

COUNCIL REPORT

Meeting Date: September 20, 2021

Department: Building, Planning & Waste Services

Report No.: BBP-2021-59

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Approved by: Fred Tranquilli, Chief Administrative Officer / Clerk
Jennifer Huff, Director of Building and Planning

SUBJECT: **Official Plan Amendment No. 13 – Scoped Settlement Boundary Review, Phase 1 OPR**

RECOMMENDATION: THAT Council adopt proposed Amendment No. 13 to the Strathroy-Caradoc Official Plan and forward it to the County of Middlesex for consideration of final approval.

STRATEGIC PLAN ALIGNMENT:

This matter is in accord with the following strategic priorities:

- Economic Development: Strathroy-Caradoc will have a diverse tax base and be a place that offers a variety of economic opportunities to current and prospective residents and businesses.
- Growth Management: Strathroy-Caradoc will be an inclusive community where growth is managed to accommodate a range of needs and optimize municipal resources.
- Destination Building: Strathroy-Caradoc will provide distinct experiences that celebrate its past and future by prioritizing innovative new ideas that set the community apart.

Specifically, the 5-Year update to the Official Plan was identified as one of several short-term tactics necessary to achieve the above noted strategic priorities. Proposed Official Plan Amendment No. 13 (OPA 13) represents the culmination of Phase One of the 5-year Official Plan Review, which includes the scoped review of the boundary of the Strathroy settlement area and the development of land use options for three undesignated areas within Strathroy.

PURPOSE:

The purpose of this report is to provide background information and analysis in support of the adoption of OPA 13, a housekeeping amendment to re-designate certain lands in the Strathroy settlement area which are currently designated 'Urban Reserve' in the Official Plan, and to designate the land uses for two areas previously transferred to the Municipality from the Township of Adelaide-Metcalf.

This report was completed in large part by Alejandro Cifuentes, Team Lead and Project Manager for the Growing Together Official Plan Project and was based on input/analysis/comment by internal staff and the Senior Planner and Director of Planning for the County of Middlesex.

PROPOSED AMENDMENT:

Through the proposed OPA 13, changes in land use designations are proposed for the three areas:

- Area 1 is proposed to be re-designated from 'Urban Reserve' to 'Residential' in the Strathroy-Caradoc Official Plan.
- Area 2 is proposed to be designated 'Residential – Special Policy Area No. 7' in the Strathroy-Caradoc Official Plan.
- A portion of Area 3, currently zoned High Density Residential (R3) Zone in the Strathroy-Caradoc's Zoning By-law is proposed to be designated 'Residential' in the Strathroy-Caradoc Official Plan.

SUMMARY HIGHLIGHTS:

- **This report outlines the basis and purpose of OPA 13, which is the result of scoped review of three areas of underutilized land within Strathroy that offer potential for residential development.**
- **This work was undertaken as Phase One of the ongoing review of the Strathroy-Caradoc Official Plan. It is a housekeeping exercise intended to help reduce an identified shortfall of developable land within the Municipality until the future growth needs of the Municipality can be fully addressed through a Municipal Comprehensive Review, in 2022.**
- **The (re)designation of the three areas of land does not constitute an expansion of the Strathroy urban boundary, is a housekeeping amendment, and is an interim step to meet planning needs outlined in Provincial, County, and local policy. It has been initiated by the Municipality and is in advance of any development proposals for the three areas of land.**
- **A draft Official Plan Amendment was presented to the public and Council at the statutory public meeting on May 17, 2021.**

- This report details the relationship of OPA 13 to Provincial and County planning policy, and outlines the comments received on the amendment from the public and commenting public agencies.

BACKGROUND:

In October 2020 the Municipality of Strathroy-Caradoc embarked upon the completion of an Official Plan 5-Year update and engaged WSP, a planning consulting firm, to complete this project. The Official Plan Update project has been branded as the **“Growing Together Strathroy-Caradoc”** Project, as shown below.



**GROWING TOGETHER
STRATHROY-CARADOC**
Comprehensive Planning for Tomorrow

A website has been created that is dedicated to the Official Plan review project: growingtogethersc.ca. It is a live website, that is continually updated and reviewed as this project progresses.

As Phase One of the Official Plan Review, municipal staff directed WSP to undertake a scoped review of three areas in or adjacent to the Strathroy settlement area boundary that are currently undesignated in the Strathroy-Caradoc Official Plan; as an interim step, prior to the full Municipal Comprehensive Review (MCR) process, expected to begin in 2022. This exercise was the continuation of previous work municipal planning staff undertook in 2019 and 2020 through a Residential Land Needs Assessment (RLNA), which found that Strathroy-Caradoc has both a short- and long-term deficit of vacant land available and appropriate for residential development.

Through the RLNA process, three areas of land were identified that could help offset the deficit of developable land within the Strathroy Settlement Area, in the interim, while the Official Plan is being reviewed and updated. Two of these areas were previously transferred from the Township of Adelaide-Metcalfe and are currently undesignated in the Strathroy-Caradoc Official Plan and designated as Agricultural in the Adelaide-Metcalfe Official Plan; the remaining area is currently designated 'Urban Reserve' in the Official Plan.

WSP conducted a background review of the legislative and policy context for Strathroy-Caradoc, developed a set of guiding principles for the designation of the three areas, and undertook an options analysis for each of the three areas that examined the feasibility of different land use designations for the three areas. Factors considered included the demonstrated need for new residential lands, servicing availability and access, natural heritage and environmental features, and proximity of the areas to community services and facilities such as parks and schools. For more detail on the Scoped Boundary Review process please see the Background Report, an attachment to this agenda item.

POLICY BACKGROUND:

Planning Act

The *Planning Act* provides the authority for establishing a land use planning framework in Ontario. Section 2 of the *Act* identifies matters of Provincial interest that municipal councils “shall have regard to” when carrying out their responsibilities under the *Act*. Matters of Provincial interest of note for this amendment are the appropriate location of growth and development, the orderly development of safe and healthy communities, and the adequate provision of a full range of housing, including affordable housing.

Proposed OPA 13 supports these matters by helping to channel the significant residential growth pressures Strathroy-Caradoc is facing into appropriate locations in the Strathroy settlement area which will allow for expedited and orderly development of new housing for the Municipality.

Provincial Policy Statement, 2020

The Provincial Policy Statement, 2020 (PPS) provides provincial policy direction on matters related to key land use planning issues such as housing, infrastructure, economic development, transportation, and the protection of environmental resources. In accordance with Section 3(5) of the *Planning Act*, all land use decisions are required to be consistent with the PPS.

There are a number of policies in Section 1.0 of the PPS that pertain to this designation exercise. Section 1.1.1 b) of the PPS states:

Healthy, liveable and safe communities are sustained by:

b) accommodating an appropriate affordable and market-based range and mix of residential housing types (including second units, additional residential units, multi-unit housing, affordable housing and housing for older persons), employment (including industrial and commercial), institutional (including places of worship, cemeteries and long-term care homes), recreation, park and open space and other uses to meet long term needs.;

Section 1.3.2.5 states:

Notwithstanding policy 1.3.2.4, and until the official plan review or update in policy 1.3.2.4 is undertaken and completed, lands within existing employment areas may be converted to a designation that permits non-employment uses provided the area has not been identified as provincially significant through a provincial plan exercise or as regionally significant by a regional economic development corporation working together with affected upper and single-tier municipalities and subject to the following:

a) there is an identified need for the conversion and the land is not required for employment purposes over the long term;

- b) the proposed uses would not adversely affect the overall viability of the employment area; and
- c) existing or planned infrastructure and public service facilities are available to accommodate the proposed uses.

Section 1.4.1 states:

To provide for an appropriate range and mix of housing options and densities required to meet projected requirements of current and future residents of the regional market area, planning authorities shall:

- a) maintain at all times the ability to accommodate residential growth for a minimum of 15 years through residential intensification and redevelopment and, if necessary, lands which are designated and available for residential development; and
- b) maintain at all times where new development is to occur, land with servicing capacity sufficient to provide at least a three-year supply of residential units available through lands suitably zoned to facilitate residential intensification and redevelopment, and land in draft approved and registered plans.

Upper-tier and single-tier municipalities may choose to maintain land with servicing capacity sufficient to provide at least a five-year supply of residential units available through lands suitably zoned to facilitate residential intensification and redevelopment, and land in draft approved and registered plans.

The Municipal Comprehensive Review (MCR) of a municipal Official Plan is also outlined in the PPS for two primary planning actions: expanding settlement area boundaries and re-designating employment areas to non-employment uses.

Section 1.1.3.8 stipulates that boundary expansions are only to be undertaken at the time of an MCR, and only if growth cannot be accommodated through intensification, redevelopment, or designated growth areas, if the boundary expansion is supported by sufficient public infrastructure and service facilities, and if removal of agricultural land does not affect specialty crop areas.

Section 1.1.3.9 provides an exception, however, that settlement area boundary adjustments may be undertaken outside of the MCR process provided that: there is no net increase in land within the settlement area, the land to be added has adequate municipal servicing potential, and prime agricultural areas are protected.

Middlesex County Official Plan

Under the *Planning Act*, the Strathroy-Caradoc Official Plan must conform to Middlesex County's Official Plan (County Official Plan). As part of Middlesex County's long-term strategic vision, the County Official Plan broadly directs land use planning within its eight lower-tier municipalities, establishing frameworks for guiding the development of those municipalities' official plans and zoning by-laws.

Like Strathroy-Caradoc, Middlesex County is also currently undertaking an update of its official plan and is currently in the background review stage of the process. The update will bring the County Official Plan into conformity with updated Provincial policy and legislation and guide growth to the 2046 horizon employing the County's recently updated growth projections.

Section 2.3.2 of the County Official Plan establishes the County's Growth Management Hierarchy, which consists of several settlement area types – the focus areas for growth and development. The hierarchy includes the three following components:

- **Urban Areas:** These are areas of the County which will accommodate future growth through population projections and must either have full municipal services or demonstrate the potential to provide full municipal services.
- **Community Areas:** These are areas of the County which will accommodate future projected population growth and must currently serve a community function and demonstrate the potential to provide a level of servicing to support future growth.
- **Hamlets in Agricultural Areas:** These are existing local designated hamlets not identified as Urban or Community Areas. It is assumed that municipal services will not be provided in these areas; therefore, future growth shall match that level of service.

Regarding the adequate supply of land and housing within Middlesex County, the County Official Plan contains the following elements:

- It is the goal of the County that at least a 3-year supply of draft approved and registered plans of subdivision lots be maintained, based on the consumption rates of the local municipalities. At least every 5 years, local municipality shall provide the County a summary of the supply of vacant land designated for future residential development to allow the County to ensure that at least a 10-year supply of land designated for future residential development is maintained, based on the most recent population projections (section 2.3.7.1 of the County Official Plan).
- Local municipalities shall include policies in local official plans that will encourage a range of housing types, housing densities and housing options to meet the needs of their share of current and future County residents (section 2.3.7.2 of the County Official Plan).
- Urban Areas and Community Areas are to be the focus for future growth including residential, commercial and industrial development. These areas are characterized by a range of land uses and have full services or where warranted, partial services, as described in section 2.3.2.

Section 2.3.5 of the County Official Plan directs that local municipalities must undertake a Municipal Comprehensive Review prior to any boundary expansions that addresses:

- a) population and employment projections;
- b) the need for expansion relative to land availability in other areas of the municipality;
- c) intensification and redevelopment capabilities;
- d) impact on the Natural System, aggregate, mineral and petroleum resources, and agriculture;
- e) availability of servicing;

- f) whether the lands are specialty crop areas; and
- g) alternative locations that avoid prime agricultural lands and alternative locations on lower priority agricultural lands in prime agricultural areas.

Section 2.3.5 also directs that through their official plans or secondary plans, local municipalities should prepare policies to address underutilized lands or lands in transition and their redevelopment.

Strathroy-Caradoc Official Plan

The Strathroy-Caradoc Official Plan lists a set of goals and objectives, several of which are critical to this exercise. The Municipality aims to steadily grow the population of Strathroy-Caradoc in line with its commercial and industrial growth, and to direct most future growth to the Settlement Area of Strathroy, while preserving its rural areas from urbanization and prioritizing them for agricultural uses. The distinct natures of the rural and urban areas of the municipality are to be protected and strengthened, and a diverse and affordable range of housing is to be presented.

Of the three areas of land impacted by proposed OPA 13, only Area 1 is currently designated within the Official Plan, as 'Urban Reserve'. Per Section 3.3.8 of the Official Plan, the 'Urban Reserve' designation applies to lands whose desired or ultimate use is uncertain. Interim uses will only be permitted which do not affect the future usability of the land. The lands in Area 1 are also specifically referenced in Section 3.3.8.1 of the Official Plan:

The lands designated as 'Urban Reserve' on Schedule 'B' lying east of Saxton Road are considered potentially suitable for a range of different uses. If and when a development proposal is submitted, adequate justification shall be provided which takes into account the need for the use, the appropriateness of the location, alternative locations already designated for the uses being proposed, servicing requirements, compatibility with neighbouring uses and the effect of the proposed development on the lands remaining. An amendment to the Plan shall be required. In the interim, the lands shall be zoned in a manner that does not compromise the range of possible future uses of the lands.

The scoped review process that resulted in proposed OPA 13 followed the direction of Section 3.3.8.1 in considering the need for a Residential designation in Area 1, its servicing constraints, and its compatibility with adjacent uses.

Section 3.3.4.13 of the Official Plan contains policies directing that secondary plans be undertaken for certain parts of Strathroy, including the Saulsbury Lands directly east of Area 3. The Official Plan directs that secondary plans should contain, among other matters, areas for low, medium and high-density residential purposes, general road pattern and pedestrian circulation system, need for and location/size of parks and school facilities, and buffering measures to reduce potential and use conflicts. This allows for the phased and orderly development of lands within the Strathroy settlement area.

CONSULTATION:

As per the requirements of the *Planning Act*, a virtual Public Open House was held on April 26, 2021 to present the findings of the Scoped Boundary Review Background Report. The presentation from

that meeting was uploaded to the Official Plan review project: growingtogethersc.ca. The Public Open House, was attended by 12 members of the public, including a few members of Council. Overall, the findings from the Background Report were well-received. Comments and questions largely concerned how development would proceed in Areas 1, 2 and 3 after they are designated for 'Residential' use. Staff provided an overview of how the development process may unfold for these areas, noting that all three areas offer potential opportunities for medium- or high-density development, but that determination of housing form and density would be addressed through the development process.

On May 27, 2021, a virtual Statutory Public Meeting was held to discuss proposed OPA 13. There was an oral and written delegation by the agent representing the landowners of Area 3, speaking in support of the proposed OPA 13

In addition to the Public Open House and Statutory Public Meeting, staff circulated the proposed OPA 13 to local public agencies and internal departments for comment. The Municipality received a comment letter on the proposed OPA 13 from the St. Clair Region Conservation Authority (SCRCA), which contained the following recommendations:

- Area 1 – SCRCA has no concerns with the proposed residential designation.
- Area 2 – SCRCA has no concerns with the proposed residential designation.
- Area 3 – SCRCA recommends that the lands within 30 metres of the top-of-bank of the Cable Drain are designated as Open Space on Schedule 'B' Land Use & Transportation Plan of the Strathroy-Caradoc Official Plan. SCRCA has no concerns with the proposed residential designation on the remainder of the lands." Municipal staff have taken this comment into consideration and are recommending OPA 13 being scoped to focus on the residential designation of the currently zoned southern lands for now (zoned High Density Residential (R3) Zone in the Strathroy-Caradoc's Zoning By-law) and not re-designating the remaining lands until the Municipal Comprehensive Review and Official Plan Review process take place later in 2021 and 2022. The Municipal Comprehensive Review process will also explore Open Space and / or Natural Heritage designation for Area 3B Lands.

No other formal comments were received from any other agencies or departments. However, County of Middlesex Planning staff have been kept informed throughout the entire process and their input is reflected in this report and proposed OPA 13.

ANALYSIS:

Each of the three areas subject to proposed OPA 13 have unique characteristics and features, as well as policy implications, which have been considered throughout this planning exercise.

Area 1: Currently designated Urban Reserve in the Strathroy-Caradoc Official Plan

Area 1 is approximately 51.9 Ac. in size and is bounded by Carroll Street East to the north, Saxton Road to the west and the South Grove Meadows subdivision to the south; and is comprised of one

large lot and part of another large lot with existing agricultural uses (crop production), two lots with dwellings, as well as a portion of another lot with existing residential and agricultural uses (commercial greenhouse). Area 1 is adjacent to an area of large-scale commercial development, including Walmart and Canadian Tire box stores.

Area 1 lands are not regulated by a Conservation Authority and there are no known natural heritage features, SCRCA has no concerns with the proposed residential designation. Furthermore, full municipal services are available along Saxton Drive, and while there is no regional stormwater management facility or receiving outlet currently in proximity to these lands, as of the writing of this report, a drain petition has been signed for drainage from Area 1, the Southgrove Meadows development and the Strathroy Crossings commercial area, to across Caradoc Street/Adelaide Road to the Spring Creek open watercourse.



Existing Context, Area 1

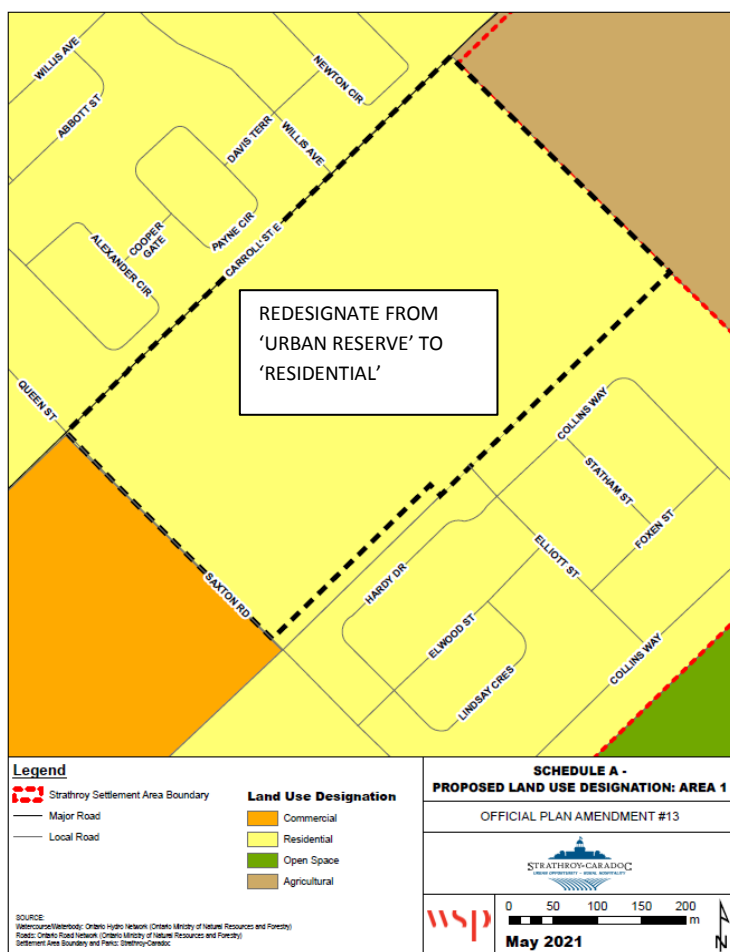
Area 1 is located within the Strathroy settlement boundary, and is currently designated within the Official Plan, as 'Urban Reserve'. Per Section 3.3.8 of the Official Plan, the 'Urban Reserve' designation applies to lands where the desired or ultimate use is uncertain. Interim uses will only be permitted which do not affect the future usability of the land. Area 1 is also specifically referenced in Section 3.3.8.1 of the Official Plan:

The lands designated as 'Urban Reserve' on Schedule 'B' lying east of Saxton Road are considered potentially suitable for a range of different uses. If and when a development proposal is submitted, adequate justification shall be provided which takes into account the need for the use, the appropriateness of the location, alternative locations already

designated for the uses being proposed, servicing requirements, compatibility with neighbouring uses and the effect of the proposed development on the lands remaining. An amendment to the Plan shall be required. In the interim, the lands shall be zoned in a manner that does not compromise the range of possible future uses of the lands.

The lands within Area 1 are dually zoned General Agricultural (A1) Zone and Agricultural Small Holdings (A2) Zone, in the Municipality's Zoning By-law.

Area 1 is proposed to be re-designated from 'Urban Reserve' to 'Residential' in the Strathroy-Caradoc Official Plan. It is staff's opinion that this designation is appropriate given the adjacency of new residential development to Area 1, and the availability of commercial and retail services surrounding the area.



Proposed Land Use Designation, Area 1

Staff envision Area 1 as a residential community comprising a wide range of housing types appropriate to the existing context. The area should interact agreeably with the future Southgrove Meadows subdivision to the southeast, including a continuation of the planned local street grid of that subdivision to ensure connectivity throughout this area. There is also potential for connection with the planned local street grid of the future subdivision to the northwest of Area 1. The future residential community could also interact favourably with the commercial area to the south west through higher-density housing along Saxton Road (e.g. townhouses or multi-unit buildings), stepping down to lower-

density housing to the northeast. Through the development process, a portion of the area should be set aside for parkland, in accordance with subsections 3.3.6.3 and 3.3.6.4 of the Strathroy-Caradoc Official Plan. The need for a neighbourhood park in this area has also been identified in the current Strathroy-Caradoc Parks and Recreation Master Plan.

The proposed re-designation of Area 1 is consistent with the policies of the PPS by directing residential growth to within an existing settlement area and allowing the Municipality to partially address a shortfall of developable lands as an interim measure in advance of a Municipal Comprehensive Review (MCR). The re-designation of an underutilized area within the Strathroy settlement area for residential uses will allow for the development of new housing, including affordable or attainable housing, and recreational spaces. Furthermore, as Area 1 is within the Strathroy settlement area, this exercise can be undertaken outside the context of an MCR process.

The proposed re-designation of Area 1 conforms to the County Official Plan's direction for growth to be targeted to Urban Areas, of which Strathroy is one. The re-designation of Area 1 for Residential use within the Strathroy urban settlement area would allow for the Municipality of Strathroy-Caradoc to continue to adhere to the County's goal of maintaining land supply for 3-year and 1-year horizons as an interim step prior to the fulsome MCR. The proposed re-designation also conforms to the policy direction in Section 2.3.5 of the County Official Plan that directs municipalities to develop underutilized lands.

The scoped review process also followed the direction of Section 3.3.8.1 of Strathroy-Caradoc Official Plan, in considering the need for a 'Residential' designation in Area 1, its servicing constraints, and its compatibility with adjacent uses.

Area 2: Transferred from Adelaide-Metcalf in 2017 and currently undesignated in the Strathroy-Caradoc Official Plan

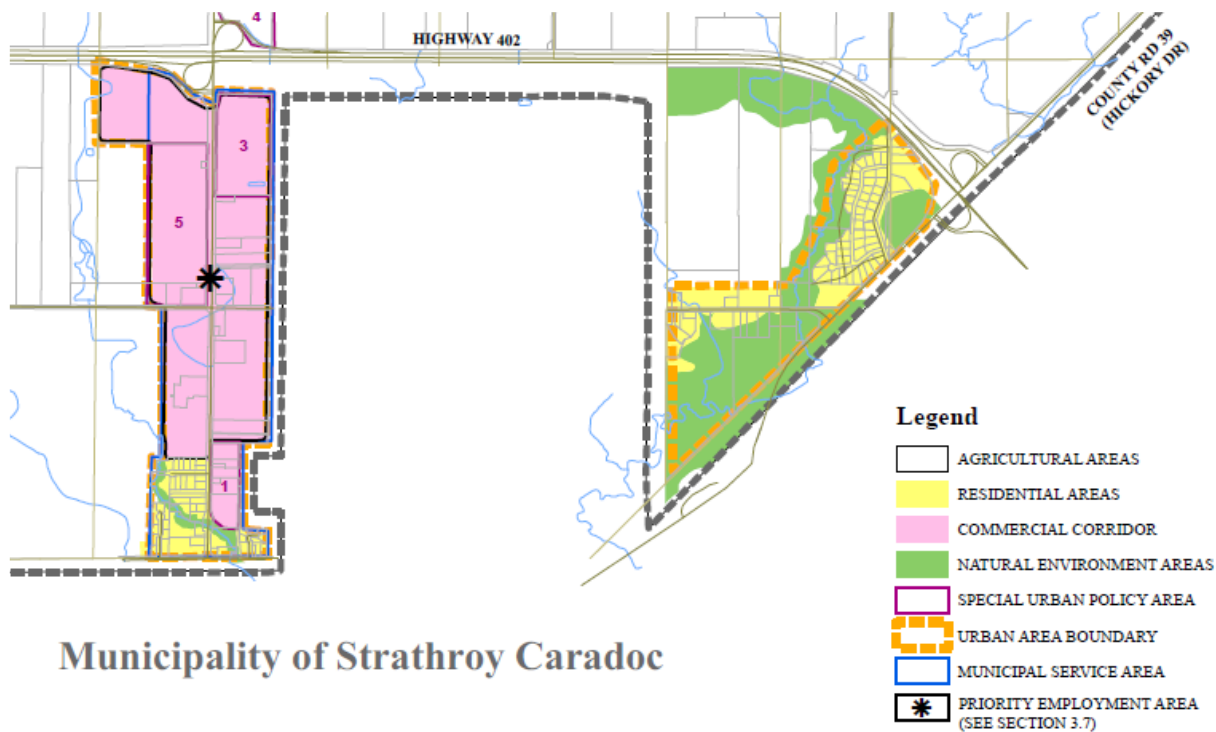
Area 2 is approximately 10.6 Ac. in size and is situated to the west of Darcy Drive and to the north of MacDonald Street; and is comprised of two lots located across from Middlesex Drive, which are currently undeveloped and lay vacant.

Area 2 lands are not regulated by a Conservation Authority and there are no known natural heritage features. Furthermore, municipal services are located along Darcy Drive, although a capacity review of infrastructure may be required. There is no regional stormwater management facility or receiving outlet in proximity to these lands, but there is an easement for the Cuddy Drain through a portion of the lands. In this area, the Cuddy Drain is piped, not open ditch, and thus is not susceptible to flooding and is not regulated by a Conservation Authority. SCRCA has no concerns with the proposed residential designation.

Area 2 was brought into the Municipal boundary of Strathroy-Caradoc from the Township of Adelaide Metcalfe in 2017 and remains subject to the Official Plan policies and Zoning By-law regulations of Adelaide Metcalfe. In Adelaide Metcalfe's Official Plan, Area 2 is within the 'Urban Area Boundary' and is identified as a 'Priority Employment Area' until such time as it is placed into a designation of the Strathroy-Caradoc Official Plan. The lands in Area 2 are currently designated as Commercial

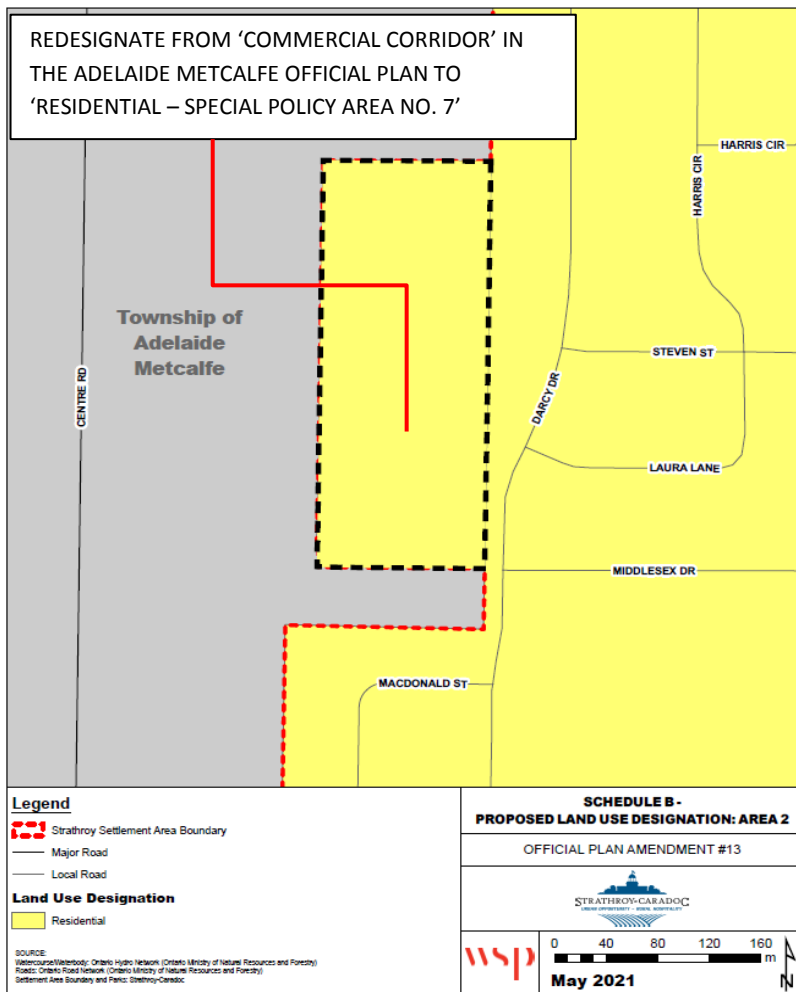
Corridor in Adelaide Metcalfe's Official Plan as part of a larger area of commercial and business use along County Road #81 (Centre Road).

The lands within Area 2 are zoned Commercial Corridor (CC) Zone, in Adelaide Metcalfe's Zoning By-law.



Existing land use designation in Schedule -2, Adelaide Metcalfe OP

Area 2 is proposed to be designated 'Residential – Special Policy Area No. 7' in the Strathroy-Caradoc Official Plan. It is staff's opinion that this designation is appropriate given the residential nature of the surrounding areas and given that Area 2 is located on a local street and high-traffic-generating commercial uses would be inappropriate. Staff envision Area 2 as a new residential community with the potential to offer a range of housing forms, interacting agreeably with the existing neighbourhood, particularly along Darcy Drive. Area 2 is also proposed to be designated as a 'Special Policy Area' requiring studies to ensure compatibility with adjacent commercial land uses along Centre Road/County Road 81 prior to development.



Proposed Land Use Designations, Area 2

When Area 2 lands were transferred from the Township of Adelaide Metcalfe to the Municipality of Strathroy-Caradoc in 2017, staff decided not to reflect this change in Strathroy-Caradoc's municipal planning documents (i.e. Official Plan, Zoning By-law). The reason for this was that at the time, the Municipality was in the middle of a Residential Land Needs Assessment exercise and wanted to understand the land supply and housing needs before deciding on what designation to apply to these newly added lands. The findings of the Residential Land Needs Assessment, prepared by the Municipality in August 2020, concluded that notwithstanding a theoretical availability of residential lots for development in the short term, realistically, many of these lots may not actually be available for development. Rather, given realistic market and servicing conditions, there is likely to be a shortage of residential lots available for development in the short-term. At the same time, three areas of land were identified as being suitable for further consideration into re-designation for residential land uses in order to address the pressing shortage of residential land, these three areas being the subject of OPA 13.

Section 1.1.3.9 of the PPS provides that settlement area boundary adjustments may be undertaken outside of the MCR process provided that: there is no net increase in land within the settlement area, the land to be added has adequate municipal servicing potential, and prime agricultural areas are protected. It is staff's opinion that the proposed designation of Area 2 does not represent a net

increase in land within Strathroy's settlement area. Prior to the 2017 transfer, Area 2 was (and continues to be) within Adelaide Metcalfe's 'Urban Area Boundary' and subject to the policies of Adelaide Metcalfe's Official Plan and Zoning By-law. Through OPA 13, the Municipality of Strathroy-Caradoc is proposing to use the findings and recommendations from the Lands Needs Assessment to formally complete the transfer of lands and incorporate Area 2 within the Strathroy settlement boundary. As part of this process, no net increase in land within the settlement area is being contemplated, as the lands are simply being transferred from one settlement area to another, as originally intended; while changing the land use from 'Commercial' in the Adelaide Metcalfe Official Plan to 'Residential' in the Strathroy-Caradoc Official Plan. Further, Area 2 has adequate municipal servicing potential, and does not contain prime agricultural areas.

Furthermore, Section 1.3.2.5 of the PPS provides that the lands can be converted to a designation for non-employment purposes provided that: the area has not been identified as provincially or regionally economically significant; there is an identified need for the conversion; the lands are not required for employment purposes; the proposed uses would not adversely affect the overall viability of the employment area; and, existing or planned infrastructure can accommodate the proposed uses.

It is staff's opinion that the proposed OPA 13 conforms to Section 1.3.2.5 of the PPS. First, Area 2 is comprised of two undeveloped and vacant lots; and is not identified or recognized as provincially or regionally economically significant. Further, through the Residential Land Needs Assessment exercise, the Municipality identified a need for additional 'Residential' lands within the Strathroy settlement boundary area to address the pressing shortage of residential land, as an interim measure in advance of a Municipal Comprehensive Review set to begin in 2022.

Further, Area 2 lands are currently designated 'Commercial Corridor' within the Adelaide Metcalfe Official Plan. Section 3.3.4.2 of the Adelaide Metcalfe Official Plan outlines primary uses of the 'Commercial Corridor' being large-format commercial type uses as well as a limited range of light industrial uses; while office uses are not permitted. However, as land within Strathroy-Caradoc, this area lacks frontage on arterial roads, making it unsuitable for commercial uses, at least for the large-format retail that Strathroy-Caradoc's Official Plan prescribes for areas designated 'Commercial'. Area 2 could potentially be developed for smaller-scale commercial uses, but this runs counter to the Official Plan direction that small-scale retail and other businesses should be directed to the 'Downtown Core' as much as possible. Additionally, Darcy Drive, on which Area 2 fronts, is a local street, not suitable for the traffic generated by a commercial development.

In addition to this, Area 2 is not suitable for employment uses for the same reasons it is not suitable for commercial uses noted above. The proposed 'Residential' designation would not negatively affect the overall viability of the Municipality's employment area. Finally, Area 2 has adequate municipal servicing potential to accommodate the proposed residential designation.

The proposed designation of Area 2 conforms to the County Official Plan's direction for growth to be targeted to Urban Areas, of which Strathroy is one. The designation of Area 2 for Residential use within the Strathroy urban settlement area would allow for the Municipality of Strathroy-Caradoc to continue to adhere to the County's goal of maintaining residential land supply.

The designation of Area 2 for Residential use is also an opportunity for the Municipality of Strathroy-Caradoc to work toward increasing its range of housing stock and form, which has been established as a priority for the Municipality. The north end of Strathroy is dominated by single-detached dwellings, and the redevelopment of Area 2 could introduce additional housing options and opportunities for current and future residents. In alignment with section 3.2(j) of the Strathroy-Caradoc Official Plan, compatibility studies will be required prior to development of Area 2, to ensure land-use compatibility between the new development and the adjacent existing commercial uses along County Road 81 in the Township of Adelaide Metcalfe. The exact nature of these compatibility studies will be determined at the time of development, and may include Noise and Vibration Impact Assessments, among others.

Area 3: Transferred from Adelaide-Metcalfe in 2009 and currently undesignated in the Strathroy-Caradoc Official Plan

Area 3 is approximately 70.0 Ac. in size and is bounded by Albert Street to the South and bordered to the north and west by the Township of Adelaide Metcalfe. Existing uses in these lands are agricultural (crop production), except for the Seasons Retirement Community retirement home, which fronts onto Napperton Drive in the southwest quadrant of Area 3.

To the immediate north, are lands located within the Strathroy Settlement Boundary that are largely undeveloped and are zoned Future Development (FD) Zone and are currently used for crop production although subject to a draft Plan of Subdivision application.

The lands located to the north-west of Area 3 are within the Township of Adelaide Metcalfe and designated 'Agricultural' in Adelaide Metcalfe's Official Plan and predominantly zoned General Agriculture (A) Zone in the Township's Zoning By-law. The lands to the south of Area 3 are within Strathroy-Caradoc and designated a mix of 'Residential' and 'Commercial' uses and are zoned as such.

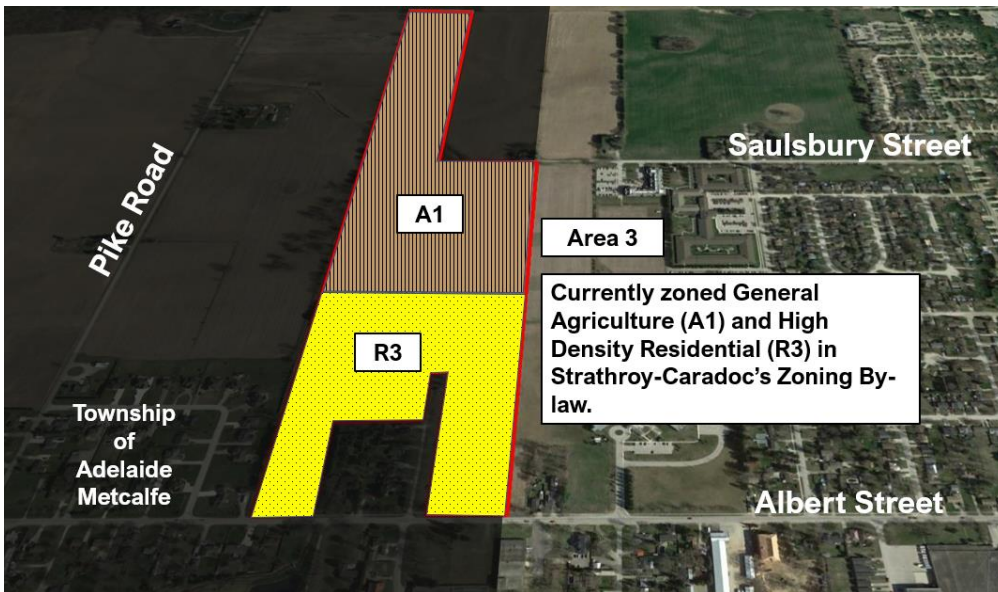
The lands adjacent to Area 3 to the east, within Strathroy-Caradoc, are predominantly designated 'Residential', with a small area designated 'Community Facilities' and 'Institutional', containing a County operated long-term care home.

It is noted that there is a parcel of land remaining within Adelaide Metcalfe's municipal boundary that cuts into Strathroy's settlement area boundary and is currently designated and zoned for agriculture.



Location, Area 3

Area 3 contains a linear feature along a storm drain (Cable Drain) which has been marked as a Hazard Area in Strathroy-Caradoc's Official Plan based on mapping from the SCRCA. Section 6.1.1.2 of the Official Plan directs that Hazard Areas should be left in their natural state wherever possible, and that any buildings or structures are generally prohibited. Municipal services are located along Albert Street, although a capacity review of infrastructure may be required. There is no regional stormwater management facility or receiving outlet in easy proximity to these lands.



Context, Area 3

Only a small portion of Area 3 is proposed to be subjected to OPA 13. The lands currently zoned High Density Residential (R3) Zone in the Strathroy-Caradoc's Zoning By-law are proposed to be designated 'Residential' in the Strathroy-Caradoc Official Plan, while the balance of the lands will remain undesignated until the Municipal Comprehensive Review and Official Plan Review process take place later in 2021 and in 2022.

When Area 3 was transferred from the Township of Adelaide Metcalfe to the Municipality of Strathroy-Caradoc in 2006, the transfer was not reflected in Strathroy-Caradoc's Official Plan. However, these lands have been recognized in Strathroy-Caradoc's Zoning By-law as General Agricultural (A1) Zone, and High Density Residential (R3) Zone. Through OPA 13, the Municipality of Strathroy-Caradoc is proposing to address this and formally complete the transfer of lands by incorporating the "Residential Zone" lands of Area 3 within the Strathroy settlement boundary.

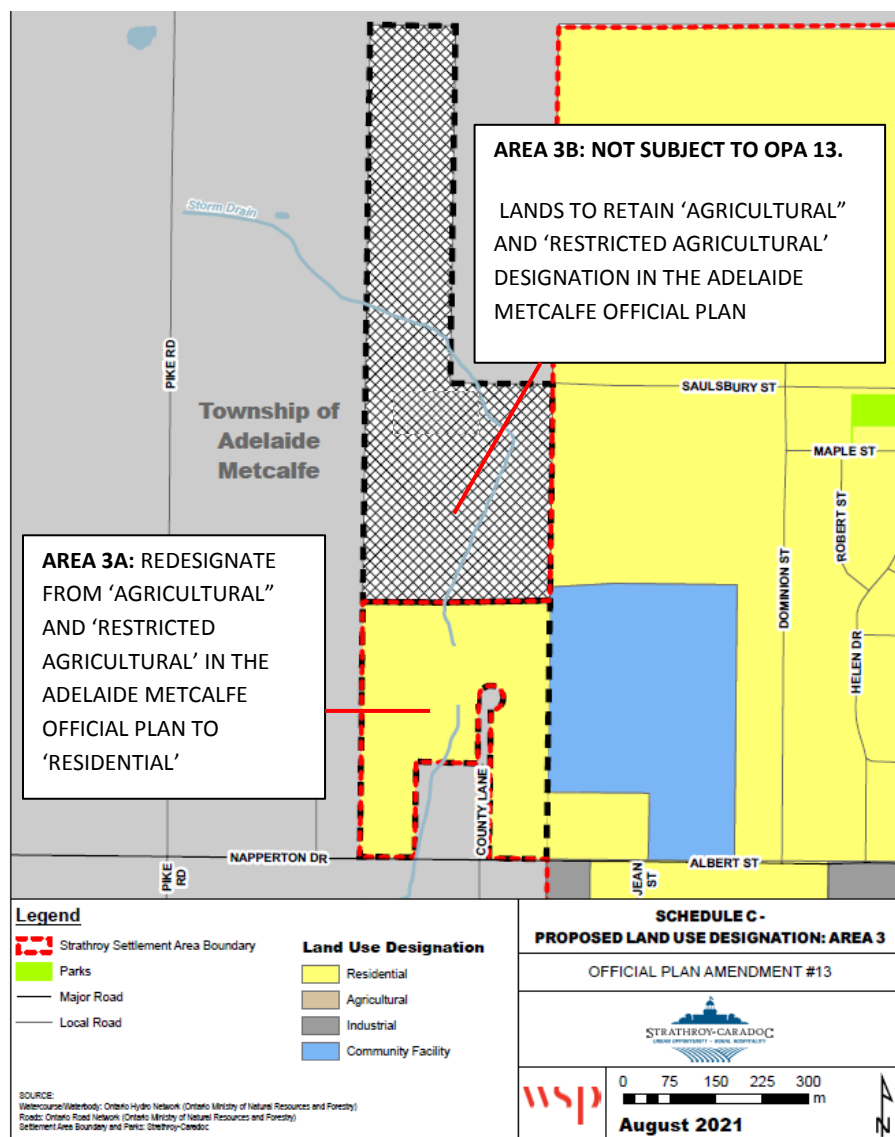
Prior to the 2006 transfer, approximately one third of Area 3 (~25.5.0 Ac.) was already (and continues to be) designated for Residential uses under the Adelaide Metcalfe Official Plan.

In 2020, the Municipality completed a Residential Land Needs Assessment exercise to understand the land supply and housing needs of the Municipality. The findings of the Residential Land Needs Assessment concluded that notwithstanding a theoretical availability of residential lots for development in the short term, there is likely to be a shortage of residential lots available for development in the short-term. At the same time, three areas of land were identified as being located within the Settlement Boundaries of Strathroy, suitable for further consideration to re-designate for residential land uses in order to address the pressing shortage of residential land, these three areas being the subject of OPA 13.

Section 1.1.3.9 of the PPS provides that settlement area boundary adjustments may be undertaken outside of the MCR process provided that: there is no net increase in land within the settlement area, the land to be added has adequate municipal servicing potential, and prime agricultural areas are protected. It is staff's opinion that the proposed designation of the "Residential Zone" lands of Area 3 does not represent a net increase in land within Strathroy's settlement area. Prior to the 2009 transfer, these lands were (and continue to be) within Adelaide Metcalfe's 'Urban Area Boundary' and subject to the policies of Adelaide Metcalfe's Official Plan. Furthermore, Area 3 lands have been identified and incorporated into the Strathroy-Caradoc Zoning By-law. Through OPA 13, the Municipality of Strathroy-Caradoc is proposing to use the findings and recommendations from the Lands Needs Assessment to formally complete the transfer of lands and incorporate the "Residential Zone" lands of Area 3 within the Strathroy settlement boundary. As part of this process, no net increase in land within the settlement area is being contemplated, as the lands are simply being transferred from one settlement area to another. Further, the "Residential Zone" lands of Area 3 already permit residential development in the zoning by-law, have adequate municipal servicing potential, and do not contain prime agricultural or environmentally sensitive areas.

A formal MCR is planned to take place in 2022, under Component 3 of the Growing Together Strathroy-Caradoc project. Through the MCR, the Municipality will have the opportunity to evaluate and determine whether additional lands are needed to accommodate future growth, which could result in the expansion of the urban settlement areas of Strathroy and Mount Brydges, or in the conversion of areas currently designated for Employment to Residential designations. The MCR will use the population, housing, and employment projection scenarios to the 2046 planning horizon that were developed by Middlesex County in 2020. On March 15, 2021, Municipal Council approved the 2021-2046 population and housing projections prepared by the County of Middlesex as part of the County Official Plan Update. It was recommended that the high growth scenario be adopted, which

would see 35,360 residents in 15,260 households in the Municipality by the year 2046. This represents an increase of 13,770 residents between 2016 and 2046.



Proposed Land Use Designations, Area 3

Designating these lands for residential uses presents a strategic opportunity to address the pressing shortage of residential lands and housing options within Strathroy-Caradoc. The provincial policy-led planning system in Ontario recognizes and addresses the complex interrelationships among environmental, economic and social factors in land use planning. The PPS supports a comprehensive, integrated and long-term approach to planning, and recognizes linkages among policy areas. It is staff's opinion that the proposed designation of a portion of Area 3 lands is consistent with the PPS goals and objectives to accommodate an appropriate affordable and market-based range and mix of residential housing types recreation, park and open space and other uses to meet the long-term needs of municipalities. This exercise would also facilitate the provision for an appropriate range and mix of housing options and densities required to meet projected requirements of current and future residents of the municipality. This proposed designation of Area 3 also conforms to the County Official Plan's direction for growth to be targeted to Urban Areas, of which Strathroy is

one. The designation of a portion of Area 3 for Residential use within the Strathroy urban settlement area would allow for the Municipality of Strathroy-Caradoc to continue to adhere to the County's goal of maintaining land supply in the short-term, as an interim step prior to the fulsome Municipal Comprehensive Review (MCR) expected to take place in 2022.

Therefore, given the above, staff recommend that the subject official plan amendment be approved.

FINANCIAL IMPLICATIONS:

None

ATTACHMENTS:

- Attachment A: Scoped Boundary Review Background Report
- Attachment B: Draft By-Law 52-21 Official Plan Amendment #13