

July 3, 2025 Submitted via email to Lindsay.Clark@ontario.ca

Ms. Lindsay Clark Senior Planner Ontario Ministry of Municipal Affairs and Housing Municipal Services Office – Western Ontario 659 Exeter Road, Floor 2 London, ON N6E 1L3

Dear Ms. Clark:

RE: Official Plan Amendment 58 – Comments for Consideration in Approval to Amend City of Waterloo's Official Plan as it Applies to Lands at Northfield and Parkside Drive ERO Number 025-0203; Ministry Reference Number 30-OP-252866

MHBC has reviewed Official Plan Amendment 58 ("OPA 58") as adopted by the City of Waterloo on behalf of Northfield Equities Inc., for lands municipally addressed as 170-200 Northfield Drive West and 570-630 Weber Street North in the City of Waterloo (the "subject lands"). Please accept the following as Northfield Equities Inc.'s (the "owner") comments and formal requests regarding the Ministerial Approval of OPA 58 as they apply to the above-noted lands.

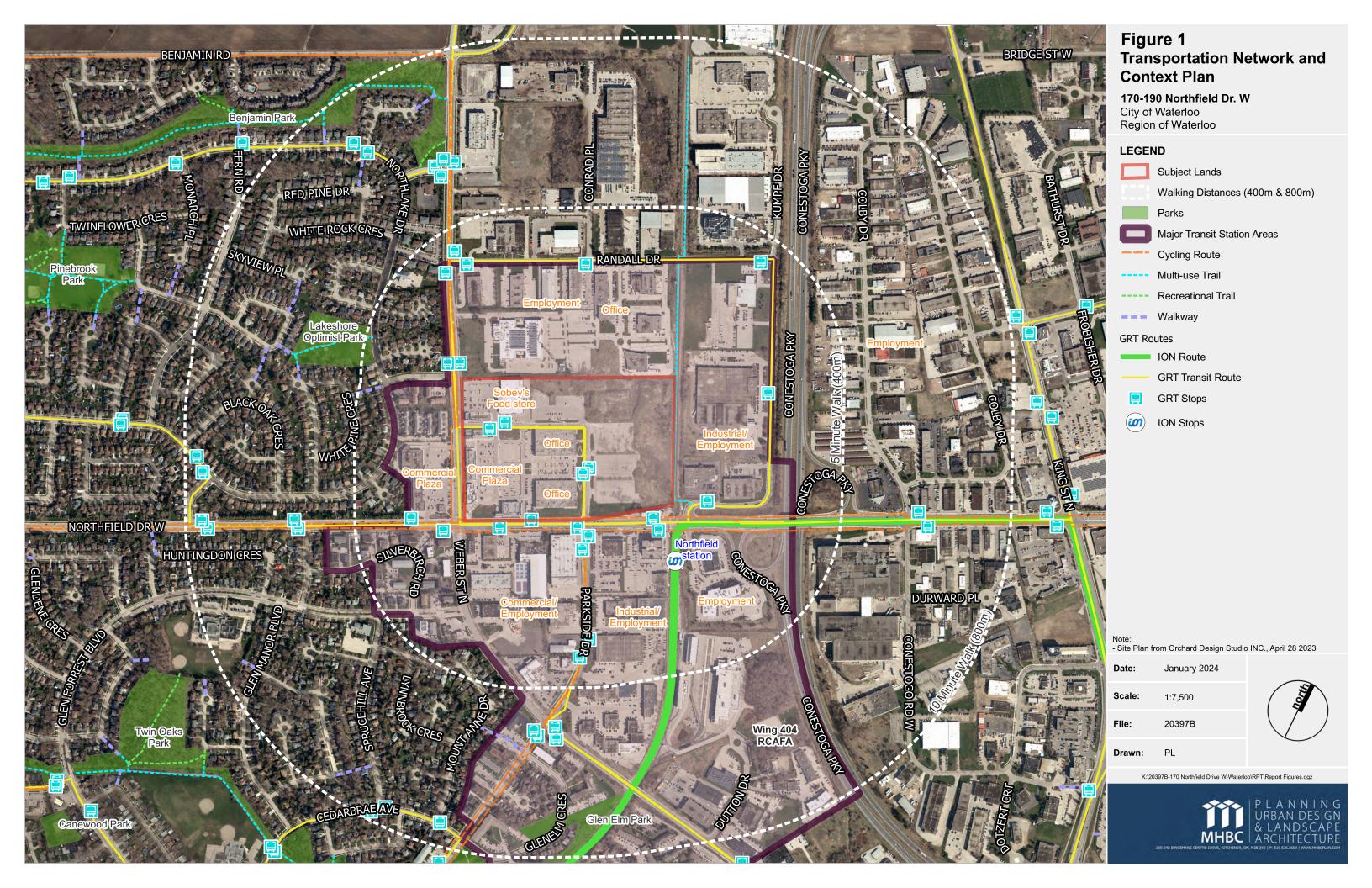
# **Background and Site Context**

The subject lands are generally located on the north side of Northfield Drive West, east of Weber Street North and include an extension of Parkside Drive (a private road). The westerly portion of the lands are developed with a commercial plaza, comprised of multiple buildings, including restaurants, a full-service drug store and full-size food store.

Two single-storey office buildings are located in the middle of the site, west of the Parkside Drive extension. The majority of the lands east and northeast of Parkside Drive are vacant. The subject lands are located within the Northfield Major Transit Station Area (MTSA) – in close proximity to the Northfield Station platform – as well as within a Major Node. The location and built condition of the subject lands as described above is illustrated in **Figure 1** enclosed.

The lands are generally surrounded by employment uses to the immediate north, east and south and Highway 85 to the east. In addition to the commercial and office uses located on the subject lands, a broad range of commercial uses are located within walking/cycling distance to both the east and

519-576-3650



west, including the City's regional serving Conestoga Mall. The Northfield ION Station is immediately to the south of the subject lands, accessible via two signalized pedestrian crossings.

The existing office buildings and vacant lands north and east of the Parkside Drive extension are the subject of active Official Plan Amendment and Zoning By-law applications, which were submitted in April 2024. These development applications propose a mixed-use development, with multiple high-rise apartment buildings, employment uses, and a central public open space for active and passive recreation. Specifically, proposed flex industrial-commercial buildings within the development are envisioned to provide a transition in land use between the employment uses at the north end of the site to the proposed residential uses in the south.

The proposed conceptual site plan is enclosed for information as **Appendix A**.

The subject lands are designated Business Employment and have been so designated since the approval of the City's Official Plan in 2012. Further to this, a site-specific amendment to the Official Plan was also approved, which established specific policies that guided the development of the subject lands. The specific policies are captured in Specific Provision Area 42 (SPA 42). SPA 42 was intended to guide the development of the subject lands as a high-quality, transit-oriented, office-based employment centre with a secondary retail, service and hotel component. The policy framework of SPA 42 was implemented through a Zoning By-law Amendment, which was approved by Council in October 2013. The current built condition of the subject lands reflects the applicable policy and regulatory framework established through SPA 42 and the site-specific zoning (referred to in the City's By-law as C177). Portions of the existing commercial development along Northfield Drive have been constructed as recently as 2024-25.

Through the Station Area Planning process undertaken by the City of Waterloo in the mid-2010s, it was recommended that residential uses be introduced into the Northfield Station Area within 250 metres of the station platform in an effort to:

- Support activity during both day and night within a Station Area otherwise dominated by employment uses;
- Optimize the use of rapid transit by establishing the Northfield Station as both a destination and origin for future trips; and
- Increase the market for existing commercial uses on the subject lands, providing additional people living within walking distance to retail and commercial uses.

The recommendation of the Northfield Station Area Plan was implemented through an amendment to the City of Waterloo Official Plan that identified the southern portion of the subject lands as a Potential Transition Area to allow consideration of a wider range of non-employment uses, such as residential. The Region of Waterloo subsequently undertook a comprehensive review, resulting in Regional Official Plan Amendment No. 6 (ROPA 6), which was approved by the Ministry of Municipal Affairs and Housing. ROPA 6 removed the southern portion of the lands within the Potential Transition Area from the Regional Employment Area to permit a wider range of uses, including residential. The City supported this revision to the Regional Employment Area.

The City of Waterloo then began a phased review of their Official Plan in 2024, resulting in Official Plan Amendment No. 58 (OPA 58), which was adopted by City Council in December 2024. Prior to

the Waterloo Council adoption of OPA 58, the subject lands were designated Business Employment, and subject to SPA 42.

The submitted Official Plan Amendment application proposed to maintain the Business Employment designation on the northern portion of the lands and SPA 42 on the entirety of the subject lands. Modifications to SPA 42 were requested through the amendment to, in part, permit warehouse, wholesale and logistics distribution uses as primary uses within the Business Employment designation as well as appropriately amend the policy framework to recognize the existing commercial plaza, provide for the development as proposed, and maintain direction with respect to the amount of commercial floor area within the development. The balance of the Amendment sought to redesignate the southern portion of the lands to permit residential uses consistent with the in-effect policy framework of the Official Plan.

#### **Official Plan Amendment 58**

The lands have been redesignated through OPA 58 as follows, as illustrated in **Figures 2 to 5**:

- Station Area Mixed Use Lands (southern portion of site)
  - Station Area Mixed Use on Schedule A as illustrated in Figure 2 (previously Employment)
  - Major Node and Major Transit Station Area on Schedule B as illustrated in Figure 3
     (unchanged)
  - High Rise, 30 storeys on Schedule B1 as illustrated in Figure 4 (previously High Density Employment, 81 metres)
- Employment Lands (northern portion of site)
  - Employment on Schedule A as illustrated in Figure 2 (unchanged)
  - Flexible Industrial on Schedule A2 as illustrated in Figure 5 (previously Business Employment)
  - Major Node and Major Transit Station Area on Schedule B as illustrated in Figure 3 (unchanged)
  - High Rise, 30 storeys on Schedule B1 as illustrated in Figure 4 (previously High Density Employment, 81 metres)

Specific Provision Area 42 (SPA 42), which has guided the development of the lands for over a decade was deleted.

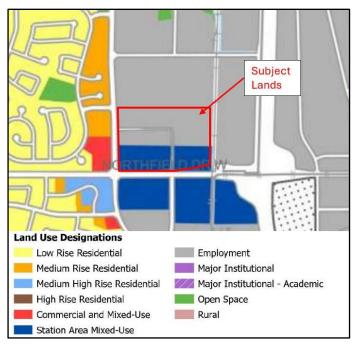


Figure 2. City of Waterloo Official Plan Amendment 58 Schedule A – Land Use

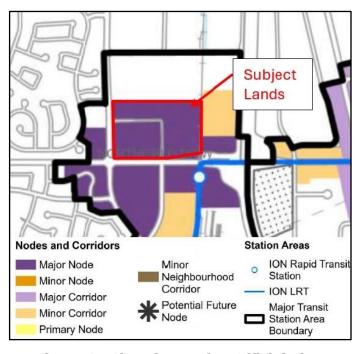


Figure 3. City of Waterloo Official Plan Amendment 58 Schedule B — City Structure

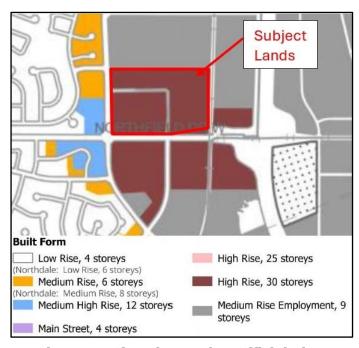


Figure 4. City of Waterloo Official Plan Amendment 58 Schedule B1 — Built Form

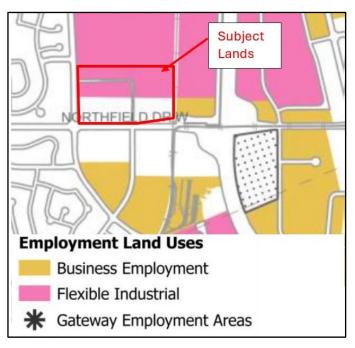


Figure 5. City of Waterloo Official Plan Amendment 58 Schedule A2 – Employment Land Uses

# Flexible Industrial Designation

The proposed redesignation of the northern portion of the subject lands as Flexible Industrial was indicated in the first draft of OPA 58 (released in June 2024 for public comment), carried through the updated November 2024 draft and included within OPA 58. On behalf of the owner, MHBC submitted formal written comments regarding OPA 58 in November 2024, including a request to maintain the in-effect Business Employment designation on the northern portion of the subject lands. These comments are enclosed as **Appendix B**. Prior to the submission of formal comments, City Staff confirmed via email on November 13, 2024, the following (see **Appendix C** enclosed):

"[the subject lands] should <u>not be designated</u> 'Flexible Industrial', this was inadvertently applied during the mapping exercise. The CP team will look to change a portion of the lands to 'Business Industrial' in Schedule A2 extending from Weber St N to easterly property extents. We're hoping this can be corrected in advance of the December 2<sup>nd</sup> Council meeting... Again, staff inadvertently applied the 'Flexible Industrial' designation as their focus was to refine the employment areas relating to ROPA 6's employment land conversion."

Through this correspondence, staff further advised the following with respect to SPA 42:

"To assure you, SPA 42 supersedes the land use designation and contains detailed policy direction regarding the commercial permissions."

Specific Provision Area 42 (renamed Area Specific Policy 42) was not proposed to be repealed in the June 2024 draft of the OPA. In the updated November 2024 draft version, Section 11.1.42 of OPA 58, was modified to delete ASP 42 in its entirety. SPA 42 of the in-effect Official Plan both guided and permitted all of the existing development on the lands.

In March 2025, City staff indicated that they no longer planned to revise Schedule A2 and the northern portion of the subject lands would remain Flexible Industrial, as further noted in the correspondence enclosed as **Appendix D**. As previously stated, SPA (ASP) 42 was also deleted. As a result of these changes by the City, all of the existing land uses on the subject lands within the Flexible Industrial portion of the lands would effectively be prohibited, including the commercial and office uses. This renders the ongoing operation of these uses and buildings challenging (i.e. securing new tenants, seeking any required minor variances) even if they are ultimately recognized as legal non-conforming uses when the City updates their Zoning By-law.

There appears to be little benefit in re-designating the lands Flexible Industrial. The submitted Official Plan Amendment was already seeking permission for employment uses (warehouse, wholesale, distribution centre) and several other employment uses were already permitted (light industrial manufacturing, assembly and processing). Rather, the re-designation introduces permission for heavy industrial uses adjacent to an area of the site planned for residential and mixed-use buildings to support the ION LRT Station. In our opinion, the Business Employment designation and SPA 42, (which now permits 'small scale warehouse' and 'wholesale' uses) more appropriately recognize the existing and future uses of the lands.

While OPA 58 introduced a minor increase in permitted height for certain lands within a Major Transit Station Area, we are of the opinion that the subject lands warrant consideration for greater height. Furthermore, allowing for some taller buildings allows for a variation in built form to establish a visually appealing skyline. The subject lands are surrounded by commercial and industrial uses. They do not abut and are not in proximity to any low-rise residential neighbourhoods. The lands have excellent access to the Regional public transit network including GRT buses immediately adjacent to and within the development and the ION LRT Northfield Station platform less than a 5 minute walk to the south. Furthermore, the lands abut the Market Trail, an extension of the active transportation network within the City as well as cycling infrastructure on Northfield Drive. The lands are ideally situated for an increase in building height, to support more residential development in this Station Area, which is almost entirely comprised of commercial and industrial uses.

# Requested Modifications to Official Plan Amendment No. 58:

- 1. Modify Schedule B2 to redesignate the northern portion of the subject lands 'Business Employment' from 'Flexible Industrial' and reinstate the policy framework of Specific Policy Area 42 as Area Specific Policy 42 in Section 11.1.42 of OPA 58. This modification would reinstate the previous in-effect land use designation on the northern portion of the lands and Specific Area Policy to the entirety of the site prior to the adoption of OPA 58.
- 2. Amend Area Specific Policy 42 to recognize the existing built condition of the site, retain policy direction on the distribution of commercial uses on the site within the Business Employment designation, and implement the development proposal as follows:
  - a. Permit 'small scale warehouse' and 'wholesale use' as primary permitted uses within the Business Employment designation;
  - b. Revise policy wording to reflect the designation of the southern portion of the subject lands as Station Area Mixed Use to avoid duplication between the commercial permissions of the Station Area Mixed-Use designation and those of ASP 42; and
  - c. Permit a maximum building height of 36 storeys for a maximum of five buildings on the subject lands.

The requested Modifications are illustrated in **Figure 6** and proposed policy framework for Area Specific Policy 42 are enclosed as **Appendix E.** Rationale to support the request is provided below and discussed in the context of provincial policy, OPA 58, and the development proposal.

# Request #1: Reinstate the Business Employment land use designation that applies to the northern portion of the subject lands as per the in-effect Official Plan and reinstate SPA 42 as ASP 42 on the entirety of the subject lands.

Designating a portion of the subject lands for Flexible Industrial purposes has negative implications for existing development on the subject lands, achieving a mix of uses in a Major Transit Station Area in the interest of increasing transit ridership, and the current development proposal. The designation is also inconsistent with the policy framework for Employment established through OPA 58.

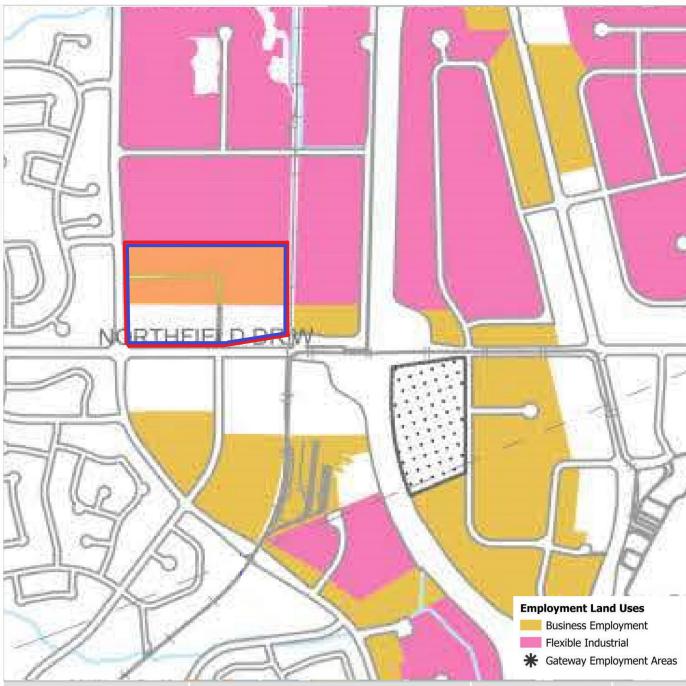


Figure 6 Requested Modifications to OPA 58

**170-190 Northfield Dr. W**City of Waterloo
Region of Waterloo

#### **LEGEND**

Subject Lands

Subject Lands

Redesignate to the Business Employment Designation

Reinstate and Amend Policy Framework of Area Specific Policy (ASP) 42 to:

- permit warehouse and wholesale uses as primary permitted uses in the Business Employment designation;
- Avoid duplication in commercial permissions between the Station Area Mixed Use designation and ASP 42
- Permit increased building heights to a max 36 storeys for five buildings

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1. The subject lands represent the only instance in the City of Waterloo where the Flexible Industrial designation is applied to lands within a Major Node.

The application of the Flexible Industrial designation to the northern portion of the lands, which are within a Major Node and adjacent to lands designated for mixed-use purposes, is unique to the subject lands when considering the applicable policy framework of OPA 58 and the location of additional employment lands within the City.

The subject lands are the only property in the City that are located in a Major Node and designated for Flexible Industrial uses. Other lands within this designation are located either within a Major or Minor Corridor, or outside of nodes or corridors entirely. Policy 3.5.1 (2) provides the function of Major Nodes as follows (emphasis added):

3.5.1 (2) Major Nodes are planned as medium high to high rise mixed-use areas that accommodate a range of uses, which may include residential, commercial, employment, social, cultural, recreational and institutional uses. Commercial uses that provide for the day- to-day and weekly shopping needs of several surrounding neighbourhoods will be encouraged and, where appropriate, Major Nodes shall be planned to accommodate small to medium-sized food stores, with the objective that all residents will have access to a food store within an approximate 15-minute walking distance of their residence. Employment areas that are located within Major Nodes will be planned to support Major Nodes as a destination, and in order to provide such support, are not contemplated to be converted to non-employment uses.

Existing and proposed development on the subject lands will contribute to the range and mix of uses within the Major Node consistent with this policy, including a food store (that will become a legal non-conforming use given the application of the Flexible Industrial designation), and other commercial uses that will be rendered legal non-conforming under the framework of OPA 58. In our opinion, the Business Employment designation, which previously applied to the lands, more appropriately reflects the existing uses on the lands and the planned function of Major Nodes. When combined with the planned introduction of residential uses on the southerly portion of the lands, the Business Employment designation is a more appropriate transitory land use designation to effectively transition the intensity of uses from Northfield Drive at the south end of the lands and the existing Flexible Industrial uses north and northeast of the subject lands.

2. Application of the Flexible Industrial designation on the subject lands creates unnecessary potential for land use conflict within a Strategic Growth Area (Northfield Major Transit Station Area).

The southern portion of the subject lands has been designated Station Area Mixed-Use through OPA 58. The Station Area Mixed-Use designation is a new land use designation in which a full range and mix of land uses are contemplated. Residential, commercial, compatible employment, institutional (schools), and community uses and facilities are permitted within the designation in an effort to, among other matters, support the establishment of transit-oriented, mixed-use areas through

redevelopment and intensification. Development within the designation is also to align with approved Station Area Plans. The proposed development provides for high density residential buildings, which include commercial space, and amenity/community space, and in conjunction with the existing commercial plaza, contribute to the evolution of the subject lands as a mixed-use site and establishment of a broader range of uses in the Northfield MTSA.

The introduction of the Flexible Industrial designation on the north portion of the lands introduces a heavy industrial land use designation within the same property that will permit residential and mixed-use buildings. In our opinion, the Business Employment designation is a more appropriate land use designation adjacent to the Station Area Mixed-Use designation. Designating the north portion of the subject lands Business Employment, rather than Flexible Industrial would avoid introducing future land use conflicts within the same property, as well as effectively prohibiting the majority of the land uses that already exist on the lands.

3. The application of the Flexible Industrial designation to the subject lands does not conform to the employment land use structure policies of OPA 58.

The Flexible Industrial designation is to be applied to lands generally on the interior of employment designated areas in the interest of land use compatibility and limit adverse impacts to sensitive land uses as per Policy 10.3.3.1 of OPA 58. The subject lands are located at the edge of the employment designated area, given the balance of the lands are designated Station Area Mixed Use. Designating the subject lands for Flexible Industrial uses is contrary to Policy 10.3.3.1.

Policy 10.3.2 (13) indirectly provides further guidance with respect to designating lands Flexible Industrial, particularly with respect to residential development:

10.3.2 (13) New residential development shall be discouraged form locating within close proximity to land designated Flexible Industrial due to possible adverse affects on the sensitive residential land use by the industrial operations contemplated within the Flexible Industrial designation.

The subject lands, along with other lands fronting Northfield Drive, have long been identified as an appropriate location to introduce residential uses to the Northfield MTSA since the completion of the Station Area Planning process by the City. The redesignation of the southern portion of the subject lands for mixed-use purposes through OPA 58 represents the final implementation of the recommendations of the station area planning process in this regard. Maintaining the designation of the northern portion of the lands Flexible Industrial ultimately complicates the ability to develop residential uses within the MTSA as per Policy 10.3.2 (13).

The Business Employment designation is the more appropriate designation for lands at the periphery of employment designated areas given their general function to serve as buffer between Flexible Industrial employment areas and sensitive uses as per Policy 10.3.3.2. Policy 10.3.2 (5) provides further direction for applying the Business Employment designation:

10.3.2 (5) Business Employment areas will generally be located adjacent to Flexible Industrial employment areas and will generally serve as transitions between Flexible Industrial employment areas and other land uses.

Reinstating the Business Employment designation to the northern portion of the subject lands conforms to the employment land use structure policy framework of OPA 58.

4. Application of the Flexible Industrial designation and repeal of SPA 42 will render existing commercial uses in a purpose-built commercial plaza legal non-conforming and complicate the proposed transition of planned residential uses in the south to industrial uses in the north.

The developed portion of the subject lands within the Flexible Industrial designation are characterized by retail and commercial uses, including a food store, multiple restaurants, and personal service establishments. Policy 10.3.2 (11) of OPA 58 states the following with respect to non-conforming uses within employment areas:

10.3.2 (11) Existing uses in the Flexible Industrial designation that do not conform with the definition of "employment area" in the Planning Act shall be permitted where the use has been lawfully established on the parcel of land before October 20, 2024.

While we acknowledge that existing commercial uses that would otherwise be located within the employment area would be allowed to continue under this policy, it is our opinion that this policy would require existing commercial units to be re-tenanted with the same use, significantly limiting the ability to maintain occupancy of these buildings over time and to respond to changes in market conditions. As previously mentioned, the western portion of the subject lands were purpose-built as a commercial plaza in accordance with the in-effect policy framework at the time, which was modified through OPA 58.

Relying on the SPA 42 framework, the proposed development includes a mix of commercial and compatible employment immediately adjacent to proposed residential uses along Northfield Drive as a transition to proposed employment uses (i.e. warehouse) in the northing portion of the site. The repeal of SPA 42 and designation of the northern portion of the subject lands Flexible Industrial eliminates the ability to provide for an adequate transition in land use. Reinstating the Business Employment designation and area specific policy framework will facilitate a gradual transition in land use between the employment area and residential development within the Station Area and recognize the planned function of the existing commercial plaza within the MTSA.

Request #2a: Amend Area Specific Policy 42 to permit small scale warehouse and wholesale use as primary permitted uses within the Business Employment land use designation.

The subject lands are uniquely positioned given their location within a strategic growth area, proximate to an employment area (as defined by OPA 58), and adjacent to a major goods movement

corridor, being Highway 85 (Conestoga Expressway), with the Northfield Drive interchange being situated approximately 300 metres to the east.

Small scale warehousing and wholesale uses are permitted as complementary uses within the Business Employment designation as per Policy 10.3.3.2 (5) of OPA 58, provided the uses are compatible with the planned function and policies of the designation and do not conflict or interfere with the development of the primary permitted uses. Lands immediately to the north and east of the site (save and except for parcels fronting Northfield Drive) are designated Flexible Industrial and are therefore located within the employment area.

Given the current structure of the City of Waterloo Official Plan and Zoning By-law 2018-050, complementary uses permitted within individual land use designations are generally restricted to percentage of floor area within buildings in the implementing zone category. Policy 2.8.2.2 of the PPS, 2024 speaks to planning authorities protecting employment areas in proximity to major goods movement corridors for the employment uses that require those locations. It is noted that the employment area definition and policies of the PPS, 2024 do not preclude or require 'employment area uses' to locate within an employment area as defined in the PPS and Planning Act. Permitting 'small scale warehouse' and 'wholesale use' as primary uses on the northern portion of the subject lands complements the planned function of Flexible Industrial designated lands to the north and is appropriate given the locational characteristics of the subject lands with respect to Highway 85. Furthermore, Policy 2.8.2.2 of the PPS, 2024 encourages small scale warehousing in strategic growth areas, outside of employment areas.

The current development proposal includes buildings along the northern limit of the site that are intended to accommodate uses related to warehousing. However, the proposed policy framework for these lands does not preclude their development for offices and light manufacturing related uses, as well as other primary uses permitted in the Business Employment Designation. Given the long-term build-out envisioned for the subject lands, development of this portion of the site will respond to market needs at that time within the parameters of the permitted uses. The inclusion of small scale warehouse add wholesale use as primary permitted uses on the northern portion of the subject lands is appropriate in this context and will complement other land uses on the subject lands, as well as surrounding land uses.

Request #2b: Revise policy wording of Area Specific Policy 42 to reflect the designation of the southern portion of the subject lands as Station Area Mixed-Use, avoid duplication between the policy frameworks of the designation and Area Specific Policy, and recognize the as-built condition of the site.

The proposed revised policy wording of ASP 42 with respect to the above-noted matters includes the following changes when considering the framework of SPA 42 prior to the adoption of OPA 58 and the development proposal:

• Recognizing the subject lands as a mixed use centre instead of an office-based employment centre;

- Updating policy direction with respect to how the lands are to be developed, particularly removing references to hotel uses, function of retail and service uses to support the employment focus of the development, and phasing of development; and
- Revising direction regarding the amount of permitted commercial floor area as required to recognize existing developed commercial uses and identifying a maximum amount of commercial space on the balance of the lands designated for Business Employment uses to be implemented through the Zoning By-law.

The revised policy wording results in the removal of much of the policy direction in SPA 42 with respect to the development of the commercial component of the subject lands considering the existing built condition and changes in policy approach through the application of the Station Area Mixed-Use designation to the site. Of importance in the SPA 42 policy framework is the identification of the maximum amount of commercial uses permitted on the subject lands, being 19,000 square metres considering the existing food store on the subject lands. A Retail Impact Study was prepared and submitted in support of the aforementioned development applications. In consideration of the existing and planned commercial floor area for the western portion of the subject site, the Retail Impact Study concluded that 40,000 square feet (3,716 square metres) was appropriate to support additional residential and employment uses in the proposed development. This 3,716 square metres of additional floor area has been included in the proposed ASP 42 enclosed, intended as a cap for the consideration of commercial uses mixed with employment uses within the transition flex commercialindustrial area adjacent to the residential mixed-use potion of the development. commercial uses existing and planned for the western portion of the subject site and proposed cap in ASP 42, the amount of commercial space aligns with the objectives of Policy 11.1.42 (8) (b) of the in-effect Official Plan, with appropriate consideration for the evolution of the area and market trends since 2012.

# Request #2c: Revise policy wording of Area Specific Policy 42 to permit building height beyond 30 storeys to a maximum of 36 storeys for a maximum of five buildings within the Station Area Mixed-Use designation.

As previously indicated, OPA 58 afforded a nominal increase in maximum building height from 25 storeys (which has largely existed in key growth areas of the City since 2003) to 30 storeys, being an additional five storeys. This nominal increase in height is insufficient to efficiently and economically accommodate significant population growth that is transit-supportive within a strategic growth area and MTSA in accordance with provincial policy direction. The current development applications submitted for the subject lands seek permissions for greater building heights beyond the 30 storeys permitted by OPA 58. As illustrated in the enclosed conceptual site plan, proposed residential towers within the development range in height from 20 storeys to 35 storeys. Specifically, five towers in the southeast corner of the proposed development exceed 30 storeys in height (being 31 storeys, 32 storeys, 35 storeys and two buildings of 36 storeys), taking advantage of considerable separation from low density residential uses and immediate proximity to the Northfield Station rapid transit platform, with pedestrian connections via proposed trail areas and internal connections to Parkside Drive.

When considering proposed heights of residential towers in the enclosed proposed site plan, the average building height of the residential mixed-use component of the development is 29 storeys.

The minor increase in building height allows for variation in built form and to establish a visually appealing skyline while still providing for densities supportive of higher order transit. As noted, the proposed height increases are minor and will not impact adjacent lands, all of which are employment uses further to the east and north.

The enclosed proposed ASP 42 policy framework would permit increased building heights within the Station Area Mixed-Use designation as follows:

- A maximum building height of 36 storeys for a maximum of three buildings (equating to a 20% increase in permitted building height for 23% of proposed buildings)
- A maximum building height of 32 storeys for a maximum of two buildings (equating to a 7% increase in permitted building height for 15% of proposed buildings)
- A maximum building height of 30 storeys for all remaining buildings (equating to a 0% increase in permitted building height for 60% of proposed buildings)

We thank the province in advance for considering our request to modify OPA 58 to more appropriately recognize the existing development on the lands and planned future land uses that support higher order transit.

Yours truly,

**MHBC** 

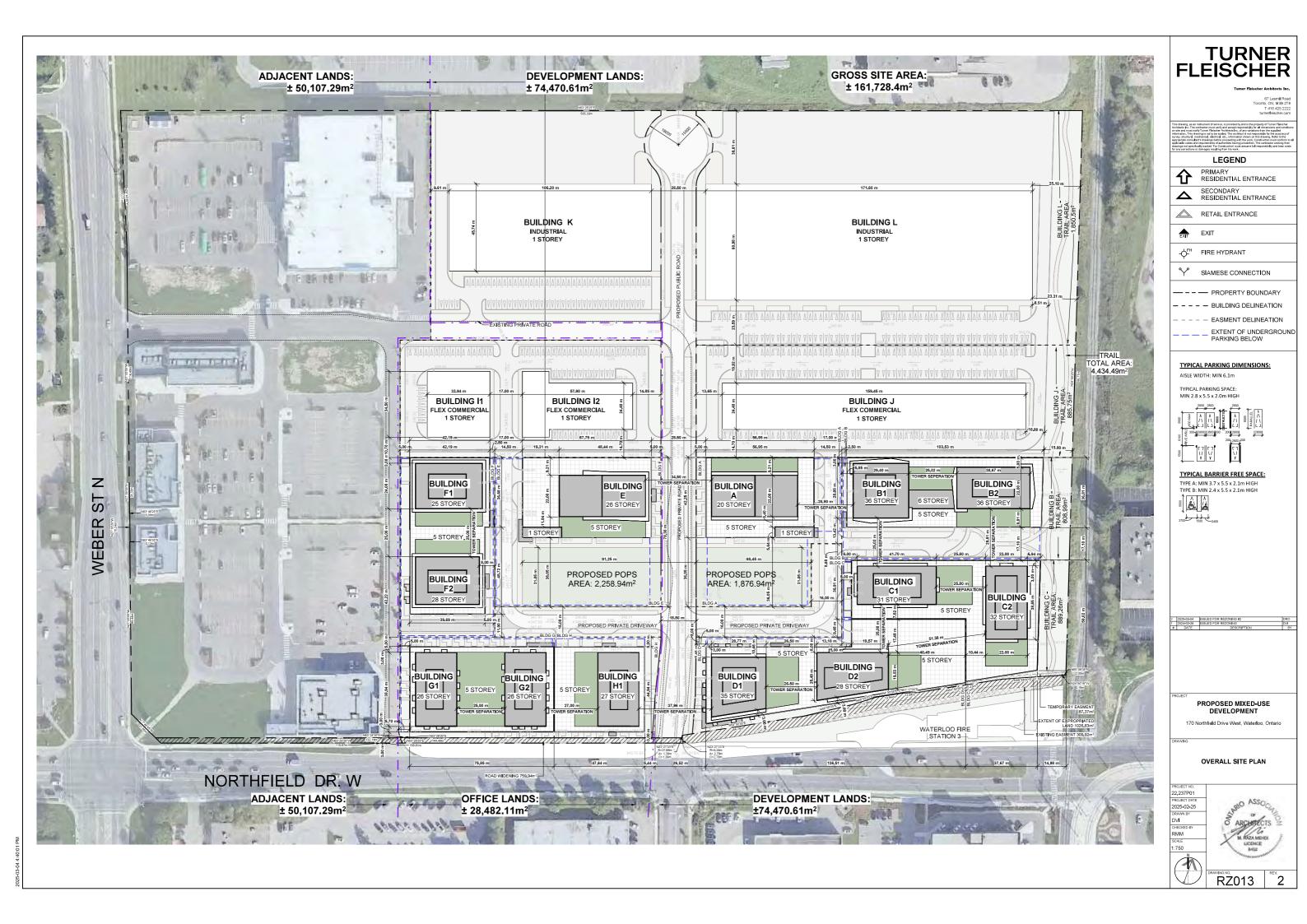
Trevor Hawkins, M.LP, MCIP, RPP

Partner

cc. Forgestone Capital Management

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Appendix A: Proposed Conceptual Site Plan



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Appendix B: Staff Correspondence (November 2024)



November 20, 2024

Ric Martins, MCIP RPP City of Waterloo 100 Regina St S Waterloo, ON

Re: City of Waterloo Official Plan Review (OPA 58) – November 2024

Northfield Drive and Parkside Drive

MHBC has reviewed the November 2024 update to the City's Official Plan (referred to as Official Plan Amendment No 58 or OPA 58) on behalf of Northfield Equities Inc., for lands municipally addressed as 170-200 Northfield Drive and 570-630 Weber Street North in the City of Waterloo (the 'subject lands'). Please accept the following as Northfield Equities Inc.'s (the 'owner') comments regarding the Official Plan Review as they apply to the above noted lands.

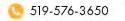
#### Site Context

The subject lands are generally located on the north side of Northfield Drive West, east of Weber Street North and include an extension of Parkside Drive (a private road). The westerly portion of the lands are developed with a commercial plaza, comprised of multiple buildings, including restaurants, a full-service drug store and full size food store.

Two single storey office buildings are located in the middle portion of the site, west of the Parkside Drive extension. The majority of the lands east and northeast of Parkside Drive are vacant. The subject lands are located within the Northfield Major Transit Station Area, in close proximity to the Northfield Station platform.

The existing office buildings and vacant lands north and east of the Parkside Drive extension, are the subject of Official Plan Amendment and Zoning By-law Amendment applications. The development applications referenced above propose a mixed-use development, with multiple high-rise apartment buildings, low rise employment uses, and a central public open space for active and passive recreation.

The lands are generally surrounded by employment uses to the immediate north, east and south and Highway 85 to the east. A broad range of commercial uses are located within walking/cycling distance to both the east and west, including the City's regional serving Conestoga Mall. The Northfield ION Station is in effect immediately to the south of the subject lands, accessible via a signalized pedestrian crossing.

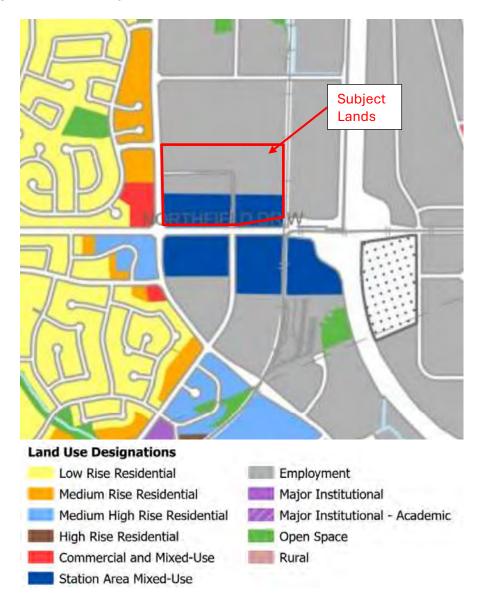




# City Official Plan and November 2024 Updated Draft

We note that the schedules included in OPA 58 propose to designate the subject lands as follows:

- Station Area Mixed Use Lands (shown in blue below)
  - o Station Area Mixed Use on Schedule A
  - o Major Node on Schedule B
  - o High Rise, 30 storeys on Schedule B1
- Employment Lands (shown in grey below)
  - o Employment on Schedule A
  - o Flexible Industrial on Schedule A2
  - o Major Node on Schedule B
  - o High Rise, 30 storeys on Schedule B1



## Station Area Mixed Use Lands

We understand that the lands with frontage on Northfield Drive are proposed to be designated Station Area Mixed-Use, which is a new designation to be introduced through OPA 58. We note that for most other properties in the City with active Official Plan Amendment applications, the City has not proposed a designation and has instead deferred the determination of Official Plan land uses (and other applicable schedules) to the conclusion of the Amendment process. Unfortunately, the owner has not been granted a meaningful amount of time to fully assess the implications of this new proposed land use designation and how it aligns, or does not, with the active Official Plan Amendment. On its surface, the designation appears to generally permit mixed use developments, with allowance for standalone residential buildings subject to criteria. The owner supports this designation, with consideration of the matters discussed below.

We note that the Official Plan proposes to remove maximum density related policies, and instead rely upon the Zoning By-law to regulate density. We support the removal of maximum densities from the Official Plan and encourage the City to consider alternative forms of measurement, such as Floor Space Index, Floor Area Ratio or units per hectare (through the Zoning Bylaw), which provide more flexibility for developments (of residential and mixed-use buildings) in providing a range of housing choice, including family sized units. The measurement of density in bedrooms per hectare, particularly if the maximum remains unchanged in the Zoning Bylaw, will result in the underutilization of lands, decreasing the housing supply, particularly for larger units that appeal to families. Although the owner supports the change in policy direction to remove maximum density from the Official Plan, we encourage the City to reconsider the bedrooms per hectare model of density regulation.

Furthermore, we note that policy 10.5 (11) states that residential uses shall be located above the ground floor in a multi storey mixed-use building. Moreover, 10.5 (11)(c) provides further that freestanding residential uses may be permitted where it is demonstrated the site will contain a mixture of uses, and the range of uses collectively will contribute to the Station Area density target and a complete community. The owner supports this policy, with recognition that the lands (i.e. the site) already contain a broad range of commercial uses that would complement the proposed residential uses and will also contain additional employment uses on the north portion of the site. In this regard, the policy framework would appear to permit both mixed use and standalone residential buildings on the subject lands.

Policy 10.5 (12) states that developments with greater than 1,000 residential units should accommodate two square metres or more of commercial, employment, and/or community uses for every residential unit proposed. The policy further notes that:

- (a) For clarity, for the purposes of calculating non-residential uses as outlined in policy 10.5 (12), any consideration of community uses shall exclude open space, temporary farmers' markets and community garden uses.
- (b) Planning for employment and office uses, large developments shall demonstrate that the proposed development will achieve a minimum employment density of 35 jobs per hectare.

While the owner does not object to the policy direction provided above it is our understanding that the supply of commercial, employment and or community uses are calculated over the entire site,

and not within individual buildings. As noted earlier, the subject lands contain existing employment and commercial uses with additional such uses proposed in addition to residential uses. Provided the intent of the policy is to allow for the commercial, employment and or community uses to be provided on a site as a whole, such as the subject lands, the owner does not object to the policy.

Policy 10.5(14) requires master planning for developments of parcels that are 2 hectares or greater. The master plan is required to demonstrate and ensure a number of elements. Not all elements will be necessary on each project, nor can all be provided. The policies do allow for some flexibility, based on our interpretation of the words 'it is the intent of this Plan'. For the subject lands, the development does include a broad range of uses already that will only be broadened through the proposed new development.

# **Employment Lands**

As noted above, the lands are identified in Schedule B2 to be designated Flexible Industrial. As confirmed on November 13, 2024, the change in designation from Business Employment to Flexible Industrial was inadvertently applied to the subject lands. The owner requests that this designation be corrected prior to the December 2, 2024 council meeting to avoid further process requirements to amend the schedules once adopted by Council. The Flexible Industrial designation conflicts with many of the existing land uses, including the two large office buildings.

With regard to the Business Employment designation, the owner supports the inclusion of self storage facility and small scale warehouse as permitted uses.

# Summary and Request

Generally, the owner does not object to the Station Area Mixed Use designation provided the lands as a whole are considered when evaluating conformity with the implementing policies in sections 10.5 (11) and 10.5 (12). Further, the owner requests the portion of the subject lands proposed to be designated 'Flexible Industrial' on schedule B2 be revised to 'Business Employment' in alignment with the in effect official plan designation and the policy direction provided in Specific Policy Area 42.

In recognition of the ongoing Official Plan Amendment, the owners reserve the right to seek amendments to the land use designations applied by OPA 58 through the current planning application processes.

We are available to discuss the above with City staff prior to the December 2 Council meeting. We request notification of future meetings, reports and related consultation opportunities.

Regards,

Trevor Hawkins, M.PL, MCIP, RPP

Trem Harkin

Partner

Rachel Wolff, BES, MCIP, RPP Associate

cc: Forgestone Capital Management Ltd.

Appendix C: Staff Correspondence (November 2024)

From: Aminu Bello <Aminu.Bello@waterloo.ca>
Sent: Wednesday, November 13, 2024 4:40 PM
To: Trevor Hawkins <thawkins@mhbcplan.com>

Cc: Rachel Wolff < rwolff@mhbcplan.com>

**Subject:** RE: Land use Framework: Northfield/Weber (OPA 56 & Z-24-08)

Hi Trevor,

I've raised your question with Community Planning staff, who've confirmed the Waterloo Corporate Campus (i.e. Sobeys Plaza) should <u>not be designated</u> 'Flexible Industrial", this was inadvertently applied during the mapping exercise. The CP team will look to change a portion of the lands to "Business Industrial" in Schedule A2 extending from Weber St No to easterly property extents. We're hoping this can be corrected in advance of the December 2<sup>nd</sup> Council meeting. Otherwise, CP staff will explore other means to accommodate the mapping change. Again, staff inadvertently applied the "Flexible Industrial" designation as their focus was to refine the employment areas relating to ROPA 6's employment land conversion.

To assure you, SPA 42 supersedes the land use designation and contains detailed policy direction regarding the commercial permissions. Further, there's OP policy direction that allows existing use to continue to exist irrespective of the employment designations.

Please keep me updated as CP staff has a short window to bring forward any OP changes to Council.

From: Trevor Hawkins <thawkins@mhbcplan.com>

**Sent:** November 13, 2024 3:08 PM

**To:** Aminu Bello <Aminu.Bello@waterloo.ca> **Cc:** Rachel Wolff <rwolff@mhbcplan.com>

Subject: [EXTERNAL] Re: Land use Framework: Northfield/Weber (OPA 56 & Z-24-08)

#### **CAUTION:**

This email originated from outside the organization. Do not click links or open attachments unless you recognise the sender and know the content is safe.

### Hi Aminu

Thank you for reaching out and letting us know about the Zoning in pacticular. We are

reviewing the Second Draft/OPA 58 and will follow up. We are struggling to understand the Flexible Industrial designation for the lands that already contain commercial uses (e.g. Sobeys) - perhaps staff can explain why the change was made from Business Employment to Flexible Industrial. I believe there are other lands within Regional Employment Areas that are designated Business Employment.

#### Trevor

From: Aminu Bello < Aminu.Bello@waterloo.ca > Sent: Wednesday, November 13, 2024 2:49 PM
To: Trevor Hawkins < thawkins@mhbcplan.com > Cc: Rachel Wolff < rwolff@mhbcplan.com >

**Subject:** Land use Framework: Northfield/Weber (OPA 56 & Z-24-08)

Hello Trevor,

On December 2<sup>nd</sup>, Community Planning staff are advancing recommendations to City Council regarding the OP Review. As it relates to your active OPA/ZBA, the OP Review recommends to redesignation the lands to "Station Area Mixed-Use" in Schedule A, and "Flexible Industrial" in Schedule "A2" for portions of the lands. The "Station Area Mixed-Use" designation is intended to provide opportunities for substantial levels of intensification in proximity to Major Transit Station Areas, with a community use component for large scale developments. These advisements were provided in the post-circulation comments..

To support the OP framework, Planning staff are also advancing general amendments to the Zoning By-law for a new "Station Area Mixed-Use (SAMU) Zone". I'm looking to understand your comfort level with applying this OP designation and new SAMU zone to the active OPA/ZBA applications, or whether it's appropriate to exclude this from the OP and city-wide zoning until the OPA/ZBA is advanced to Council separately. Let me know if this warrants further discussion.

Regards, Aminu

Aminu Bello, MCIP, RPP

Senior Development Planner, Development Planning Integrated Planning & Public Works, City of Waterloo

P: 519.514.0224

E: aminu.bello@waterloo.ca

Appendix D: Staff Correspondence (March 2025)

From: Aminu Bello <Aminu.Bello@waterloo.ca>
Sent: Thursday, March 13, 2025 1:52 PM

To: Trevor Hawkins <thawkins@mhbcplan.com>

Cc: Adam Lauder <Adam.Lauder@waterloo.ca>; Ric Martins <Ric.Martins@waterloo.ca>; Sheldon DiCarmine Dobsi

<s.dobsi@forgestonecapital.com>; Matthew Ortved <m.ortved@forgestonecapital.com>

Subject: RE: Employment Uses: 170-200 Northfield Dr. & 570-655 Weber St N (OPA 56, Z-24-08)

Trevor,

This matter was discussed with Community Planning in advance of sending my e-mail to you. To clarify, warehouse, distribution, and wholesale uses (no retail) are primary uses in the 'Flexible Industrial' designation – see attached excerpt. To add, the OP would recognize the existing office and commercial uses as per section 10.3.2 (11) – see excerpt below.

(11) Existing uses in the Flexible Industrial designation that do not conform with the definition of "employment area" in the Planning Act shall be permitted where the use has been lawfully established on the parcel of land before October 20, 2024.

As part of the OP review, CP staff intended to designate the lands south of the municipal boundary to Parkside Drive as 'Flexible Industrial' given the changes to the PPS, 2024. CP staff later clarified to me that either a 'Flexible Industrial' Designation or the 'Business Employment' Designation could have been appropriate. But ultimately, the 'Flexible Industrial' designation was applied for the lands abutting the Station Area Mixed Use designation. I recognize this was expressed as a "mapping error" in my earlier e-mail, but through further discussion with Community Planning staff applying the 'Flexible Industrial' was intentional to align with PPS, 2024.

Overall, this e-mail is intended to provide you options, while considering the legislative changes for Ministerial approval.

Thanks, Aminu

**From:** Trevor Hawkins < thawkins@mhbcplan.com>

Sent: March 13, 2025 1:09 PM

To: Aminu Bello <Aminu.Bello@waterloo.ca>

Cc: Adam Lauder < Adam.Lauder@waterloo.ca>; Ric Martins < Ric.Martins@waterloo.ca>; Sheldon DiCarmine Dobsi

<s.dobsi@forgestonecapital.com>; Matthew Ortved <m.ortved@forgestonecapital.com>

Subject: [EXTERNAL] Re: Employment Uses: 170-200 Northfield Dr. & 570-655 Weber St N (OPA 56, Z-24-08)

### **CAUTION:**

This email originated from outside the organization. Do not click links or open attachments unless you recognise the sender and know the content is safe.

Hi Aminu

This requires clarification is a different from our previous understanding. We had understood that the City has designated the lands 'Flexible Industrial' in error and they did not intend to change the designation from Business Employment. Your email below suggest this was in fact intentional and that if we wanted certain uses on the lands we would need ministerial approval. I note that the Business Employment designation permits wholesale uses and small-scale warehousing - your comment below suggests even small scale warehousing is only permitted as a complementary use in the Flexible Industrial designation - I believe this is not correct - please clarify. This is also different from our understanding based on several discussions with the City through the OPA 58 review process.

As you also know, the Flexible Industrial designation would not permit any of the existing uses on the property, including the office uses. It includes a policy that recognizes those existing office uses, but they are not permitted. Does the City feel this is the appropriate designation for the lands? Is the City going to now suggest that Flexible Industrial lands next to lands with residential uses are no longer appropriate? As you can appreciate, this is causing confusion for us and requires immediate clarification.

Trevor

From: Aminu Bello <a href="mailto:Aminu.Bello@waterloo.ca">Aminu.Bello@waterloo.ca</a> Sent: Thursday, March 13, 2025 12:55 PM

To: Trevor Hawkins <a href="mailto:thawkins@mhbcplan.com">thawkins@mhbcplan.com</a>

Subject: Employment Uses: 170-200 Northfield Dr. & 570-655 Weber St N (OPA 56, Z-24-08)

Hello Trevor,

I'm providing additional commentary relating to your November 20, 2024 letter that requests to "retain the 'Business Employment' to align with the OP designation in-effect and SPA 42 policy direction".

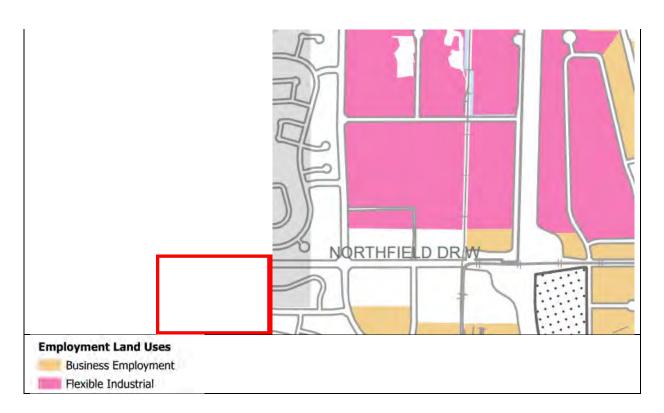
As you're aware, the More Homes Built Faster Act, 2022 (Bill 23) made changes to the Planning Act to transfer land use planning responsibilities down to lower-tier municipalities. In effect, some planning matters will require Minister-level approval, as follows (see attached letter):

- 1. New Official Plans
- 2. Official Plan Amendments for purposes of provincial plan conformity (i.e. every 5–10 year update)
- 3. Official Plan Amendments establishing, changing or revoking any policies required as part of a PMTSA, including:
  - Delineating the PMTSA (mapping)
  - Minimum resident and resident jobs/hectare
  - Authorized uses of any lands; and,
  - Minimum densities of any buildings and structures

Under the current OP framework, Ministerial approval would be required for the Northfield/Weber OPA as new employment uses are proposed (e.g. warehousing, wholesale and logistics distribution). These new employment uses are considered a change in policy to authorized uses within a PMTSA.

The updated 'Business Employment' designation under OPA 58 does not permit logistics distribution uses, whereas the 'Flexible Industrial' designation would permit complementary uses such as small-scale warehousing, wholesale and logistics distribution.

If the Flexible Industrial designation works with your intended use for the site, no further action is needed from a Ministerial approval standpoint, as it will be implemented through the Provincial approval required for OPA 58.



Let me know if you wish to discuss further.

Aminu Bello, MCIP, RPP

Senior Development Planner, Development Planning Integrated Planning & Public Works, City of Waterloo

P: 519.514.0224

E: aminu.bello@waterloo.ca

E

Appendix E: Proposed Modifications – ASP 42

# Area Specific Policy 42 (Weber Street/Northfield Drive)

- (1) Area Specific Policy XX ("ASP XX") applies to the lands adjacent to the intersection of Weber Street and Northfield Drive West, shown as "ASP XX" on Schedule A6 (Area Specific Policies) to the Official Plan (the "Lands"), located within a Major Node and Major Transit Station Area and designated 'Business Employment' and 'Station Area Mixed Use'.
- (2) The vision for the development of these lands is a high quality, transit-oriented mixed-use centre, providing housing and employment supported by a retail and commercial services component that in part provides a transition function between planned residential and employment land uses.
- (3) It shall be a policy of Council that these lands will be planned and developed in a manner that recognizes the lands:
  - (a) have a planned function as a residential and employment area with a retail and service component to support employees and residents within the lands as well as other land uses within the Northfield Station Area;
  - (b) represent a significant opportunity over the short to medium-term to accommodate a portion of the City's projected growth within a Major Transit Station Area and Major Node through intensification and redevelopment;
  - (c) represent a unique opportunity for the reurbanization and regeneration of an underutilized site with a wide range of land uses;
  - (d) are located at the intersection of two Regional roads and near a major interchange of the Conestoga Expressway
  - (e) are well-served by bus transit and are directly adjacent to the Northfield Station LRT platform; and
  - (f) are well connected to other lands within the Node, and as such should be designed to have an interconnected and multi-modal street pattern that will be developed as an extension of Parkside Drive, including private roads that connect the east and west portions of the site, as well as adjacent lands to the north.

## **Commercial Policies**

- (4) The policies of this Plan outline that a range of commercial uses are permitted in the Station Area Mixed Use designation. To recognize the built condition of the western portion of the lands, the following uses are also permitted as a primary use within the Station Area Mixed Use designation:
  - (a) Drug Store.

- (5) The policies of this Plan outline that offices and a restricted range of commercial and service uses may be permitted on lands designated Business Employment. The implementing Zoning By-law for the designation further defines the type, amount, and format of commercial uses contemplated within the designation. It is the intent of this Plan that existing and additional retail and service uses, beyond what would otherwise be contemplated in the Business Employment designation, may be recognized or considered for lands within this ASP.
- (6) The total building floor area of commercial uses within the Business Employment designation will not exceed the following, to be identified in the implementing Zoning By-law:
  - (a) 8,500 square meters for lands currently developed and planned for commercial purposes, including an existing food store, located on the western portion of the site; and
  - (b) 3,716 square metres for the balance of the lands designated for Business Employment purposes.
- (7) Commercial uses in the Business Employment designation shall be subject to the following policies:
  - (a) new commercial uses will generally be located on the eastern half of the lands and serve a transition function between planned employment uses on the northernmost portion of the lands and permitted residential and other sensitive land uses on the southern portion of the lands;
  - (b) commercial uses may be located within multi-unit or mixed-use buildings and within the western portion of the lands, also within single, stand-alone buildings. Multiple-storey buildings that include compatible employment as well as commercial uses on the eastern portion of the lands in proximity to planned residential areas are encouraged; and
  - (c) buildings will be located in a manner that frames abutting streets. Buildings containing commercial uses may also be located internal to the site and may front onto an internal driveway or pedestrian walkway.

# **Employment Policies**

- (8) In recognition of the location of the lands adjacent to a major highway interchange, the following additional employment uses are permitted as primary uses in the Business Employment designation:
  - (a) Small scale warehousing; and
  - (b) Wholesale uses.

For the purposes of this policy, a small scale warehouse is a warehouse with a maximum building floor area of 10,500 square metres.

# Residential Building Heights

- (9) In an effort to balance the achievement of urban design objectives related to variation in built form with meaningful and efficient residential intensification in a Major Transit Station Area, the following increased building heights are permitted on lands within the Station Area Mixed-Use designation:
  - (a) A maximum building height of 36 storeys for a maximum of three buildings; and
  - (b) A maximum building height of 32 storeys for a maximum of two buildings.