

VMC Sub-committee Report

DATE: Tuesday, June 21, 2022

WARD: 4

<u>TITLE</u>: VMC SECONDARY PLAN UPDATE: PHASE II – LAND USE OPTIONS

FROM:

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ACTION: FOR INFORMATION

Purpose

To provide a status update on the Vaughan Metropolitan Centre ('VMC') Secondary Plan Update, currently in Phase II, which builds on the key messages identified from Phase I to develop an approach for land use options.

Report Highlights

- The VMC is the City's emerging downtown and central business district; it is poised to be a complete and balanced community encompassing different built form typologies, a mix of uses that are transit supportive and pedestrian friendly, and the financial, innovation and cultural centre of the City.
- An update to the VMC Secondary Plan is required to address provincial and regional policy updates, and to respond to the rapid growth that threatens the realization of a vibrant and balanced downtown.
- As part of Phase II of the VMC Secondary Plan Update, an approach to different land use options have been developed for consideration.
- Land Use Option 1 maintains the intensity of development with a lens on achieving built form variety and supplying adequate social infrastructure.
- Land Use Option 2 recalibrates uses to deliver a thriving central business district, utilizing an Office Feasibility Assessment that was undertaken to improve the feasibility of development that delivers office uses.
- Both land use options maintain the objective of ensuring the VMC becomes the most diverse area of the City, to realize Council's vision of achieving a world-class downtown.

Recommendation

1. That the VMC Secondary Plan Update: Phase II – Land Use Options report be received for information.

Background

The VMC, as shown on Attachment 1, is the City of Vaughan's (the 'City's') emerging downtown and central business district; it is poised to be the financial, innovation and cultural centre of the City, with a vibrant sense of place, a high-quality public realm and environmentally sustainable design practices. The VMC will be a complete and balanced community encompassing different built form typologies, and a mix of uses that are transit supportive and pedestrian friendly.

The existing VMC Secondary Plan ('VMCSP') provides a strong vision and policy foundation for the VMC and has helped guide development since its partial approval by the Ontario Land Tribunal ('OLT', formally the Ontario Municipal Board and Local Planning Appeal Tribunal) in 2015. Since this time, development interest in the VMC has exceeded expectations, resulting in a residential intensity that was not anticipated when the VMCSP was initially developed.

The City is undertaking an update to the VMCSP to address provincial and regional policy updates, and to respond to the rapid growth that is putting pressure on realizing Council's vision for a vibrant and balanced downtown. The VMCSP Update will result in a renewed policy framework that supports the completion of a downtown and central business district as a complete community that is well supported by municipal services and social infrastructure to 2051 and beyond.

The VMCSP Update will be a nuanced recalibration exercise, not a departure from the original plan. Many elements of the original vision are strong and relevant based on policy, legislation and best practices. The Update will be an opportunity to adjust elements of the Plan that need to be refined to deliver a complete and sustainable community into the future.

It is recognized that development interest is the catalyst that will help the City realize it's ambitions for a vibrant downtown; however, in response to the heavy residential development trends, planning intervention is required through this Secondary Plan Update to avoid the creation a bedroom community. The VMCSP Update seeks to balance the heavy residential development trends through the promotion of mixed use and varied building typologies; as well as a recalibration for hard and soft infrastructure,

including parks, community services and civic facilities, transportation, and municipal servicing systems in order to achieve a healthy, balanced, and complete community.

The VMCSP Update is currently in the second of a five-phase project

The VMCSP Update was initiated in August 2020 and is being undertaken by the City's Policy Planning and Special Programs Department in concert with a consulting team that includes Gladki Planning Associates, dTAH, Parcel Economics and Ken Greenberg (the 'consultant team').

The VMCSP Update is being undertaken in five phases, which is structured as follows:

- Phase I Background and Issues
- Phase II Prepare and Develop Land Use Options
- Phase III Elaborate a Preferred Framework
- Phase IV Draft Secondary Plan
- Phase V Final Implementation of Secondary Plan Update

Phase I - Background and Issues, was completed and presented to the VMC Subcommittee on March 2, 2021. Through Phase I, challenges, risks and concerns for the VMC were identified by the public, landowners and other stakeholders, which lay the foundation for the Phase II work.

The project is currently in Phase II – Prepare and Develop Land Use Options, which utilizes the key messages identified from Phase I to develop preliminary land use options that address the challenges and constraints. The land use options that have been developed also take into consideration fixed and variable elements, such as approved and proposed development, the natural heritage network, roads and highways under the jurisdiction of other levels of government, etc., and balance this with development interest to deliver on Council's vision of a world class downtown and complete community. The land use options being explored, and the approach taken to develop these options, are discussed in greater detail later in this report.

Extensive consultation has taken place with the public, landowners and other stakeholders

A robust public and landowner engagement strategy has been developed with the consultant team, as well as the City's Corporate and Strategic Communications Department, to ensure that meaningful engagement is achieved during each phase of this project. The focus of the Phase II engagement strategy is to present the approach and the land use options to obtain preliminary feedback on how the key messages from Phase I are being addressed, and how this recalibration will achieve Council's vision for a vibrant and balanced downtown.

As part of the Phase II engagement strategy, the following initiatives were undertaken:

Community Meeting

A live, virtual Community Meeting took place on May 24, 2022, open to interested members of the public and stakeholders, and included a presentation on the land use options, an interactive focus group activity, and a question-and-answer period. Following the Community Meeting, a recording of the presentation was posted to the City's website at <u>www.vaughan.ca/vmcplan</u>.

Online Engagement

The project's dedicated website, <u>www.vaughan.ca/vmcplan</u>, provides important project information, including key milestones and ongoing opportunities for engagement. Attendees, as well as those who were unable to attend the Community Meeting, had an opportunity to participate in an idea generating exercise to share their preferred land use option using the engagement tools available on the website. The online engagement period was available from May 25, 2022, to June 14, 2022.

Social Media and Digital Marketing Outreach

A social media campaign was undertaken on the City's social media channels to advertise the Community Meeting and the online engagement opportunity. In addition, notice of the Community Meeting was posted on the City's website at <u>www.vaughan.ca</u>, and using the City's digital sign network.

Newspaper Ad

An ad for the Community Meeting was placed in the Vaughan Citizen and Thornhill Liberal, appearing in the May 19, 2022, editions of the newspapers.

Landowner Engagement

Landowner engagement was conducted at two different intervals in Phase II:

- in February, one-on-one interviews with landowners whose VMC landholding locations and sizes are feasible for major office uses were conducted by the consultant team to understand the limitations and barriers associated with office development; and,
- in May, a presentation was made to the landowner groups on the land use options, and included a question-and-answer period.

Landowner group meetings have been organized and conducted in three different groups – one meeting for the VMC landowners east of Jane Street, one

meeting for the VMC landowners west of Jane Street, and one meeting for the landowners within the potential expansion areas – as a way of acknowledging the different priorities, issues and challenges within each of these groups.

Technical Advisory Committee ('TAC') Engagement

Ongoing consultation with the VMCSP Update's TAC continues. A presentation on the land use options was given to internal TAC members, which is comprised of staff from key departments within the City; and, a presentation was given to external TAC members, comprised of key stakeholders from external government agencies and organizations. The TAC is discussed in greater detail later in this report.

A fulsome description of the engagement outcomes, including comments provided as part of this VMC Sub-committee Meeting, will be provided within a Phase II Engagement Summary to be available on the VMCSP Update dedicated webpage (<u>www.vaughan.ca/VMCPlan</u>) at a future date.

The VMCSP Update is being coordinated with other supporting studies

The VMCSP update is being coordinated with concurrent projects in the VMC, including the Parks and Wayfinding Master Plan (the 'PWMP'), the Transportation Master Plan (the 'TMP'), and the Functional Servicing Strategy Report. To date, work from the PWMP has been incorporated into the land use option presented in Option 1, as shown on Attachment 3, and has helped inform the parks strategy in Option 2, as shown on Attachment 4.

The TMP, as well as the Millway Avenue and Interchange Way Municipal Class Environmental Assessment ('MCEA') studies are currently in Phase 2, where transportation solutions will be evaluated and assessed based on the land use options and population and job projections developed as part of the VMCSP Update. The population assumptions tied to the land use options will be run through the transportation model to evaluate their appropriateness; the findings of these models will be presented to the VMC Sub-committee at a future meeting.

Developments from these related studies, as well as work on the City's Official Plan Review, will continue to guide the policy framework and inform the final recommendations of the VMCSP Update.

Previous Reports/Authority

The following are links to previous reports regarding the VMC Secondary Plan update:

- 1. <u>VMC Studies Update, November 10, 2020, VMC Sub-committee Report</u> (Report No. 2, Item 3)
- <u>VMC Secondary Plan Update Phase I, March 2, 2021, VMC Sub-committee</u> <u>Report (Report No. 1, Item 1)</u>
- 3. <u>VMC Secondary Plan Update Phase 2 Approach, June 8, 2021, VMC Sub-</u> committee (Report No. 2, Item 1)

Analysis and Options

The approach underpinning the land use options analysis is the achievement of a vibrant, diverse, thriving downtown and central business district, and a complete community with unique residential, office and mixed use development. The VMC will be structured around a transit-oriented, fine grain street network for all modes of transportation - including walking, driving and cycling – and development will be linked by a network of high-quality parks, public squares, and open spaces.

It is recognized that a number of intensification areas are emerging within the City, impacting and expanding the skyline, however, the vision of the VMC remains the same, that it will be the economic and cultural centre of the City. The VMC will be one of several intensification areas within the City, identifiable by high density development, but will be a marque destination distinguished by a thriving, diversified employment base and cultural destinations and amenities, differentiating it from the City's other intensification areas.

An Office Feasibility Assessment was completed to understand the market demand for office in the downtown

The COVID-19 Pandemic has greatly impacted the landscape of work over the last two years; and the long-term impacts of this global event will not be immediately known. However, as the economy re-opens and we shift to a "new normal", we see people returning to offices – either full-time or in hybrid work solutions – which underscores the importance of planning for and preserving office space.

In support of maintaining a significant office component in the VMC, a detailed financial feasibility and sensitivity analysis was undertaken by Parcel Economics; the Office Feasibility Assessment (the 'Feasibility Assessment') was commissioned in partnership with the City's Economic Development Department. The primary purpose of this analysis is to evaluate the current and potential future underlying economic conditions affecting the feasibility of office development in the VMC over the long-term planning horizon.

Recognizing the current challenges associated with developing new office uses, this analysis has helped to identify a number of mechanisms – or policy solutions – to help improve feasibility conditions. Recognizing that there is no single "silver bullet" solution, improving conditions to facilitate the growth of office uses within the VMC will require a multi-pronged approach that involves a combination of policy mechanisms focused on: built form and densities; financial incentives; and other process-related improvements to achieve cost savings.

The Feasibility Assessment demonstrates that by utilizing a combination of policy mechanisms, the financial conditions for office development are improved, which ultimately encourage the growth of a critical mass of office activity within the VMC over the long-term planning horizon. Specific policy mechanisms that have had the most significant impact on improving the financial feasibility of office development include:

- mixed use development/density provisions
- above-grade parking options with appropriate urban design treatments
- rebates/relaxation of one-time municipal fees (e.g. development charge rebates)
- other financial incentives
- shortened entitlement periods

The Feasibility Assessment highlights that office development is a long-term investment, which requires patient capital. Consideration will need to be given to balancing current development pressures that predominantly focus on residential uses with longer-term goals relating to growth in office employment. The results of this Feasibility Assessment will be relied upon to support policy-related decisions for the VMCSP Update.

Evaluating the appropriateness of the potential boundary expansion areas is ongoing

A number of site-specific employment land use conversions along the north and east periphery of the VMC have been approved by York Region Council, which permit the redevelopment of these sites for non-employment uses. Given the close proximity of these properties to the existing VMC boundary and their respective conversion approvals, the incorporation of these sites into VMC by way of potential boundary expansion areas, as shown on Attachment 2, is being evaluated.

Potential boundary expansions are being considered for two areas within the VMC: Study Area A, as shown on Attachment 2, would extend the existing boundary east to Creditstone Road on the south side of Highway 7, resulting in a continuous, linear east boundary line; Study Area B, also shown on Attachment 2, would extend the existing boundary north, incorporating the lots on the north side of Portage Parkway, and the new boundary line would follow one lot depth of the existing properties fronting onto Portage Parkway.

The potential boundary expansion areas are being evaluated separately and on their own merits; however, the key principles underpinning the evaluation are similar: whether the boundary expansion will introduce meaningful and compatible transitions to the surrounding context and existing prestige employment uses; whether appropriate buffering of uses can be achieved; whether the expansion area can offer opportunities to supplement the much needed parkland and social infrastructure required within the VMC; and whether the boundary expansion can be contained to the geographies outlined in Study Areas A and B.

It should be noted that regardless of the outcome of the potential boundary expansion areas relating to this Study, the lands afforded employment land use conversions will continue to be permitted to redevelop for non-employment uses; however, the policy framework that they will be subject to is the City's Official Plan, as opposed to the VMCSP.

Key messages from stakeholders have been incorporated into the land use options

As previously noted, the VMCSP Update has included a robust public and stakeholder consultation component, and feedback from the various groups has been taken into consideration as part of the development of the land use options.

Key messages from stakeholders that have been incorporated into the land use options, include, but are not limited to, the following:

- reinforcing the VMC's identity as an entertainment destination, rooted in a culture of arts, music, creativity and mixed media
- planning for adequate social infrastructure in recognition that there is a significant deficiency
- providing a diversity of public spaces, facilities and recreation amenities to activate the open space network
- exploring efficiencies in the delivery of social infrastructure
- providing a variety of housing tenures and unit typologies accessible to multiple demographics
- accommodating for locally owned small businesses that contribute to the economic base and vibrancy of the VMC
- reinforcing a fine-grain street network that is safe for active transportation and promotes public transit accessibility

- providing built form variety; moving away from the monoculture of high-rise and low-rise building typologies
- pursuing attractive, high-end architecture and public spaces
- distributing social infrastructure and amenities within each quadrant of the VMC

The City and consultant team will continue to engage the public and stakeholders through each Phase as the project progresses.

Two land use options have been developed

Building on the key messages that have come out of Phase I, and with a focus on achieving a vibrant downtown and complete community, two land use options have been developed:

Land Use Option 1 ('Option 1'): Maintaining Intensity of Development – Recalibrating Social Infrastructure and Built Form

Option 1, as shown on Attachment 3, maintains the intensity of development, and recalibrates the plan with a lens on achieving built form variety and supplying adequate social infrastructure. Based on the existing development trends, and the implications on this intensity, a recalibration is required to address the deficiencies in social infrastructure to support increased population trends. This approach balances the demand for development with social infrastructure, community and civic facilities, and parks.

Option 1 largely maintains the height and density permissions currently allocated with the VMCSP and seeks to balance the current development trends with additional building variety – particularly mid-rise – to achieve human-scaled development and a varied skyline.

Option 1 will employ a height transition strategy, particularly within the development block, to provide better framing for open spaces, reduce shadow impacts and open sky views. More specifically, height will be transitioned from the highest permitted heights to the lowest permitted heights moving away from major roads and peripheries within a block. In addition to height transition, podium heights can be increased to manage the distribution of densities between towers and mid- and low-rise building typologies. Option 1 recognizes the desirability of the VMC and market trends and accommodates for an increased population while achieving built form variety and a height transition strategy.

Other variations from the existing VMCSP in Option 1 include the renaming of the "Station Precinct" to "Mixed Use", which utilizes an overlay to distinguish the

portions of the Plan where office uses are required. Based on the current development trends, Option 1 also redesignates the "South Precinct" - a land use designation which permitted a mix of uses but was primarily intended for office and retail uses – to "Mixed Use" and "Neighbourhood Precinct", a designation primarily intended for residential uses, to align with the approval of neighbourhood-scaled development.

Option 1 also maintains the VMCSP's existing "West and East Employment Precincts" in order to contribute to variety in the employment base for the community. Consideration is being given to permitting surface parking as an interim condition to encourage this form of development.

Option 1 utilizes a concentrated, linear approach to incorporate retail, as well as community and civic facilities. Retail will be required along Millway Avenue, and recommended within each quadrant of the VMC, providing close and convenient access for residents and workers, and bringing activation to the streetscape in each quadrant. Retail is generally recommended in areas generally fronting onto the parks system, and along minor collector and local roads. Community and civic facilities will be concentrated along Millway Avenue and include both freestanding and integrated facilities.

In this iteration, potential Expansion Area A incorporates a new school site, parkland, and the "Mixed Use Retail Office" land use designation. The "Mixed Use Retail Office Designation" permits a range of non-residential uses, that support employment, retail and commercial services. The "Mixed Use Retail Office" designation will add variety to the employment base of the VMC, can provide additional services for residents, and help act as a transitionary use between the potential expansion area and the existing heavy industrial uses to the East. The new school site, and parkland are necessary to support the heavy residential development trends that are currently occurring, which have created an imbalance between residential population and supporting social infrastructure.

Similarly, to potential Expansion Area A, potential Expansion Area B incorporates parkland, "Mixed Use Retail Office" and "Mixed Use" land use designations. The application of the "Mixed Use" designation responds to the proximity of the lands to the YRT Bus Terminal and Vaughan Metropolitan Centre Subway Station; these lands are also located directly adjacent to parkland, which help to create a transition to the existing employment lands located to the north. The parkland is organized in a "loop" system, wherein there is continuous open space circulation in the northern quadrants of the VMC.

Land Use Option 2 ('Option 2'): Recalibrating to Achieve a Balance of Uses Option 2, as shown on Attachment 4, recalibrates uses to achieve a balance of uses in order to deliver a vibrant downtown and thriving central business district originally intended for the VMC. Option 2 utilizes the findings of the Feasibility Assessment to improve the feasibility of development that delivers office uses. Within areas prioritized for office, the Feasibility Assessment has identified a supportable portion of density to be developed as office and has identified additional tools that can be considered to further improve the feasibility of office development.

Option 2 creates a density hierarchy for built form; where densities are increased on a block-by-block basis within the "Mixed Use (Office Uses Required)" designation for development that delivers a significant non-residential component. Policy will be developed to secure the office component against the increased density to ensure that office is delivered in lockstep with residential, rather than being left to later phases.

Option 2 replaces the "South Precinct" with the "Mixed Use (Office Uses Required)" and "Neighbourhood Precinct" designations. The permissions for the "Neighbourhood" designation have been altered for Option 2, to allow for a greater mix of uses complementary to residential development.

Option 2 has eliminated the "West and East Employment Precincts". The East "Employment Precinct" has been replaced with the "Mixed Use (Office Uses Required)" designation on the lands fronting onto Highway 7, in line with the work undertaken on the Feasibility Assessment, and similar to the approach described in Option 1, the "Mixed Use Retail Office" designation has been applied to the balance of the lands to bolster the employment base and create an appropriate and complementary transition to the existing industrial uses to the East.

The West "Employment Precinct" has been replaced with the "Mixed Use" designation and parkland. Within the "Mixed Use" designation where residential development is proposed, policy will be developed that requires additional open space to be secured as a buffer to the Highways 400 and 407.

Option 2 utilizes a dispersed, nodal approach to incorporate retail, and a "hubsand-spokes" approach to the placement of community and civic facilities. Millway Avenue continues to be an important focus for retail; however, a greater proportion of streets and open spaces are permitted retail uses. Highway 7 is recommended to become a retail corridor, creating a new axis of retail that runs through the centre of the VMC along this rapid transit corridor. Retail is also recommended in concentrated areas within each quadrant, generally fronting onto the parks and open space system, to create destinations for shopping and dining while activating the streetscape and open spaces.

Community and civic facilities, including both freestanding and integrated facilities, are dispersed in this concept, with the intention of providing cultural and community destinations throughout each quadrant of the VMC. This community and civic facilities approach aligns with the direction of the Cultural Arts Centre Study - Phase 2, also being considered at this VMC Sub-committee meeting.

Option 2 takes the approach of developing larger school sites with the potential for co-location. The proposed school sites in Option 2 are 6 acres and have the potential to accommodate co-location school sites which can be utilized by two different school boards. This approach helps to address the imbalance in social amenities and deliver on much needed school sites to serve the significant residential population, while also being cognisant of the land consumption typically required for this use.

In this iteration, Expansion Area A incorporates a new school site; parkland; and the "Neighbourhood", "Mixed Use (Office Uses Required)" and "Mixed Use Retail Office" land use designations. The "Mixed Use (Office Uses Required)" land use designation is an extension of the designation being applied to the lands frontingand one block south of- Highway 7, while the "Mixed Use Retail Office" designation provides for appropriate transitionary uses between the potential expansion area and the existing heavy industrial uses to the East.

Within Expansion Area A, the proposed school site is located south of Doughton Road, east of Maplecrete Road. The "Neighbourhood" lands are located south of the school block, and east of the existing "Neighbourhood" lands. Parkland is located to the east of the school block and the "Neighbourhood" designation and extend east to Creditstone Road. The location of the parkland helps to provide much needed parkland to the area and acts as a buffer to the existing heavy industrial uses to the East.

Expansion Area B incorporates a new school site; parkland; and the "Mixed Use (Office Uses Required)" and "Mixed Use Retail Office" land use designations. The application of the "Mixed Use (Office Uses Required)" designation responds to the proximity of the lands to the YRT Bus Terminal and Vaughan Metropolitan

Centre Subway Station, as well as the work undertaken by the Feasibility Assessment. These lands are also located directly adjacent to parkland, which help to create a transition to the existing employment lands located to the north. The proposed school site is larger than 6 acres and is anticipated to be assembled with lands currently outside the potential expansion area to be developed into a high school to serve the VMC, and potentially adjacent intensification areas along Highway 7. The "Mixed Use Retail Office" designation, located at the north-east limit of the potential expansion area, provides for appropriate transitionary uses between the potential expansion area, Highway 400, and the existing industrial uses to the East.

Financial Impact

There are no financial requirements for new funding associated with this report.

Broader Regional Impacts/Considerations

Ongoing collaboration with regional stakeholders continues, which is an important factor in realizing the success of the VMC. The land use options developed as part of Phase II have been presented to an internal and external TAC, who include, but is not limited to, York Region, the Toronto and Region Conservation Authority, the York Region District School Board, the York Catholic District School Board, the Ministry of Transportation, Infrastructure Ontario, York Region Transit and the Toronto Transit Commission. The TAC will continue to be engaged as part of the subsequent phases of this project, and their feedback will be instrumental in advancing a preferred option.

Conclusion

The VMC is continuing to transform into a vibrant, modern urban centre encompassing all amenities of an urban lifestyle, complete with residential and office development. As the intensity of residential development continues to increase, it is imperative that this residential density be supported by hard and soft infrastructure.

The land use options developed as part of Phase II take different approaches in terms of land use; building typologies; and the distribution of civic facilities and social infrastructure, but both deliver on Council's vision of a vibrant, diverse, thriving downtown and central business district that is a complete community with unique residential, office and mixed-use development. These land use options are structured around a transit-oriented, fine-grain street network for all modes of transportation - including walking, driving and cycling – and plans for development linked by a network of high-quality parks, public squares, and open spaces. Phase II will continue to refine

these options, and stakeholder feedback will be used to develop a preferred option as part of Phase III - Elaborate a Preferred Framework.

Updates to the VMCSP policy framework will continue to recognize the VMC as the City's downtown and central business district, while ensuring the area continues to develop as a complete community and support the City's strategic priorities as outlined in the 2018-2022 Term of Council Service Excellence Strategic Plan.

For more information, please contact Diana DiGirolamo, Senior Planner, Policy Planning and Special Programs Department, ext. 8776.

Attachments

- 1. Context and Location Map
- 2. Potential Expansion Study Areas A and B
- 3. Land Use Option 1
- 4. Land Use Option 2

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