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SENT VIA EMAIL

File: P-3255

March 6, 2023

The Regional Municipality of Durham
Corporate Services Department, Legislative Services Division
605 Rossland Road East
Whitby, ON L1N 6A3

Attention: Alexander Harras

Regional Clerk

Re: Planning and Economic Development Committee Meeting, March 7, 2023

Item 4.1 – Report #2023-P-6, Public Meeting Report - Envision Durham - Release

of the Draft New Regional Official Plan

Setcon Investments Inc.

201 Columbus Road East ("Subject Lands")

City of Oshawa

KLM Planning Partners Inc. is the land use planning consultant for Setcon Investments Inc. (the "client"), the owners of 201 Columbus Road East in the City of Oshawa ("Oshawa").

We have been actively involved in the Region of Durham's ("Region") Municipal Comprehensive Review, Envision Durham ("MCR") through the entire process and have provided the following previous correspondence:

- On May 31, 2021, we provided a submission to the Region requesting the consideration of our client's lands for an expansion to the Settlement Area of Oshawa;
- On August 3, 2021, urbanMetrics provided comments to the Region on Technical Report 1/4 to the Region's Growth Management Study ("GMS"), the Region-Wide Growth Analysis on behalf of our clients;
- On October 4, 2021, we provided comments to the Region on Technical Report 2/4 to the Region's GMS, the Housing Intensification Study Technical Report;
- On October 25, 2021, we provided comments to the Region on Technical Report 3/4 to the Region's GMS, the Employment Strategy Technical Report (attached for reference);

- On November 1, 2021, we provided comments to the Region on Technical Report 4/4 to the Region's GMS, the Community Area Urban Land Needs Technical Report;
- On April 13, 2022, we provided comments to the Region on the Alternative Land Needs Scenarios Assessment Summary Report; and,
- On December 20, 2022, we provided comments to the Region on the GMS, Phase 2: Draft Settlement Area Boundary Expansions and Area Municipal Growth Allocations.

We have now reviewed the draft new Regional Official Plan text and schedules dated February 2023 ("**Draft OP**"). The Draft OP proposes an expansion of the Settlement Area of Oshawa to include the Subject Lands. More specifically, the northern portion of the Subject Lands is proposed as 'Community Area Land' and the southern portion is proposed as 'Employment Area Land'.

Our detailed review and comments on the MCR material and the Area Municipal Growth Allocations and Land Needs, 2051 Report prepared by Watson and Associates Economists Ltd. in support of the Region's GMS as identified above, suggests that the Region has overstated the demand for employment land employment in Oshawa and likely the Region as a whole. Our previous correspondence on the MCR indicated our preference that the entirety of the Subject Lands be included as 'Community Area Land'. This request was supported by a Community Area Land Needs Analysis prepared by urbanMetrics.

While a 'Community Area Land' designation continues to be our preference for the entirety of the Subject Lands, we advise that we support the proposed inclusion of the Subject Lands in the Settlement Area of Oshawa.

We appreciate the opportunity to comment and we look forward to continuing to work with the Region through the MCR.

Yours very truly,

KLM PLANNING PARTNERS INC.

Keith MacKinnon, MCIP, RPP

Partner

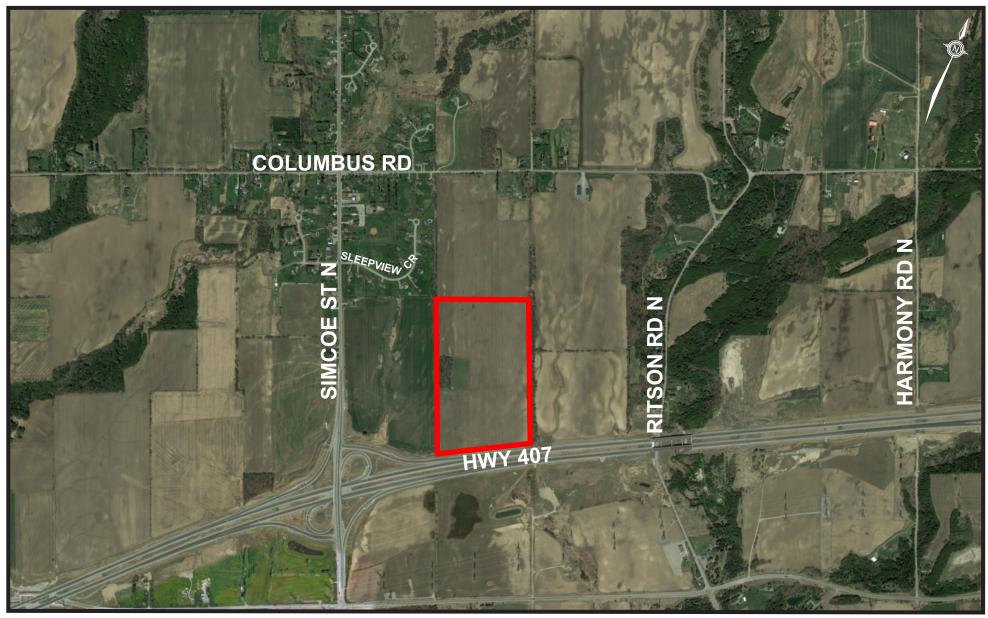
Tim Schilling, MCIP, RPP

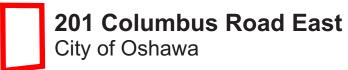
Senior Planner

Attachments (2)

CC. Client

CONTEXT MAP









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File: P-3255

October 25, 2021

The Regional Municipality of Durham Envision Durham Planning and Economic Development 605 Rossland Road East Whitby, ON L1N 6A3

Attention: Mr. Brian Bridgeman, MCIP, RPP

Commissioner of Planning and Economic Development

Re: Region of Durham Municipal Comprehensive Review – Envision Durham

Growth Management Study, Technical Report 3/4

Employment Strategy Technical Report

Setcon Investments Inc. c/o Melrose Investments

201 Columbus Road East

City of Oshawa

KLM Planning Partners Inc. is the land use planning consultant for Setcon Investments Inc. c/o Melrose Investments (the "client"), the owners of 201 Columbus Road East in the City of Oshawa.

We have been actively involved in the Region's Municipal Comprehensive Review, Envision Durham ("MCR") through the entire process. On May 31, 2021, we provided a submission to the Region requesting the consideration of our client's lands for an expansion to the Settlement Area of Oshawa. On August 3, 2021, urbanMetrics inc. provided comments to the Region on Technical Report 1/4 to the Region's Growth Management Study ("GMS"), the Region-Wide Growth Analysis on behalf of our clients. On October 4, 2021, we provided comments to the Region on Technical Report 2/4 to the Region's GMS, the Housing Intensification Study Technical Report.

We have now reviewed Technical Report 3/4 to the Region's GMS, the Employment Strategy Technical Report ("Employment Report") and note the following key findings of the Region's employment land needs analysis:

 Durham's Urban Employment Areas contain 1,966 gross hectares (4,858 acres) of vacant developable land, reflecting a 10% market vacancy adjustment and recommended Employment Area conversions;

- Based on a 15% intensification target and an overall target employment density of 26 jobs per gross ha, the Region will require a total of 3,130 gross ha of land within Urban Employment Areas to accommodate anticipated job growth to 2051; and,
- Reflecting the identified Urban Employment Area land demand to the year 2051 and available, designated Employment Area land supply, a shortfall of 1,164 gross hectares (2,876 acres) of Urban Employment Area land has been identified to 2051.

The employment report indicates that to achieve the Region's 2051 employment forecast of the Growth Plan, which in our opinion is overstated, Durham Region will require the tripling of employment land absorption to 2051. Based on a review of the report by urbanMetrics, they recommend that the demand for employment land in the Region should be re-evaluated based on an understanding of the employment land projections being conducted by competitive municipalities within the GTHA. Comments from urbanMetrics dated October 25, 2021 are attached.

We note that parallel to the Region's MCR, the City of Oshawa is undertaking the Columbus Part II Planning Act and Municipal Class Environmental Assessment Act Study ("Columbus Part II Plan"). Our clients have actively participated in this process and we note that with the recent release of the draft preferred land use plan for the Columbus Part II Plan area, a portion of our client's lands are included as "proposed Columbus expansion area" (see attached). Our clients support this proposal which would provide for the development of a portion of their lands for residential purposes. Further, our clients are continuing to have discussions with the City on appropriate land use designations therein.

Pursuant to the above, our position is that the Region are overplanning for Employment Area lands. It continues to be our position that the entirety of our client's land should be included within the Oshawa Settlement Area Boundary as Community Area (living area) as detailed in our May 31, 2021 submission. The inclusion of these lands is appropriate to assist with the orderly development of Oshawa and specifically the Columbus community, while also optimizing the delivery of services.

We request that should the Region resolve to designate our client's land as Employment Area, that an appropriate transition in land uses between the proposed Columbus expansion area and Employment Lands to the south be provided by replicating the residential land uses within the proposed Columbus expansion area south of the proposed east-west collector road as shown in the attached Columbus land use plan. Further, that flexible policies be introduced into the Regions Official Plan that provides for the future conversion of employment lands to non-employment uses without the need for a future MCR or Regional Official Plan Amendment. Our request in this instance is based upon the conclusion of urbanMetrics that the need for employment lands in the Region is overstated.

We appreciate the opportunity to comment and we look forward to continuing to work with the Region through the Envision Durham process.

Yours very truly,

KLM PLANNING PARTNERS INC.

Keith MacKinnon, MCIP, RPP

Partner

Attachments (2)

Tim Schilling, MCIP, RPP Senior Planner



October 25, 2021

The Regional Municipality of Durham Envison Durham Planning and Economic Development 605 Rossland Road East Whitby, Ontario L1N 6A3

Attention Mr. Brian Bridgeman, MCIP, RPP Commissioner of Planning and Development:

RE: Review of Durham Region Employment Strategy Technical Report

Setcon Investments Inc (Setcon) owns some 28.5 hectares (excluding natural heritage features) that are contiguous to the planned settlement area defining the Columbus community in North Oshawa. Please refer to the attached Context Map. On May 31, 2021 KLM Planning Partners, on behalf of Setcon, submitted a letter to Envision Durham requesting that the Region consider the Setcon lands for a future expansion to the City of Oshawa Settlement Area Boundary to support the ongoing and desirable growth of the Region. The Setcon lands would represent an appropriate extension of the proposed residential lands to the North, supporting the planned growth in the City and Region. The Region of Durham Growth Management process is currently under way and it is this process that will inform the Region's municipal comprehensive review (MCR) that will ultimately determine where settlement boundary expansions should occur.

On behalf of our clients, Setcon, we have reviewed the Employment Strategy Technical Report prepared by Watson & Associates and Urban Strategies Inc. released on September 24, 2021, and provide the following comments:

1. **Unrealistic Employment Land Need Projection**

The employment land need projected in the report vastly exceeds historic levels and is predicated on the incorrect assumption that the supply of employment land in the remaining GTHA is dwindling, creating the opportunity for Durham Region to experience much higher absorption rates than in the past.

Figure 7-5 projects that between 2019 and 2051, Durham Region will require some 3,130 gross hectares of employment land, or approximately 98 hectares each year. However, as shown in Figure 5-6, between 2011 and 2019, the actual annual absorption has not even come close to this rate, ranging from 1 hectare in 2011 to 60 hectares in 2018, with the historical average being 32 hectares annually. Assuming a similar net-to-gross factor of approximately 9% applied in Figure 7-1, the equivalent historic absorption rate would be 35 gross hectares per year. Approximately one-third of that projected to 2051.

On page 23 of the report, the rationale for this massive increase in employment land absorption is explained: "Over the longer-term planning horizon, the remaining supply of available, vacant employment land is anticipated to diminish within many larger GTHA markets, including the Cities of Toronto, Vaughan, Mississauga and Brampton. As the more mature Employment Areas in the GTHA gradually build out and industrial land prices continue [to] rise in these areas, increasing outward growth pressure will be placed on the remaining vacant greenfield Employment Areas in the GTHA and beyond."

There are several issues with this statement. First, for the most part, the municipalities identified have over the past ten to twenty years have already experienced a diminishing of their employment lands with minimal impact on Durham Region. Secondly, other municipalities, likely better positioned than many parts of Durham, are also anticipating very strong levels of employment land absorption over the 30 year planning horizon. York Region, for example, is projecting a growth of some 128,000 employment land employees between 2021 and 2051, compared to only 99,500 for Durham Region over the slightly longer 2019 to 2051 period. York Region is also proposing to expand their urban boundary to incorporate an additional 1,100 hectares of employment land, of which 210 hectares would be introduced in neighbouring Markham and 710 hectares would be introduced in the afore mentioned City of Vaughan¹.

Similarly, Simcoe County, includes a number of areas poised for significant employment growth in close proximity to the Highway 400 corridor, including Bradford-West Gwillimbury, Innisfil and New Tecumseth. Based on 2017 land inventory information, there are almost 3,000 vacant hectares of

¹ The Regional Municipality of York, Report of the Commissioner of Corporate Services and Chief Planner, Proposed 2051 Forecast and Land Needs Assessment, March 18, 2021.



employment lands in the County, a total which exceeds the current amount of occupied space. The recently released Simcoe County Land Needs Assessment identifies a need to add some 525 hectares of employment land to support growth to 2051². Peel Region is anticipating an acceleration of employment land employment growth in Brampton and Caledon and overall, the Region is projecting the need to accommodate some 107,600 employment land employees between 2016 and 2051³.

It is also important to note that while there are some Provincially Significant Employment Zones (PSEG) in Durham Region in Pickering, Ajax, Oshawa and Clarington, these are dwarfed by the PSEGs elsewhere in the GTHA. PSEGs are strategically identified Employment Areas, with high economic output designed to provide stable, reliable employment across the GTHA.

In summary, there is no evidence that the other Regions in the GTHA will be experiencing a slowdown in employment land development, such that Durham Region will see a tripling of its annual employment land absorption to 2051. Based on the land needs assessment work to date, York and Peel Regions and Simcoe County will be experiencing an accelerated growth in employment land development, which they will be accommodating both on an extensive supply of vacant employment lands and by expanding employment land into their whitebelt areas. In our opinion, the demand for employment land in Durham Region should be re-evaluated based on an understanding of the employment land projections being conducted by competitive municipalities within the GTHA.

2. **Employment Land Conversion Request CN-46 (Oshawa)**

The Employment Land Strategy report recommends that these lands, at the southeast quadrant of Highway 407 and Simcoe Street, be converted from Employment Lands to an Open Space designation to accommodate Species at Risk Compensation Lands. The site is approximately 30 hectares in size.

In reviewing Figure 4-1 and Figure 4-5 of the Region's Community Land Needs Technical Report, it would appear as though these lands were being added back to the Community Area Supply as "developable area". Can the Region clarify whether this was the case and whether the more recently completed Community Land Needs report has contemplated these lands as developable.

³ Cushman & Wakefield, Peel Region Employment Strategy Discussion Paper, Draft August 16, 2021.



² Public Open House Land Needs Assessment presentation by Hemson Consulting, October 5, 2021.

If you require further clarification with regards to our analysis, please do not hesitate to contact us.

Yours truly,

urbanMetrics inc.

Rowan Faludi, MCIP, RPP, CMC, PLE

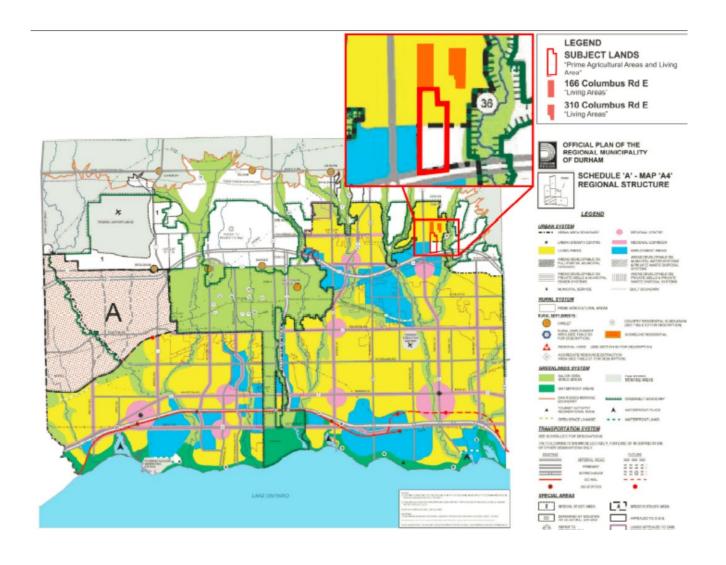
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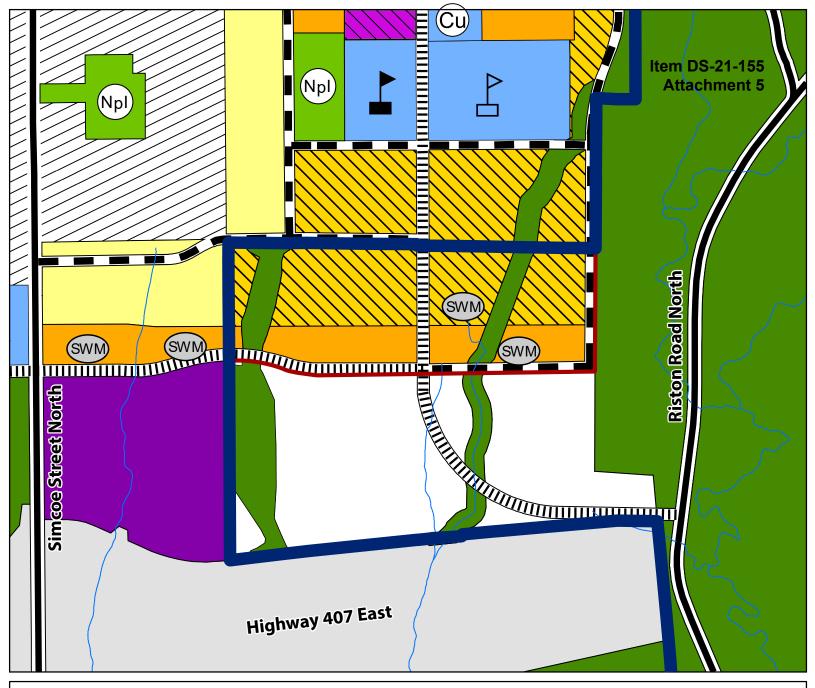
rfaludi@urbanMetrics.ca

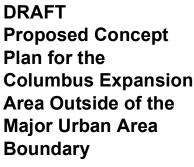
Setcon Investments Inc. North Oshawa Context Map







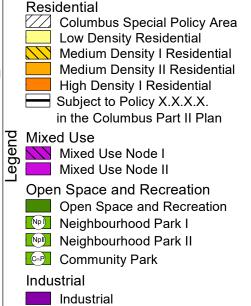




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August 2021

Development Services Department



Planned Commercial Centre

Commercial

