well as Site 1 and the western portion of Site 2 in Mississauga, can satisfy most of the Region of Peel Official Plan conversion criteria in policy 5.8.34, however, the remaining criteria will need to be met through the next steps outlined in this report.
- This report outlines the findings of the review, and staff are seeking direction to undertake the next steps outlined in this report and to report back to Regional Council with a recommendation on a Regional Official Plan Amendment to consider removing Site 1 and the western portion of Site 2 in Mississauga, as well as the Dry Industrial

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lands in the Bolton GO Station Area of Caledon, from the “Employment Area” designation on Schedule E-4 of the Region of Peel Official Plan.

- Should staff recommend a Regional Official Plan Amendment be initiated, public consultation will be undertaken as part of the process, including holding open houses and a statutory public meeting.
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DISCUSSION

1. Background

The *Planning Act* requires Peel Region to undertake an Official Plan Review and Municipal Comprehensive Review (MCR) every five years to ensure that official plan policies maintain conformity and consistency with Provincial plans and policy changes, and to reflect the community’s evolving needs. Through an MCR, Peel Region may consider the conversion of employment lands to non-employment uses, subject to Provincial and Regional policy criteria.

Through the recently completed MCR, otherwise known as Peel 2051, 59 requests for employment conversions were submitted. Additional requests were also received as part of the Fall 2021 statutory consultation for Peel 2051. All of the sites were analyzed for potential conversions. Peel staff supported 16 sites for removal from the employment area through the final Region of Peel Official Plan (RPOP) recommendation report. Regional Council adopted the new RPOP on April 28, 2022. The RPOP was subsequently approved with modifications by the Minister of Municipal Affairs and Housing on November 4, 2022.

While adopting the new RPOP, Regional Council passed a Resolution (2022-376) that directed staff to undertake a subsequent phase of the MCR to consider potential employment area conversions that warrant further analysis and collaboration with local municipal staff, and report back with the results within 18 to 20 months. Peel staff were directed to support local municipal land use compatibility analysis and public engagement and factor this input into Peel’s consideration of the employment conversion requests. Also on April 28, 2022, Regional Council passed a second Resolution (2022-380) that directed staff to include three potential conversion sites in the analysis, for the following addresses:

- 3155 Argentia Road (Site 1)
- 1100, 1140, and 1170 Burnhamthorpe Road (Site 2)
- 720 and 780 Burnhamthorpe Road (Site 3)

Site 1 is located in the Meadowvale Business Park Corporate Centre near Lisgar GO Station, while Sites 2 and 3 are located in the Mavis-Erindale Employment Area. All three sites were submitted by SmartCentres REIT (SmartCentres) for employment conversion requests and analyzed during Phase 1 of the MCR but were not supported for conversion. A map of the sites is available in Appendix I.

Peel staff also consulted with Caledon and Brampton staff to determine if any previously reviewed sites warranted inclusion in this Phase 2 MCR assessment. Brampton staff did not identify any lands. Caledon staff requested the Bolton GO Station Area Dry Industrial lands (Dry Industrial lands) be further considered. These lands are located in northwest Bolton near King Street and Humber Station Road, in proximity to the future Bolton GO station. They are designated Dry Industrial by Caledon’s currently in-effect Official Plan. Caledon staff identified these lands to be reviewed for potential conversion as part of the ongoing Caledon Major

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Transit Station Areas (MTSAs) Study, as the Dry Industrial lands are partially located in the Bolton GO MTSA.

2. Process

Peel staff evaluated potential employment conversions for conformity with RPOP policy 5.8.34, which permits the conversion of employment lands to non-employment uses subject to the following criteria:

- a) there is a need for the conversion;
- b) the lands are not required over the horizon of the Plan for the employment use they were designated;
- c) Peel Region and local municipalities will maintain sufficient employment land to meet the employment forecasts of this Plan;
- d) the proposed uses do not affect the overall viability of the Employment Area and the achievement of intensification and density targets, as well as other policies of this Plan;
- e) there is existing or planned infrastructure and public service facilities to accommodate the proposed uses;
- f) the lands do not affect the operations or viability of existing or permitted employment uses on nearby lands; and
- g) cross-jurisdictional issues have been considered.

Analysis of these criteria has been done for each of the subject sites and can be found in Appendix II. The Dry Industrial lands in Caledon, as well as Site 1 and the western portion of Site 2 in Mississauga, fulfill most of the RPOP conversion criteria in policy 5.8.34 and the remaining criteria will need to be met through the next steps outlined in the report.

Local municipal staff from Mississauga and Caledon initiated the necessary land use compatibility and associated public engagement components of this review, which provided important input to Peel staff's consideration.

a) Mississauga Study Process

i) Land Use Compatibility Studies

GHD Limited (GHD) was retained by Mississauga to prepare land use compatibility studies with respect to the employment conversion requests. These studies evaluated the impacts of nearby employment uses and potential uses which may be introduced based on the existing zoning permissions of the surrounding lands. GHD also analyzed how the introduction of residential uses may impact the long-term operation and viability of existing or permitted employment uses in the subject areas. These analyses were based on the preliminary concepts provided by SmartCentres, proposing employment conversions.

GHD also conducted a peer review of the employment conversion rationales prepared by Urban Strategies Inc. on behalf of SmartCentres related to their requests to remove Sites 1, 2, and 3 from Peel's Employment Areas. The peer review assessed the submitted reports based on land use compatibility policies in the Growth Plan and the RPOP and considered the Ministry of the Environment, Conservation, and Parks (MECP)'s D-6 Guideline for Compatibility between Industrial Facilities and Sensitive Land Uses.

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ii) Public Consultation

Two rounds of community and industry meetings were held in April and September 2023. During both meetings, participants were able to review information boards and discuss the potential conversions with Mississauga and Peel staff. Presentations and question-and-answer sessions were also held at each meeting.

b) Caledon Study Process

i) Land Use Compatibility Studies

Meridian Planning (Meridian) was contracted by Caledon to undertake an MTSAs study for the Bolton GO Station Area and the Mayfield West Transit Hub Area. Meridian prepared a conversion and land use compatibility analysis on behalf of Caledon as a component of the Caledon MTSAs Study. Meridian evaluated whether the potential conversion of the subject lands would be supportive of the planning objectives of Peel and Caledon for this area. They completed an analysis of the existing land use context and the nature of permitted uses for the surrounding area, including consideration of the MECP's D-6 Guideline. A demonstration plan was used to understand how the subject lands could be redeveloped if converted. Meridian also analyzed whether the potential conversions would satisfy Provincial and Regional policy requirements and considered input from the initial consultation with landowners.

ii) Public Consultation

On May 4, 2023, Caledon staff invited impacted property owners of the Dry Industrial lands to a meeting about the Caledon MTSAs Study and the employment conversion review. To share the results of Meridian's analysis and recommendations, another consultation with these landowners was held on November 15, 2023. The public was invited to a virtual meeting on this same date.

Peel staff supported local municipal staff in preparing land use compatibility studies and undertaking public consultation for the potential employment conversions. Peel staff also analyzed the capacity of the transportation and water and wastewater servicing infrastructure surrounding each of the sites to determine if the preliminary concepts proposed by SmartCentres could be accommodated. In addition, Peel staff assessed the impact of these potential employment conversions on Peel's employment land needs.

3. Study Findings

Findings of the local land use compatibility studies, public consultations, Mississauga peer review and Peel analysis can be found in the sections below.

a) Land Use Compatibility Studies

i) Mississauga

GHD found that the potential conversion of Site 1 would not result in significant impacts on the viability or operations of the surrounding employment area.

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It was also determined that the potential conversion of the western portion of Site 2 would not have significant impacts on the viability or operations of the surrounding employment area. However, it was found that the potential conversion of the eastern portion of Site 2 may result in a reduction and fragmentation of the Mavis-Erindale Employment Area. GHD recommended that further detailed analysis should be undertaken to investigate potential land use compatibility issues between the eastern portion of Site 2 and surrounding industries. It was recommended that further analysis be undertaken to identify the appropriate location for residential uses on the western portion of Site 2, should this potential conversion proceed.

GHD found that Site 3 has several nearby industries that may be adversely impacted if sensitive land uses were to be introduced. The overall viability of the surrounding employment area may also be impacted should the potential conversion proceed, as zoning permissions for properties to the south of Site 3 allow for manufacturing/ industrial uses that differ from current uses.

GHD also peer review assessed the employment land conversion rationale report submitted by the SmartCentres during the main phase of the MCR for the sites in Mississauga. GHD's review found that the report did not include enough information to adequately determine conformity to the applicable Provincial and Regional land use compatibility policies. Investigations per MECP Guideline D-6 are necessary to evaluate whether the introduction of sensitive uses would impact the surrounding employment areas and lead to land use compatibility issues.

ii) Caledon

Based on the nature of the existing businesses currently occupying the Dry Industrial lands, the majority of the uses would be considered Class II uses, with one use being a Class III use. A Class II use is defined as a place of business for medium scale processing and manufacturing with outdoor storage of waste or materials. It generates periodic outputs of minor annoyance and has an influence area of 300 metres and requires separation distance of 70 metres.

A Class III use involves large scale manufacturing or processing, characterized by large physical size, outside storage of raw and finished products, large production volumes. It has frequent outputs of major annoyance and there is high probability of fugitive emissions. Its influence area is 1,000 metres and requires separation distance of 300 metres. Most, if not all, of the Class II and III uses within the Dry Industrial lands involve the outdoor storage of materials and/or trucks and the frequent movement of trucks on individual sites. Their area of influence impacts the neighbouring existing and planned community areas. The Dry Industrial lands will eventually be completely surrounded by residential communities, which will increase the potential for land use conflicts. Based on their analysis, Meridian recommended that the entire Dry Industrial lands be converted to community area.

Meridian also highlighted that the subject lands are partially located in the Bolton GO MTSA, which is required to be planned to achieve a minimum density of 150 residents and jobs combined per hectare. Meridian's memo concluded that the potential conversion of the subject lands into a residential area could assist in meeting this density target to support the development of the Bolton GO MTSA as a

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transit-supportive and complete community. Provincial and Regional policy justification for this recommendation was provided.

b) Public Consultation

i) Mississauga

The majority of participants in the public consultation for Site 1 expressed opposition to the potential conversion, as they were concerned with the possible loss of relied-upon existing businesses and services. Some participants also communicated concerns regarding speculation that the potential conversion would facilitate the development of 100% “social housing” on the subject site. Other participants were hopeful that a future redevelopment could introduce more affordable housing options into the community. Participants submitted comments requesting that improved amenities be added to the subject neighbourhood (i.e., additional pedestrian connections and green spaces).

A variety of responses were received during the public consultations for Sites 2 and 3. Several industries located near these sites expressed concerns with the potential introduction of sensitive land uses near their businesses, particularly for Site 3, which could impact their operations and viability.

For all three sites, participants stressed that any proposals approved in the future should contain heights that are appropriate for the surrounding context, including nearby low-rise residential neighbourhoods. Participants were concerned that the potential loss of businesses and traffic congestion would impact their quality of life. They voiced concerns that existing transit on the Milton GO train line would not provide adequate transit services to accommodate the development concepts being proposed by SmartCentres for Site 1. Participants were also worried about the loss of jobs in these areas if the potential conversions were to proceed.

Participants noted that the advertised name of this project, “Employment Site Review”, was confusing, and they were unsure regarding its intent. Since the purpose of the review was to determine the suitability of an employment land conversion, there were limited details available on future land uses and built forms on the sites, should the potential conversions proceed, which participants expressed frustration with.

ii) Caledon

The feedback received from business operators and/or landowners of the Dry Industrial lands was in general supportive of higher density development and the potential conversion. None of the attendees indicated that they did not support conversion. The feedback from the community to date has been limited. Only a few comments and questions were typed into the meeting’s “Q&A” chat. No attendees opted to speak after the presentation. One person indicated support for conversion.

Caledon staff reported to the Town’s Planning and Development Committee (PDC) on November 21, 2023 on the findings of the review of the Dry Industrial lands in Caledon. Caledon staff report titled “Potential Employment Land Conversion of the Dry Industrial Area Near the Future Bolton GO Station” was received by the Town’s PDC. The committee was also provided with the memo on the November 15, 2023 consultation meetings related to the potential employment land conversion of the Dry

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Industrial lands. The memo documents the consultations with the industry and the community and includes the written comments received in response to the meetings or the related notices. In addition, there was one late submission to the Caledon PDC that generally supported the conversion but also expressed opposition to any negative impacts that potential conversion could have on their application in process.

c) Peel Transportation Analysis

Peel staff prepared a Regional Transportation Analysis that can be found in Appendix III of this report. Based on high-level modelling, this analysis found that the proposed growth scenarios should not create a significant impact on Peel's surrounding road network across any of the horizon years for any of the sites. It was further determined that the existing infrastructure surrounding the subject sites could accommodate the proposed conversions, subject to more detailed analysis.

Peel staff also highlighted that Caledon's Dry Industrial lands and the Burnhamthorpe Road sites (Sites 2 and 3) are located near primary truck routes as identified in Peel's Goods Movement Strategic Plan (GMSP). Argentia Road, along which Site 1 is located, is not identified as a designated truck route by the GMSP. However, Transportation staff noted that, as industrial lands are situated west of this site, trucks tend to travel along Argentia Road to access Highway 401 via Winston Churchill Boulevard. It was noted that careful planning should be undertaken when proposing residential uses along designated primary truck routes to mitigate potential negative community impacts.

d) Peel Water and Wastewater Servicing Analysis

Analyses were undertaken by Peel staff to evaluate the servicing impacts of the potential conversions, which can be found in Appendix IV-A and IV-B. The additional water demand and wastewater flows for the subject sites in Mississauga and Caledon were estimated for both the low- and high-growth scenarios.

i) Caledon

Based on high-level modelling, staff concluded that with the proper sizing, servicing infrastructure will be sufficient to accommodate both scenarios for potential employment conversions of the Dry Industrial lands in Caledon. The required water and wastewater infrastructure to service these sites should the conversions proceed will be development charge (DC) eligible. It was recommended that detailed modelling and hydraulic analysis be undertaken when development is eventually proposed and local servicing is developed and as part of other ongoing studies/updates.

ii) Mississauga

Analysis of the sites in Mississauga determined that upgrades to the existing local wastewater system and distribution watermains will be required to accommodate potential conversions for both low- and high-growth scenarios. The required infrastructure improvements are not DC-eligible and would be the responsibility of future development.

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It can be concluded that from a servicing perspective, conversions of analyzed employment lands can proceed; however, the future development would be responsible for improvements to local water and wastewater infrastructure.

e) Peel Assessment of Implications for Employment Lands Needs

The area required to accommodate Peel's employment forecast was determined through the Peel 2051 MCR exercise, through a Lands Needs Assessment (LNA). The LNA established a total employment land requirement of 16,722 hectares (ha). The total area of the sites being reviewed for conversion is 84 ha, including 22 hectares in Mississauga and 62 gross hectares in Caledon. Since only Site 1 and a portion of Site 2 in Mississauga fulfill the land use compatibility criteria, Mississauga's potential conversion would result in about 15 ha of land. Most of the jobs within the analyzed sites are categorized as population-related jobs, such as retail and service jobs, and employment land employment (ELE) jobs, such as manufacturing and warehousing.

Peel staff analyzed the current uses of the subject sites to evaluate which category of employment they fall within. It was determined that Sites 1, 2, and 3 in Mississauga are currently occupied by population-related employment uses. These types of uses are typically located in non-employment areas, such as mixed-use settings, commercial designations, and institutional sites. Potential conversions of these sites to community uses will not have any significant impact on the supply of employment lands in Peel due to a relatively small area and requirement for replacement of existing jobs within new uses.

The Dry Industrial lands in Caledon include some uses providing ELE. This type of employment is typically more land-intensive and generally located in areas separate from other uses due to the externalities of these industries. There are about 300 jobs within this area based on the 2023 Caledon Employment Survey. Assuming that all of these jobs are ELE, it would require just over 11 ha of new employment lands elsewhere within the Employment Area in Caledon.

If the employment lands are converted to non-employment uses, the existing jobs will be required to be replaced or increased, accommodating primarily population-related jobs, such as retail and service jobs, as well as some office jobs. Peel staff conclude that the balance of employment lands in Peel should be sufficient to accommodate the projected growth of ELE jobs typical to employment areas, such as manufacturing and warehousing.

4. Next Steps and Conclusion

Based on the results of the study findings outlined in this report, Regional staff, in consultation with local staff, agree that most of the criteria in RPOP policy 5.8.34 can be satisfied. However, criteria "a" of the policy: 'there is a need for the conversion', requires further justification. A Regional growth forecasting exercise is currently underway by Hemson Consulting which will consider population and employment needs in light of Bill 23. The work is planned to be completed in March 2024.

Regional staff support, in principle, initiating a Regional Official Plan Amendment (ROPA) process to remove Site 1 and the western portion of Site 2 in Mississauga, as well as the Dry

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Industrial lands in Caledon, from the “Employment Area” designation on Schedule E-4 of the RPOP, subject to the need for a conversion being met.

As such, the following next steps will be completed:

- Complete the Regional growth forecasting exercise to confirm if there is a need for the conversions of Site 1 and a portion of Site 2 in Mississauga, and the Dry Industrial lands in Caledon, to ensure all criteria in RPOP Policy 5.8.34 are satisfied;
- In the Spring of 2024, once the growth forecasting exercise is complete, staff anticipate reporting back to Council with a recommendation to either:
 - proceed with a ROPA and present a draft ROPA to request permission to initiate public consultation, including public open houses and a statutory public meeting;
 - or
 - not proceed with a ROPA.
- Following endorsement of this report, to avoid unnecessary delay, staff will initiate preparation of a draft ROPA in consultation with Mississauga and Caledon to be ready should the forecasting exercise demonstrate a need for the conversion. As part of the preparation of a draft ROPA, Peel staff will consider how to implement Mississauga’s conditions for Site 1 and the western portion of Site 2 in Mississauga outlined in the City of Mississauga report titled “Employment Sites Review (SmartCentres Mixed Use Proposals): Findings and Next Steps” dated October 25, 2023.

Additionally, at the appropriate time, Mississauga may undertake a master planning process which will address the specific concerns expressed by the community providing more details on the future uses, amenities, transportation solutions, housing forms, shopping options and job preservations. Similarly, Caledon may undertake a detailed planning process to address land uses and the specific concerns raised by the community and landowners.

RISK CONSIDERATIONS

As a result of the provisions in Bill 23, *More Home Built Faster Act, 2022* (Bill 23), at a date to be proclaimed, Peel’s responsibilities as a planning authority will be removed, and the RPOP will be deemed to be an official plan of each local municipality, in addition to their own official plans. The Province has not provided a specific date for the proclamation of these changes but advised that the earliest would be winter 2024. If proclamation occurs before the completion of Phase 2 of Peel’s MCR, Regional Council will lose the authority to adopt the proposed conversions.

On May 18, 2023, the Province introduced Bill 112, the *Hazel McCallion Act, 2023* (Bill 112) that will dissolve Peel Region and make Brampton, Mississauga, and Caledon single-tier municipalities, effective January 1, 2025. The proposed legislation provides for the establishment of a Transition Board to make recommendations on implementing the restructuring. The Board’s future recommendations related to Regional roles and responsibilities may prevent the completion of Phase 2 of Peel’s MCR.

Bill 150, the *Planning Statute Law Amendment Act*, was introduced on November 16, 2023, which winds back ministerial changes to official plans. If this proposed legislation is passed, the *Official Plan Adjustments Act* would be enacted, which would reverse decisions impacting

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twelve municipalities' official plans, including Peel Region's. The RPOP would therefore revert back to the in-effect version adopted by Regional Council on April 28, 2022, retroactive to the date of the ministerial approval on November 4, 2022. Any decisions on outstanding applications and appeals would be required to conform with this version of the RPOP. Peel staff will be bringing forward a report to Regional Council on December 7, 2023 that provides recommendations on the reversal of Provincial modifications to the adopted RPOP and related implementation matters.

APPENDICES

- Appendix I – Sites Analyzed for Potential Employment Conversion
 - Appendix II – Region of Peel Official Plan Policy Analysis on Potential Employment Conversions
 - Appendix III – Transportation Analysis for Potential Employment Conversions
 - Appendix IV-A - Water and Wastewater Analysis for Potential Employment Conversions in Mississauga
 - Appendix IV-B - Water and Wastewater Analysis for Future Employment Conversions in Caledon
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