

Report To:	Council	
From:	Jill Hogan, Commissioner, Development Services	
Date:	November 4, 2024	
Report No:	DS-075-24	
Subject:	Town-Initiated Official Plan and Zoning By-law Amendments to implement Provincial direction on "Area of Employment", as a result of Bill 97: Helping Homebuyers, Protecting Tenants Act, 2023 (Town Files: LOPA-08/24 and ZBLA-20/24).	
Recommendation:	THAT Report DS-075-24, regarding the draft Town Initiated Local Official Plan Amendment and Zoning By-law Amendment for amending the Areas of Employment be received for information for the purposes of a Statutory Public Meeting.	

EXECUTIVE SUMMARY

In accordance with the requirements of the *Planning Act*, this report presents draft Local Official Plan and Zoning By-law amendments for public comment. The draft amendments implement Provincial direction on "Areas of Employment" that are intended to regulate and protect the Town of Milton's employment areas.

Current policies for employment areas are intended to provide industrial, business and office activities, which will be the major source of employment opportunities within the Town.

Provincial legislative and policy changes have been made to Employment Areas. The changes amend the definition of "Area of Employment" and expressly exclude, institutional and commercial uses, including retail and office uses not associated with primary employment uses, and provide municipalities with the authority to continue allowing lawfully established uses excluded in the definition. Proposals to convert lands that are designated as employment areas in an Official Plan, but which do not meet the new definition for an "Area of Employment", would no longer be protected from appeal under the *Planning Act*.

The proposed amendment to the Local Official Plan Amendment (LOPA) seeks to:

- ensure the Town of Milton Official Plan and former Halton Region Official Plan are consistent with the PPS 2024 with respect to:
 - o definition of employment areas and general policies for employment areas;

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- criteria to remove lands from employment areas; and
- permitted land uses under the Business Park and Industrial Area land use designations in the Local Official Plan.
- update Official Plan mapping at various locations within the Sustainable Halton Plan (SHP) Urban Area Boundary to conform to the Regional Official Plan Employment Overlay designation;
- designate lands currently designated Office Employment Area, Business Commercial Area, and Prestige Office Area from "Employment Area" to "Commercial Area"; and remove these lands from the Employment Area overlay in Local and Regional Official Plan mapping;
- retain current land use permissions within the Office Employment Area, Business Commercial Area, and Prestige Office Area land use designations and prohibit the development of residential uses;
- update the Derry Green Corporate Business Park Secondary Plan and Bristol Survey Secondary Plan policy frameworks and mapping to streamline interpretation of existing permissions and improve policy to meet intended objectives; and
- authorize to continue institutional and commercial uses that were lawfully established before October 20, 2024.

The LOPA will ensure that lands designated "Industrial Area" and "Business Park Area" continue to benefit from provisions in the *Planning Act* that restrict the removal of lands from an area of employment.

The LOPA also recommends removing lands designated "Office Employment Area", "Business Commercial Area" and "Prestige Office Area", from Employment Area and redesignate these lands to Commercial Areas. By recommending the removal of these lands from the Employment Area, it will enable these lands to continue to provide for additional jobs, and service commercial, office, and other supportive uses ancillary to the broader employment areas, as originally planned.

The proposed changes to the Official Plan will be implemented by an accompanying ZBLA. The purpose of the ZBLA is to:

 ensure that permitted uses within the various employment zones are consistent with the definition of "area of employment" in subsection 1(1) of the *Planning Act* and new *Provincial Planning Statement* 2024, and

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• add new Commercial Zones consistent with the designation of "Office Employment Area", "Business Commercial Area" and "Prestige Office Area" lands from Employment Area to Commercial Area in the Local Official Plan.

REPORT

Background

On April 6, 2023, the Province introduced Bill 97: *Helping Homebuyers, Protecting Tenants Act,* that would amend policy and legislative that would make changes to the *Planning Act*, including a new definition to be added for "area of employment".

On the same day Bill 97 was introduced, the province provided for review and comment an updated, proposed *Provincial Planning Statement* (PPS). The proposed PPS 2023 contained employment area policies and a definition for "employment areas" that corresponded to the proposed, new *Planning Act* definition for "area of employment".

On August 20, 2024, the Ontario Government released the final *Provincial Planning Statement* 2024 (PPS 2024), which came into effect on October 20, 2024. The Province has advised that municipalities should make timely amendments to their official plans to ensure that they are aligned with the amended definition of Employment Areas.

Planning staff completed work towards implementing the provincial direction regarding employment areas. The proposed Local Official Plan Amendment is addressing changes to the *Planning Act* and PPS 2024 as it relates to area of employment and conversion policy within the Town's Official Plan. Other changes that were introduced through the PPS 2024 will be addressed through the new Official Plan project.

Amended Planning Act "Area of Employment" Definition

Through Bill 97, *Helping Homebuyers, Protecting Tenants Act*, the Province is amending the definition of "area of employment" to align the following new criteria:

- 1. The uses consist of business and economic uses, other than uses referred to in paragraph 2, including any of the following:
 - i. Manufacturing uses.
 - *ii. Uses related to research and development in connection with manufacturing anything.*
 - *iii.* Warehousing uses, including uses related to the movement of goods.
 - *iv.* Retail uses and office uses that are associated with uses mentioned in subparagraphs i to iii.



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- *v.* Facilities that are ancillary to the uses mentioned in subparagraphs i to *iv.*
- vi. Any other prescribed business and economic uses.
- 2. The uses are not any of the following uses:
 - i. Institutional uses.
 - *ii.* Commercial uses, including retail and office uses not referred to in subparagraph 1 iv; ("zone d'emploi").

The amended definition excludes institutional and commercial uses, which includes retail and offices uses that are not associated with research and development, manufacturing, and warehousing. Lands occupied by uses that are excluded from the new definition of "area of employment" will continue as an "area of employment", so long as they were lawfully established on the parcel of land prior to October 20, 2024.

Amended Criteria for the Removal of Lands from Employment Areas

In addition to the above noted proposed changes to the area of employment definition, further modifications are being proposed to the criteria to remove lands from employment areas. Municipalities can consider - and landowners can apply for - the removal of land from employment areas only if it demonstrates the following criteria:

- a) there is an identified need for the removal and the land is not required for employment area uses over the long term;
- b) the proposed uses would not negatively impact the overall viability of the employment area by:
 - 1. avoiding, or where avoidance is not possible, minimizing and mitigating potential impacts to existing or planned employment area uses in accordance with policy 3.5;
 - 2. maintaining access to major goods movement facilities and corridors;
- c) existing or planned infrastructure and public service facilities are available to accommodate the proposed uses; and
- d) the municipality has sufficient employment lands to accommodate projected employment growth to the horizon of the approved official plan.

The *Planning Act* continues to limit the ability to appeal refusals or non-decisions of such applications. The *Planning Act* ensures that all or any part of an application dealing with the removal of lands from an area of employment, all or any part of the application is protected from appeals under the *Planning Act*. The appeal protection is found to apply



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only to the removal of the portion of the employment area that is no longer consistent with the new PPS 2024 definition.

Discussion

The Town of Milton's employment land supply consists of existing designated and builtout lands, planned employment areas (within Greenfield areas) and Employment Area Expansion Lands.

The majority of Milton's designated employment area is located in the 401 Industrial/ Business Park and Derry Green Corporate Business Park. The current Employment Area designations in the Local Official Plan are defined by five specific land use designations: Industrial Area, Business Park Area, Office Employment Area, Business Commercial Area, and Prestige Office Area. These land use designations ensure that appropriately designated lands are available within the urban area for the creation of diverse employment opportunities in suitable locations.

Proposed Local Official Plan Amendment

In response to provincial directions for employment areas, the Local Official Plan amendment proposes to update the definition of Employment Area, revise various employment area designations, and mapping as follows:

Definitions

The current Official Plan definition of "employment area" includes uses that are no longer permitted within the *Planning Act* definition of "Area of Employment" and the employment area policies of the PPS 2024. The LOPA proposes to amend this definition to be consistent with provincial direction.

Changes to Industrial Area and Business Park Area Land Use Designations

The LOPA restricts uses that are excluded from the new definition for "area of employment" in the *Planning Act*, i.e., institutional and commercial uses, within the Industrial Area and Business Park Area designations of the Plan after October 20, 2024.

The amendment proposes to remove reference to office activities from the general employment areas policies, and alter the term "business and economic activities" to "business and economic uses" to align to provincial direction.

The amendment revises the list of permitted uses in two employment area designations: Business Park and Industrial Area. The proposed amendment focuses on conforming to the newly amended *Planning Act* definition of "Area of Employment" to ensure that these employment areas continue to benefit from appeal protections under the *Planning Act*.



The Industrial Area designation applies to areas where the full range of light and general industrial uses are permitted. The amendment proposes to limit permitted office and retail uses to those associated with primary employment uses; and remove permission for accessory service, wholesale, and adult entertainment uses in lands designated Industrial Area.

The Business Park Area designation applies to areas where the full range of light industrial are permitted. Current Business Park Area policy includes uses that are no longer permitted in the new definition of "employment areas". The amendment proposes to limit permitted office and retail uses to those associated with primary employment uses; and remove permission for service commercial uses, wholesale, institutional uses, commercial recreation uses and public indoor recreation facilities, office buildings, auto sales and service, restaurants and theatre/entertainment uses in lands designated Business Park Area.

In addition, staff recommends updating the definitions of "Light Industry" and "General Industry" to ensure consistency with land use permissions and policy objectives.

Lawfully Established uses within lands designated Industrial Area and Business Park Area

New subsections under 1 (1.1) and (1.2) of the *Planning Act* provide municipalities a transition provision for lands within employment areas that are occupied by uses excluded under paragraph 2 of the new definition (institutional and commercial uses).

The LOPA proposes to allow lands occupied by uses within employment areas that are excluded from the new definition for "area of employment" in the *Planning Act* to continue", so long as they were "lawfully established" on the parcel of land prior to October 20, 2024.

It is staff's interpretation that lawfully established uses are uses that are currently present on the site, so long as those uses were established prior to the date of proclamation.

Employment Area Overlay Designation in Official Plan mapping

The LOPA replaces the current Employment Area overlay designation in various schedules of the Official Plan with the employment area designation overlay in Map "1C - Future Strategic Employment Areas" of the former Halton Region Official Plan, which is the in-force overlay.

Criteria for the Removal of Lands from Employment Areas

Provincial policy direction in the *Provincial Planning Statement* 2024 has revised policy for the removal of land from employment areas. The *Provincial Planning Statement* 2024 includes new criteria in which the municipality may remove lands if the municipality can demonstrate and identify that the land is not required for employment uses over the long



term. The amendment proposes to remove reference to the historic criteria for employment land conversion and implement policy direction from new *Provincial Planning Statement* 2024.

Removal of "Office Employment Area", "Business Commercial Area" and "Prestige Office Area" lands from the Town's Employment Areas

The LOPA seeks to remove lands designated "Office Employment Area", "Business Commercial Area" and "Prestige Office Area" from the Employment Area overlay designation and relocate the policy framework for these three land use designations from Section 3.7 - "Employment" to Section 3.4 - "Commercial Area" of the Plan. These lands will maintain a primarily employment function, however, will not benefit from appeals protection under the *Planning Act*.

It is staff's recommendation that lands designated Office Employment, Business Commercial, and Prestige Office Areas, though provide activities that are significant sources of employment opportunities, should continue to provide essential office and commercial uses, ancillary to the adjacent employment areas. Although these land designations are proposed to be removed from employment areas, these areas will continue to provide essential office and service commercial uses.

The removal of these lands from the employment areas responds to the following factors:

- Many parcels of land within the Office Employment Area, Business Commercial Area and Prestige Office Area designations contain uses that are excluded from the new definition of "area of employment", including offices, institutional uses, and service commercial and retail. These uses had been permitted, encouraged and protected within employment areas under previous provincial policy planning frameworks, which guided complete communities and diversity of employment uses.
- The removal will not negatively impact the overall viability of the Town's employment area.
- As the Town plans for an urban structure that provides a range of employment opportunities, it is also noted that the PPS 2024 (Section 2.8.1.3) supports this direction with respect to the accommodation of employment outside of Employment Areas to support the development of complete communities.
- Lands designated Office Employment Area, Business Commercial Area and Prestige Office Area will continue to support and complement the surrounding employment areas to provide the necessary service commercial needs, and an appropriate mix and range of employment uses, as originally planned.



- The future employment area expansion lands (804 net ha.), in addition to the existing lands designated and planned for employment purposes (1,735 net ha.) will accommodate the majority of the projected employment growth and a range of business types and employment sectors.
- A new policy to prohibit residential uses is added to ensure that Office Employment, Business Commercial, and Prestige Office areas are protected.

Updates to Bristol Survey Secondary Plan policies

In order to proceed with a housekeeping update, the amendment will remove the employment area policies in the Bristol Survey Secondary Plan and amend the secondary plan mapping to reflect the current "Major Commercial Centre" and "Residential Area" land use permissions on lands formerly designated employment area.

Updates to Milton 401 Industrial/Business Park and Derry Green Corporate Business Park Secondary Plan policies

The current Official Plan policy for the Milton 401 Industrial/Business Park and Derry Green Secondary Plan areas permits a wide-range of employment and economic uses. The above recommended changes to employment area policies apply to the Secondary Plan areas. The policy framework and mapping are revised to conform to parent policy, streamline interpretation of existing policy along the frontage of major roads, and improve policy to meet intended objectives.

Changes to the Halton Region Official Plan

Policy Changes

As of July 1, 2024, Halton Region planning responsibilities were transferred to the local municipalities, however the Halton Region Official Plan remains in-effect and the local municipalities are responsible for administering the plan until such time that it is revoked or amended by the respective municipality.

The Town of Milton is now the approval authority for employment area policy changes. As part of these changes, the Halton Region Official Plan (ROP) was deemed to be an official plan of the Town of Milton, with the Regional Plan prevailing in the event of a conflict with Local Official Plan. Amendments to both official plans are required to avoid conflicts between policies. The former Regional Official Plan policy references policy implemented through the proposed LOPA and therefore policy within the Regional Official Plan will no longer be in effect.

Staff proposes to revoke Sections 83.2 (1), 83.2 (1.1), 83.2 (4), and 229.1 in the Regional Official Plan relating to employment area that shall be replaced by policy brought forward



through the LOPA. This includes regional plan policy as it relates to both permitted uses within employment areas and the regional definition of "Employment Area".

Mapping Changes

Staff proposes to remove the lands designated Office Employment Area, Business Commercial Area, and Prestige Office Area in the Local Official Plan from the Employment Area overlay in regional Official Plan mapping.

Proposed Zoning By-law Amendment

Staff recommends amending the Urban Zoning By-law to ensure that permitted uses under Employment Zones and Commercial Zones are consistent with Official Plan policy brought-forward through the proposed LOPA.

New Commercial Zones

The Zoning By-law amendment proposes to relocate the Prestige Office and Employment zone regulations from Section 8 - "Employment Zones" to Section 7 - "Commercial Zones" of the by-law.

Table 7B is proposed to be amended to incorporate the list of permitted uses under the new Prestige Office (C7) and Employment Office (C8) commercial zones. Likewise, Table 7D is amended and a new Table 7E is added to establish regulations for the new Prestige Office (C7) and Employment Office (C8) zones.

No changes are required to the Business Commercial (C6) zone since this zone's standards are already contained in Section 7.

Changes to Employment Zones

Consistent with the proposed changes to Section 7, the amendment also recommends deleting the columns containing the Prestige Office (EMP-1) and Employment (EMP-2) zones' list of permitted uses and regulations from Tables 8A and 8B of the by-law and removing uses no longer permitted under the Business Park (M1) and General Industrial (M2) zones from Table 8A to ensure permitted uses are consistent with the proposed changes to the Official Plan.

Conclusion and Next Steps

The Local Official Plan and Zoning By-law amendments are intended to ensure these planning tools are consistent with the *Planning Act* and the *Provincial Planning Statement* 2024 as it relates to the new definition of "Area of Employment" introduced through Bill 97, *Helping Homebuyers, Protecting Tenants Act*.

The amendments are intended to help maintain the integrity of the Town's employment areas and ensure these areas continue to benefit from the current employment protection



policies, while ensuring areas planned continue to provide for additional jobs, and service commercial, office, and other supportive uses ancillary to the broader employment areas.

The Town is continuing to undergo the comprehensive Local Official Plan Review and will continue to update and monitor policy to manage growth in our community to the year 2051.

Consideration of transition regulation

The Province is considering whether there are any specific planning matters in process that should be addressed through a transition regulation (under the *Planning Act*) to facilitate the implementation of the PPS 2024. This could include, for example, development applications or planning matters under appeal. Planning staff continue to monitor this process and will ensure a decision regarding a potential transition regulation is addressed.

Financial Impact

There are no immediate financial impacts associated with this Report.

Respectfully submitted,

Jill Hogan Commissioner, Development Services

For questions, please contact:	Hugo Rincon, Senior Planner, Policy	Phone: Ext. 2307
	Graeme Paton, Planner, Development Review	Phone: Ext. 2319

Attachments

Appendix 1: Recommended Local Official Plan Amendment

Appendix 2: Official Plan Text Tracked Changes

Appendix 3: Recommended Regional Official Plan changes

Appendix 4: Recommended Zoning By-Law Amendment

Approved by CAO Andrew M. Siltala Chief Administrative Officer



Recognition of Traditional Lands

The Town of Milton resides on the Treaty Lands and Territory of the Mississaugas of the Credit First Nation. We also recognize the traditional territory of the Huron-Wendat and Haudenosaunee people. The Town of Milton shares this land and the responsibility for the water, food and resources. We stand as allies with the First Nations as stewards of these lands.