

Municipality of Thames Centre Official Plan Review

Discussion Paper: Employment Policies

April 2022

Table of Contents

| Introduction | |
|---|---|
| Policy Background | |
| Provincial Policy Statement (2020) | |
| County of Middlesex Official Plan | |
| | |
| Thames Centre Official Plan | |
| Vacant Employment Land Supply | |
| Employment Forecast | 7 |
| Topics of Interest | 8 |
| Conversion of Employment Lands | 8 |
| Identifying Future Employment Lands Beyond 2046 | 8 |
| Secondary Planning | 9 |
| Lack of Fully Serviced Industrial Land | |
| Recommendations and Next Steps | |

Introduction

Employment lands include areas that accommodate industrial, business parks and rural industrial opportunities. Employment lands include a broad range of industrial uses including manufacturing, distribution, logistics, offices as well as opportunities for associated retail and ancillary facilities. Employment lands play a significant role in the local economy which can provide direct and indirect benefits to the Municipality.

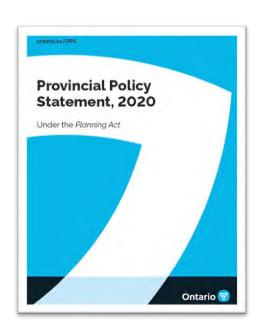
This Discussion Paper has been prepared to provide a background of the current employment policies to be considered during Thames Centre's Official Plan Review. This paper also highlights several topics of interest related to employment lands in Thames Centre including an analysis of the current supply and demand of employment lands and concludes with recommended next steps for the Official Plan Review.

Policy Background

Employment policies that inform the Thames Centre Official Plan come from the direction of the Province of Ontario through the Provincial Policy Statement and the County of Middlesex through their Official Plan. This section will provide an overview of that policy context in relation to employment policies.

Provincial Policy Statement (2020)

The Provincial Policy Statement (PPS), issued under the Planning Act, lays out the foundation for land use planning in Ontario with respect to matters of provincial interest. The policies that are set out in the PPS pertain to building strong healthy communities, the wise use and management of resources, and protecting public health and safety. As an important tool to describe the policies within the PPS at a local level and with local context, the Thames Centre Official Plan is required to be consistent with the PPS. This includes ensuring that the updated Official Plan provides planning strategies for the next 25 years and beyond. (Ministry of Municipal Affairs and Housing, 2020)



Municipalities are required to plan for the protection and preservation of employment areas for current and future

uses and ensure that the necessary infrastructure is provided to support current and projected needs. This would include the need to assess designated employment lands to ensure that this designation is appropriate for the planned function of the employment areas.

According to the PPS, sufficient land shall be made available to accommodate an appropriate range and mix of land uses to meet projected needs for a time horizon of up to 25 years. For employment areas, nothing shall prevent the planning for employment beyond a 25-year planning horizon through the identification of future employment areas.

The PPS also states that the conversion of lands within employment areas to non-employment uses will be considered only through a municipal comprehensive review subject to criteria and only where it has been demonstrated that there is a need for the conversion and that the land is not required for employment purpose over the long term.

County of Middlesex Official Plan

The County of Middlesex is an upper-tier government comprised of eight local municipalities, including Thames Centre. The County has an Official Plan that directs land use planning policy on a broad basis and is intended to set fourth an upper tier policy foundation to provide policy direction to local municipalities in the development of local Official Plans and Zoning By-laws (County of Middlesex, 2021). Currently, the County is undergoing an Official Plan update to ensure that the policies within the Official Plan are consistent with the PPS.

The County Plan recognizes the importance of economic development and in particular the agricultural industry. It is however recognized that there is a need to diversify the County's economic base. According to the Official Plan, the County seeks to monitor the supply of employment lands to ensure that a sufficient supply is available throughout the



County and notably those municipalities with access to provincial highways and major arterial roads. The County also seeks to cooperate with local municipalities, the business community and other agencies to ensure that employment centres are serviced by modern infrastructure including road, rail and telecommunication networks. The County also supports local municipalities in the promotion of economic development opportunities adjacent to Provincial 400-series highways.

Thames Centre Official Plan

According to the Thames Centre Official Plan, employment areas comprise lands designated Settlement Industrial and Rural Industrial. Settlement Industrial lands represent the primary employment areas in the Municipality. Within this designation, a broad range of industrial uses is permitted as well as a limited range of non-industrial uses. All development in this designation is to be full serviced by municipal water and municipal sanitary sewers although municipal sewers are currently not available for Settlement Industrial lands in Dorchester located in the northwest quadrant of the village. Uses permitted in this designation include manufacturing, fabrication, assembling, wholesaling or processing of raw



materials, warehousing, storage of bulk commodities and repair, servicing and maintenance operations.

Lands designated Rural Industrial lie outside designated Settlement Areas and have been designated to recognize similar designations in the former official plans of the Municipality prior to amalgamation.

As part of the last official plan review approved in 2015 through Amendment No. 12 to the Thames Centre Official Plan, there was a re-allocation of vacant industrial land supply to more strategic areas primarily along the 401 corridor and following the direction of the <u>Highway 401 Corridor Land Use Strategy</u> prepared by Monteith Brown Planning Consultants for the Municipality in 2006. Primarily situated in the Donnybrook areas, the Municipality understood the value of having large contiguous parcels of industrial land with proximate access and visibility to Highway 401 to attract new industry to the community.

Vacant Employment Land Supply

In Thames Centre, employment designated lands are located primarily in four areas. Although employment lands are situated in Dorchester and Thorndale, lands on full municipal services (water and sanitary) are only available in Thorndale considering Dorchester's employment lands are located north of the Thames River where sanitary sewers are not available. Beyond those settlement areas, employment areas are also found just north of Highway 401 in the Donnybrook and Putnam areas where private wells and septic systems are necessary in the absence of municipal servicing.

Table 1 below provides a summary of the Municipality's vacant employment land supply. Currently, Thames Centre has a total of approximately 236 net hectares of vacant employment land. A significant portion of this supply is situated along the 401 corridor in the Donnybrook and Putnam areas accounting for 80% of the total land supply. Although these lands benefit from close proximity to Highway 401, employment uses are limited to dry-industry characterized as being low-water volume uses such as logistics, warehousing and contractor yards. Fully serviced employment lands are limited to the Thorndale area in the order of 31 net hectares. The vacant land supply is also mapped on **Figures 2, 3, 4 and 5**.

Table 1- Employment Vacant Land Supply Municipality of Thames Centre

| Area | Gross Vacant Employment Land Supply (ha) | Environmental Constraint Factor (ha) | Adjustment for Roads and Internal Infrastructure (ha) | Net Developable Vacant Lands Adjusted to Land Vacancy (ha) | Share of Total Vacant Land |
|------------|---|---|---|--|-------------------------------------|
| | (A) | (B) | (C) | D=A-(B+C) X 0.85 | |
| Thorndale | 54 | 9 | 9 | 31 | 13% |
| Dorchester | 15 | 0 | 0 | 13 | 6% |
| Donnybrook | 155 | 2 | 31 | 104 | 44% |
| Putnam | 118 | 7 | 23 | 88 | 37% |
| Total | 344 | 18.1 | 63 | 236 | 100% |



VACANT EMPLOYMENT LAND SUPPLY

FIGURE 2 - THORNDALE



FIGURE 3 - DORCHESTER





VACANT EMPLOYMENT LAND SUPPLY

FIGURE 4 - DONNYBROOK AREA

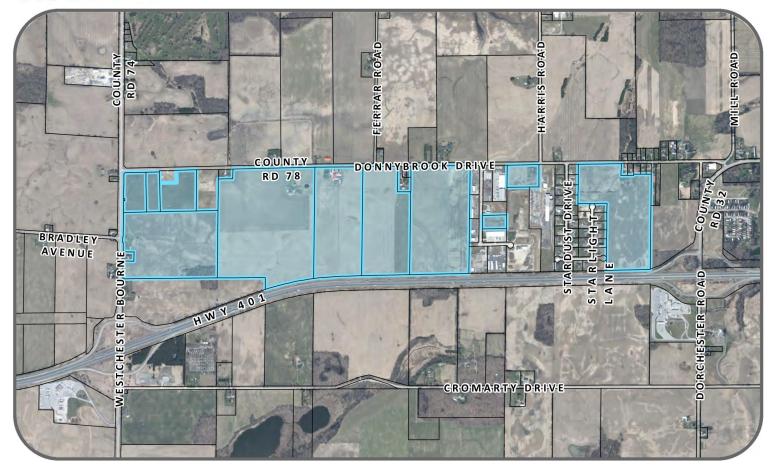
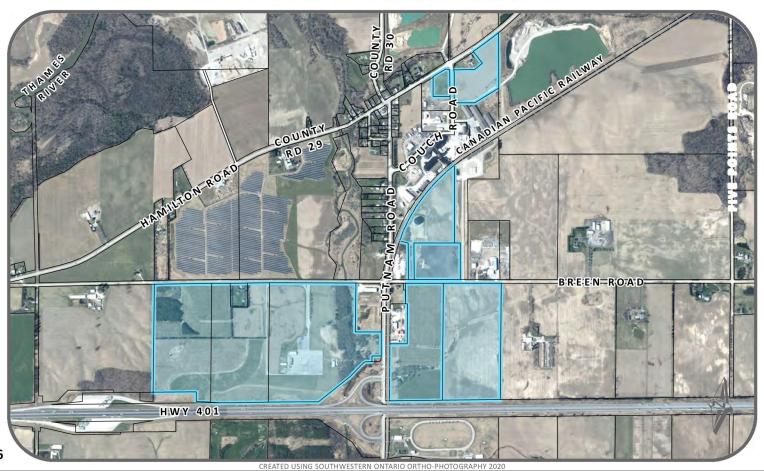


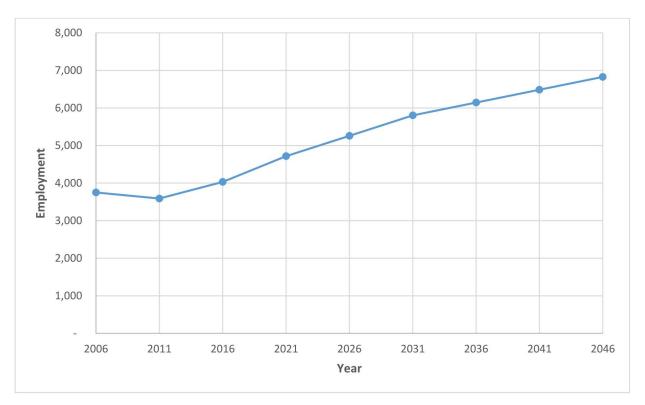
FIGURE 5 - PUTNAM AREA



Employment Forecast

As part of the Thames Centre Development Charges (DC) Background Study dated December 27/21 and undertaken by Watson & Associates, an employment forecast was provided to assist in generating the number of additional jobs anticipated by the 2046 planning horizon. Figure 6 below provides the longterm employment forecast for the Municipality of Thames Centre compared to past trends. By 2046, Thames Centre's employment base is projected to total approximately 6,800 jobs which translates into an increase of approximately 2,100 jobs since 2021.

Figure 6 Employment Forecast – 2021 to 2046 Municipality of Thames Centre



Note: data for the years 2026, 2036 and 2041 was derived from averages between 2021-2031 and 2031-2046.

Source: DC Background Study – December 27/21 by Watson & Associates

Employment density meaning the number of jobs per unit area is declining in the manufacturing industry through the reliance on mechanization. Demand for warehousing and logistics to support the transportation of goods given Highway 401 proximity is also affecting the decline. The rationale for the employment density used in this land needs analysis is based on a blended approach comparing fully serviced and un-serviced employment areas, being 13 jobs per hectare and 7 jobs per hectare, respectively. It is therefore assumed that an employment density during the planning period of 2021 to 2046 will average 10 jobs per hectare.

Table 2- Employment Land Needs - 2021 to 2046 Municipality of Thames Centre

| A) | Employment Growth on Employment Lands | 2,100 |
|----|---|------------|
| В) | Work from Home | 728 |
| C) | Employment Growth Accommodated through Intensification (5%) | 105 |
| D) | Employment Growth Less Work from Home & Intensification (D=A-B-C) | 1,267 |
| E) | Density Assumption (number of jobs / net hectares) | 10 jobs/ha |
| F) | Land Required (D/E) | 127 ha |
| G) | Vacant Employment Land Supply (Net) | 236 ha |
| H) | Vacant Employment Land Need (Net) – Surplus (G-H) | - 109 ha |

Table 2 provides a summary of the projected employment land needs for the next 25 years. Thames Centre is anticipated to need 127 hectares of land to satisfy projected employment growth equivalent to 5 hectares per year. The Municipality currently has vacant land supply of designated employment land totaling 236 net hectares. This analysis confirms the supply of vacant designated employment land exceeds the demand for employment lands, translating a surplus of 109 net hectares. As such, the Municipality has sufficient vacant lands designated for employment purposes to satisfy its future growth needs for the next 25 years.

Topics of Interest

This section will explore topics of interest related to employment policies, including new policies to be considered and the review of current policies to help inform the Official Plan Review.

Conversion of Employment Lands

Currently, Thames Centre Official Plan policies are lacking in direction regarding the conversion of employment lands to another land use. The policies need to be amended to reflect the PPS which allows the conversion of employment lands to an alternative land use through the undertaking of a comprehensive review and only where it has been demonstrated that the land is not required for

employment purposes over the long term and that there is a need

for the conversion.

Identifying Future Employment Lands Beyond 2046

Despite the Municipality having a surplus vacant lands designated for employment purposes to satisfy its future growth needs to 2046, the PPS does allow for planning authorities to plan for employment areas beyond a 25-year planning horizon. It would be appropriate for the Municipality to consider identifying and protecting additional lands for future employment purposes as potential candidates for inclusion as future designated employment lands as part of the next Official Plan review and subject to a comprehensive review process.

For direction on candidate lands for future employment development, the <u>Highway 401 Corridor Land Use Strategy</u> provides

a comprehensive report and comparative site evaluation process for future employment uses along the Highway 401 corridor. Through that document, lands were identified as high priority and potentially for future industrial or employment development. With the aid of that document, candidate lands should be recognized and protected for their future development potential for industrial purposes. To protect candidates lands, existing land uses should be permitted however the construction of new livestock buildings or structures which could constrain the development potential of the area should be prohibited. Furthermore, surplus farm dwelling severances should be prohibited in this area by preventing a residential use from being retained which could pose a land use conflict with future industrial uses.

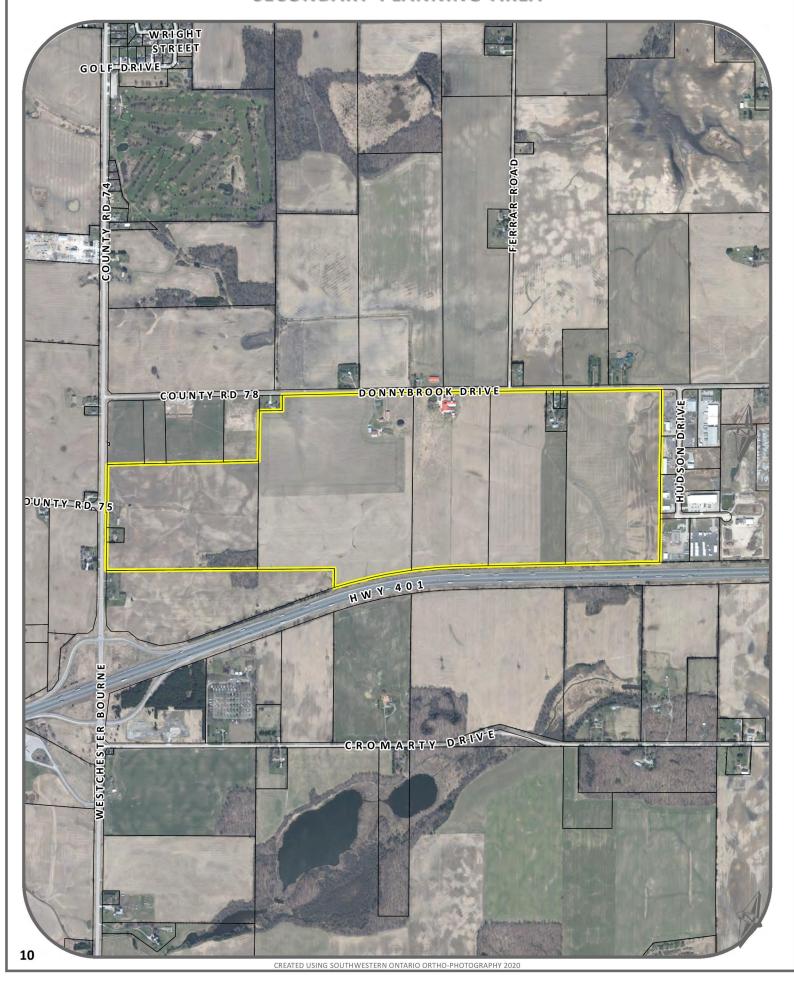
Secondary Planning

Secondary plans may be used to establish unique or more detailed land use policies through the development of a coordinated process which provides detailed policy direction for a particular area. In the case of the development of employment lands, such plans may also establish locations for regional stormwater management facilities and road network. Secondary plans are ultimately approved as an amendment to an Official Plan. Similar to all official plan amendments, a secondary plan would be subject to the agency and public consultation process.

Under the Community Development portion of the Thames Centre Strategic Plan 2020-2024, the undertaking of a secondary plan is noted as a medium-term goal to foster development opportunities along Highway 401. The need for a secondary plan is also noted in the 2021 DC Background Study as a growth-related study with a primary focus on infrastructure including direction for regional stormwater management and roads. As such, it would be appropriate for a secondary plan to apply to vacant employments lands located in the Donnybrook Industrial Area as shown on Figure 7.



FIGURE 7: PROPOSED DONNYBROOK SECONDARY PLANNING AREA



Lack of Fully Serviced Industrial Land

As noted previously, 79% of the Municipality's employment land supply is situated in areas where full municipal services are not available including the Donnybrook and Putnam areas. Although these lands benefit from proximity to Highway 401, employment uses are limited to dry-industrial opportunities. Fully serviced lands are only available in the Thorndale area in the order of 54 hectares accounting for 16% of the total land supply. Extension of full services to Donnybrook would not be feasible considering the exorbitant cost involved in extending services from the existing Dorchester systems.

Recommendations and Next Steps

This discussion paper has provided a background of the policies related to employment lands to help inform the draft official plan policies for the Thames Centre OP. The following recommendations are provided to ensure conformity with the County Plan and consistency with the PPS:

- It is recommended that policy direction be provided to identify and protect lands for potential future industrial or employment purposes beyond the 25-year planning horizon.
- It is recommended that the vacant lands designated Rural Industrial in the Donnybrook Industrial Area as shown on Figure 7 be redesignated to Rural Industrial - Special Policy Area # to require the undertaking of a secondary plan.
- It is recommended that policy direction be included to allow the conversion of employment lands to an alternative land use subject to criteria as noted in the PPS.
- It is recommended that the definitions within the Thames Centre OP are revised if necessary and include new definitions that are laid out in the PPS and within the County Official Plan.

Questions and comments for consideration can be submitted to mbancroft@thamescentre.on.ca

Municipality of Thames Centre Official Plan Review

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