

Meeting Date: January 17, 2022
Department: Building, By-law & Planning
Report No.: BBP-2022-12
Submitted by: Jennifer Huff, Director of Building & Planning
Approved by: Fred Tranquilli, Chief Administrative Officer / Clerk
SUBJECT: **Presentation of Employment Lands Study and Regional Commercial Systems Study, January 2022**

RECOMMENDATION: THAT: Council receive Report BBP-2022-12 for information; THAT: Council endorse the Employment Lands Study, January 2022; AND THAT: Council endorse the Regional Commercial Systems Study, January 2022.

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. The Employment Lands Study and Regional Commercial Systems Study are key components of the Official Plan update that support these strategic priorities.

BACKGROUND:

The purpose of the subject report is to present to Council the final draft of both the [Employment Lands Study, January 2022](#) and the [Regional Commercial Systems Study, January 2022](#). These reports were completed by Watson & Associates, a subcontracted consulting firm hired and managed by WSP, as part of the larger Official Plan review project, Growing Together. Both reports are available for review on the website, growingtogether.ca.

This report presents a high-level summary of both reports and their recommendations. It is noted that consultants from Watson & Associates and WSP will attend the January 17th, 2022 Council meeting to be available to answer any questions regarding these two studies.

Employment Land Needs Study

The purpose of the [Employment Land Needs Study](#) is to provide a long-term vision for the Municipality's Employment (Industrial) Areas to ensure that Employment Areas continue to develop in a competitive and sustainable manner. A key part of ensuring these areas remain competitive is to ensure that the Municipality has an adequate supply and market choice of designated employment lands available over a 25-year planning horizon and beyond within designated areas in Strathroy and Mt. Brydges.

The Employment Land Needs study took into consideration local and regional demographic, economic and socio-economic trends, as well as macro-economic trends at a global, provincial and regional level. In addition to these trends, the study also included a pandemic lens (as did all of the studies and Master Plans) to anticipate the ways COVID-19 may impact employment areas in both the long and short-term and how the Municipality may pivot to respond successfully.

In summary, the Employment Lands Needs study forecasts a demand of 124 net ha (306 net acres) of Urban Employment Area land over the 2021-2046 period, or approximately 5 net ha (12 net acres) annually. Based on a land needs analysis, a minimum of 58 gross ha (143 gross ac) of additional urban employment land is required to accommodate forecasted employment growth by 2046. By 2051, this identified deficit increases to a minimum of 88 gross ha (217 gross acres). The Employment Land Needs forecast will be key input into the Municipality's Comprehensive Review process to ensure that the Municipality has sufficient employment lands over the planning horizon.

In addition to land supply, the study also reviewed land use policies and municipal strategies that could be utilized to strengthen the Municipality's ability to attract and retain employment opportunities.

The recommendations of the Employment Lands Study include the following:

- Continue to Plan for Future Urban Employment Lands Development within the Municipality of Strathroy-Caradoc
 - Explore Employment Area expansion options, preferably an expansion with proximity to the 402 Highway. The preferred Employment Expansion Area will be subject to Section 1.1.3.8 of the PPS 2020.
- Ensure that Employment Area Lands are well adapted to structural changes occurring in the evolving macro economy
 - Recognize the importance of Urban Employment Area lands in accommodating knowledge-based sectors in addition to traditional industrial sectors in the Municipality's OP.
- Restrict Major Retail Uses in Urban Employment Areas

- Define major retail in the Municipality of Strathroy-Caradoc OP as follows: “large-scale or large format stand-alone retail stores or retail centres, having a gross leasable area of 2,000 sq. m or greater, that have the primary purpose of commercial activities”.
- Provide Stronger Direction Regarding Employment-Supportive Uses in Urban Employment Areas
 - Introduce more defined policy direction in the Municipality’s OP to outline the goals and objectives related to employment-supportive uses in Urban Employment Areas (e.g. non-industrial, non-office uses should be limited scale, or focused on serving businesses and employees in the Employment Areas). Such uses should minimize potential land-use conflicts and support a viable mix of commercial and industrial land uses.
 - Consider the introduction of more defined criteria or descriptions regarding the appropriate type, size and location of complementary non-industrial uses in Urban Employment Areas (e.g., eating establishments, daycares, personal and health care services and smaller-scale, service oriented businesses) at strategic and accessible locations in existing and future Urban Employment Areas, where appropriate.
- Explore Opportunities for Intensification of Employment Lands within Urban Settlement Areas
 - Promote and facilitate intensification / infill opportunities in existing Urban Employment Areas.
 - Explore opportunities for infill and redevelopment in mature industrial areas.
 - Work with landowners of large infill or redevelopment sites to assess interest in developing the lands and assessing feasibility of development.
 - Explore redevelopment opportunities of brownfield industrial sites.
 - Explore public-private partnerships that would encourage intensification and infill development opportunities in Employment Areas.
- Plan for an Urban Employment Area Density Target of 13 jobs / net ha and Monitor Density
 - It is recommended that Strathroy-Caradoc target a density on urban employment lands comparable to current market trends for the purpose of long-term urban employment land needs analysis. (The recommended average density on employment lands has been informed by recent and anticipated market trends and it is foreseeable that future density levels achieved on employment lands could differ, depending on the regional and local industrial market conditions.)
 - Accordingly, monitor future employment density trends on employment lands on a five-year basis.

- Track employment lands absorption and employment growth associated with these lands.
- Continue to promote the Municipality's Employment Areas and Identify Opportunities for Further Municipal Involvement in the Development of Employment Areas
 - Maintain an active partnership with the County's Invest in Middlesex enterprise and continue to provide local insight to the organization of key issues facing industry and business in Strathroy-Caradoc, as well as advocate on initiatives and programs that benefit Strathroy-Caradoc.
 - Continue to support the municipal role in employment lands development in Strathroy-Caradoc and explore future expansion opportunities.
 - Explore opportunities to establish incubator facilities within Strathroy-Caradoc to promote and encourage the development of start-up initiatives, particularly related to knowledge-based sectors and other export-based emerging industry clusters.
- Establish OP Policies to Protect Urban Employment Areas, including Employment Area Conversion Framework
 - Establish OP policies that stress the importance of protecting Employment Areas, especially those that have full municipal servicing (water/wastewater servicing) and those in proximity to major goods movement facilities and corridors for employment uses requiring those locations.
 - Develop an approach to evaluating requested conversions on employment lands in collaboration with the County of Middlesex. This evaluation approach should establish criteria consistent with Section 1.3.2.5 of the PPS 2020, supports County and local OP objectives and includes site-specific factors such as location, site size, configuration, marketability and future expansion potential.
- Undertake Regular and Ongoing Monitoring of Urban Employment Area Land Supply and Demand to Assist with Longer-term Land Use Planning and Land Needs.
 - Develop a system for tracking and monitoring Urban Employment Area land supply and demand data, in accordance with the County of Middlesex OP policy on monitoring (Policy 4.2) and building on baseline data provided in this ELS, to assist with longer-term planning and land needs forecasting.
 - Track development enquiries and potential issues with the OP policies to ensure the effectiveness of the OP in accommodating employment growth which can be reviewed at the next OP review.
 - Track the following key employment land supply and demand attributes:

- Historical land absorption on Urban Employment Areas Lands by location, sector and size;
 - Urban Employment Area land supply (i.e., serviced, serviceable and constrained); and,
 - Forecast Urban Employment Area land absorption against actual land absorption in Employment Areas.
- Undertake a comprehensive update to the ELS every five years at minimum.

Regional Commercial Systems Study

The purpose of the [Regional Commercial Systems Study](#) is to provide a long-term vision for the Municipality's designated commercial lands. A core component of this study is to review the amount of commercial land that currently exists in Strathroy and Mt. Brydges as well as identifying the amount of commercial development that would be required to serve future population and employment growth.

Through a detailed commercial space inventory of vacant and occupied spaces within Strathroy and Mt. Brydges in relation to anticipated need for commercial space by 2046 it was found that Strathroy has a surplus of designated commercial lands of approximately 16 ha, while Mt. Brydges has a sufficient supply of commercial land.

Like the employment study, in addition to a land needs analysis, this study also reviewed land use policies and municipal strategies that could be utilized to strengthen the Municipality's ability to attract and retain commercial opportunities.

The policy recommendations contained in the Regional Commercial Systems Study includes the following:

- Allow Commercial Areas to evolve into mixed-use sites while protecting commercial space for the long-term
 - In order to ensure mixed-use developments on designated commercial sites, support complete community principles, and maintain an adequate mix of non-residential uses, the Municipality should consider the review of a proposed mixed-use development on designated commercial lands as part of a Comprehensive Review and/or as part of a Commercial Functional Study prepared by applicant.
- Ensure that Mount Brydges can accommodate commercial demand given a sufficient supply of designated commercial land
 - The Municipality should protect designated existing and vacant designated commercial lands in Mount Brydges.
- Protect and enhance the function of the downtown core of Strathroy

- Maintain O.P. policies that protect the commerce function of the downtown core by requiring ground-floor retail uses to be occupied by commercial uses and directing residential above commercial uses.
- Building on the Downtown Master Plan, 2020, consider identifying the Kenwick Mall site, as a special policy area that allows for a gradual transition of uses that complement the downtown core, including the opportunity to increase people and jobs density on site, allow for a greater intensity of residential uses that support the downtown and opportunities for parking.
- Consider removing the minimum size threshold for free-standing retail outlets and the number of retail outlets in areas designated commercial in south end of Strathroy
 - Municipalities have traditionally used minimum/maximum size threshold as an approach to control big-box and category-killer growth and protect downtown areas, by directing commercial uses that cannot be accommodated in the downtown to arterial road locations. This approach is losing relevance, especially in the context of Strathroy, as commercial growth is largely to be comprised of smaller retail uses. It is important to recognize that the downtown does not have the capacity to accommodate commercial growth anticipated. Best Practices in planning for commercial development is to create a vibrant commercial structure that includes a connected structure of nodes and corridors that supports communities through the urban area.
 - In order to ensure that vitality of commercial areas, the Municipality should consider removing the zoning-by-law requirement of minimum size commercial floor area and number of retail outlet thresholds for free-standing retail uses.
- Protect and direct commercial development in the established commercial nodes and corridors
 - Develop O.P. policies that identify existing commercial nodes and corridors.
 - Provide policies that protect Commercial Areas, as well as Employment Areas by directing major retail uses (20,000 sq.ft./1,900 sq.m) to Commercial Areas. Further, commercial uses within Employment Areas should include supportive commercial uses, such as hotels/motels, restaurants, fitness centres, office uses and commercial uses that cannot be accommodated in commercial areas due to storage requirements (e.g., pool and spa sales, building material sales, equipment sales and rental, etc.).
 - Commercial development in residential areas should include small-scale commercial uses that have a minimal impact on the function of the commercial structure.
- Undertake regular and ongoing monitoring of Commercial Area land supply and demand
 - Develop a system for tracking and monitoring commercial land supply and demand data, in accordance with the County of Middlesex O.P. policy on monitoring (policy 4.2)

and building on baseline data provided in this R.C.S., to assist with longer-term planning and land-needs forecasting.

- Track development enquiries and potential issues with the O.P. policies to ensure the effectiveness of the O.P. in commercial development which can be reviewed at the next O.P. review.
- Undertake a comprehensive update to the R.C.S. every five years at minimum.

NEXT STEPS

The recommendations of both the Employment Lands Study and the Regional Commercial Systems Study will be used to inform amendments to the Official Plan that will be reviewed at the time the red-lined revised Official Plan is presented to the public and Council for feedback and modifications, prior to finalizing the Official Plan Amendment being presented for adoption by Council.

It is requested that Council endorse the Employment Lands Study and the Regional Commercial Systems Study. This will allow the consulting team to begin the task of incorporating their recommendations into the Official Plan.

FINANCIAL IMPLICATIONS:

NONE AT THIS TIME

ATTACHMENTS:

- [EMPLOYMENT LANDS STUDY](#)
- [REGIONAL COMMERCIAL SYSTEMS STUDY](#)