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January 28, 2026 Our File No. 335524

Honourable Rob Flack
Minister of Municipal Affairs and Housing
777 Bay Street, 17th Floor
Toronto, ON M7A 2J3

Dear Minister Flack:

Re: Request for Modification or Referral to Ontario Land Tribunal
Vaughan Official Plan 2025
ERO Number 025-1420
Ministry Reference Number 19-OP-246866
Lands at 401 Caldari Drive, Vaughan, ON

We act for Granite Real Estate Investment Trust and its wholly owned subsidiary 805062 Ontario Limited (collectively "Granite REIT"), the owners of the property located at 401 Caldari Drive.

We are requesting that the Vaughan Official Plan 2025, now before the Minister of Municipal Affairs for consideration, be modified to designate the lands at 401 Caldari Drive as high-rise residential, and by including them in community areas. In addition, the Strategic Growth Area mapping could also be modified by rounding it out to include the 401 Caldari site.



Figure 1: Aerial View of Subject Property Source: Google Earth, 2025

In addition, we believe that, in view of the Minister's Zoning Order approving high-rise residential on the abutting lands, those should also be designated as high-rise residential. The Primary Centre designation applicable to lands to the west, including part of the Minister's Zoning Order lands could be extended to include the entirety of the Zoning Order lands as well as the 401 Caldari lands as noted above.

Finally, in view of the fact that York Region is an upper-tier municipality without planning responsibilities, and that Vaughan can now make its own amendments to the Regional Official Plan, it would make sense to include a conflict resolution clause in the Vaughan Official Plan to read as follows: *"To the extent that any of the policies of the Vaughan Official Plan are in conflict with those of the upper tier Official Plan, the policies in the Vaughan Official Plan shall prevail"*.

401 Caldari is No Longer Operating as a Manufacturing Plant - Employment Designation is No Longer Appropriate

The lands at 401 Caldari historically operated as an automotive manufacturing facility for Magna International Inc. for more that 25 years. However, that business has ceased at the property and relocated to another facility in Mississauga, and there is no longer any manufacturing taking place on site. There is currently no replacement tenant in place.

It appears that finding any new manufacturing tenant for the site will be extremely challenging. The site is at the very periphery of the existing employment area. Residential uses have now been approved on the immediately neighbouring lands to the west and north. In addition other lands on the northern and eastern boundary of the site are natural heritage system. Employment only continues to the south.

The 401 Caldari site is now isolated from the employment area, and would be more logically included in the residential area that has been approved or constructed engulfing the site.

A new logical boundary between residential uses and employment uses should be established continuing the current boundary from the west along Riverock Gate and drawing that line to the east.

The Owner of 401 Granite REIT Is a Major Owner and Developer of Manufacturing And Logistics Property Who Understand the Viability of Employment Land

Granite REIT is a Canadian-based real estate investment trust engaged in the acquisition, development, ownership and management of logistics, warehouse and industrial properties in North America and Europe. They own 147 investment properties representing approximately 62.6 million square feet of leasable area, with major corporate tenants like Walmart, Wayfair, DHL, and Amazon. In Ontario alone, Granite REIT serves a very wide range of industrial space users at 35 properties in communities including Vaughan, Etobicoke, Brampton, Milton, Brantford, Paris, Mississauga, Toronto, Ajax, and Markham.

Their portfolio is exclusively in industrial, warehousing and logistics properties. They have worked very hard over the past two decades to protect the viability of the 401 Caldari site for employment area uses, resisting the encroachment of incompatible residential uses that would create land use compatibility issues, including prior Ontario Municipal Board litigation for in excess of 5 years.

However, despite their best efforts, neighbouring lands have been progressively approved and developed for high density residential uses. Now, with the end of manufacturing operations at 401 Caldari, Granite REIT understand better than most, the negative impact of the neighbouring residential approvals on their ability to attract any new employment area users for the site. In particular, any meaningful employment user will find it challenging to meet the Ministry of Environment's Land Use Compatibility guideline, especially as it relates to the sensitive high density residential approved immediately abutting the 401 Caldari property by virtue of a Minister's Zoning Order from 2020.

As a result, Granite REIT have reluctantly come to the conclusion that the most sensible path forward is to have their lands also designated for high density residential development. Granite REIT are not residential developers or land speculators. They are among the most successful developers and owners of industrial properties in Canada. They are not residential land speculators - but instead have tried fiercely to protect the viability of the 401 Caldari site for the type of employment uses they previously established on the site. However, the history and course of residential approvals on neighbouring lands has changed the options available to Granite REIT as the landowner. The only realistic viable option for the site over the long term is that it now be designated for high density residential uses.

Impact of Zoning Order on Abutting Lands

The Province of Ontario approved a zoning order by way of Ontario Regulation 643/20 for the lands to the west and north of 401 Caldari. The Zoning Order includes approval for high-rise residential uses at an ambitious density of 8.5 times the area of the lot. This Minister's Zoning Order applies to lands owned by Rutherford Land Development Corporation (the "RLDC lands").

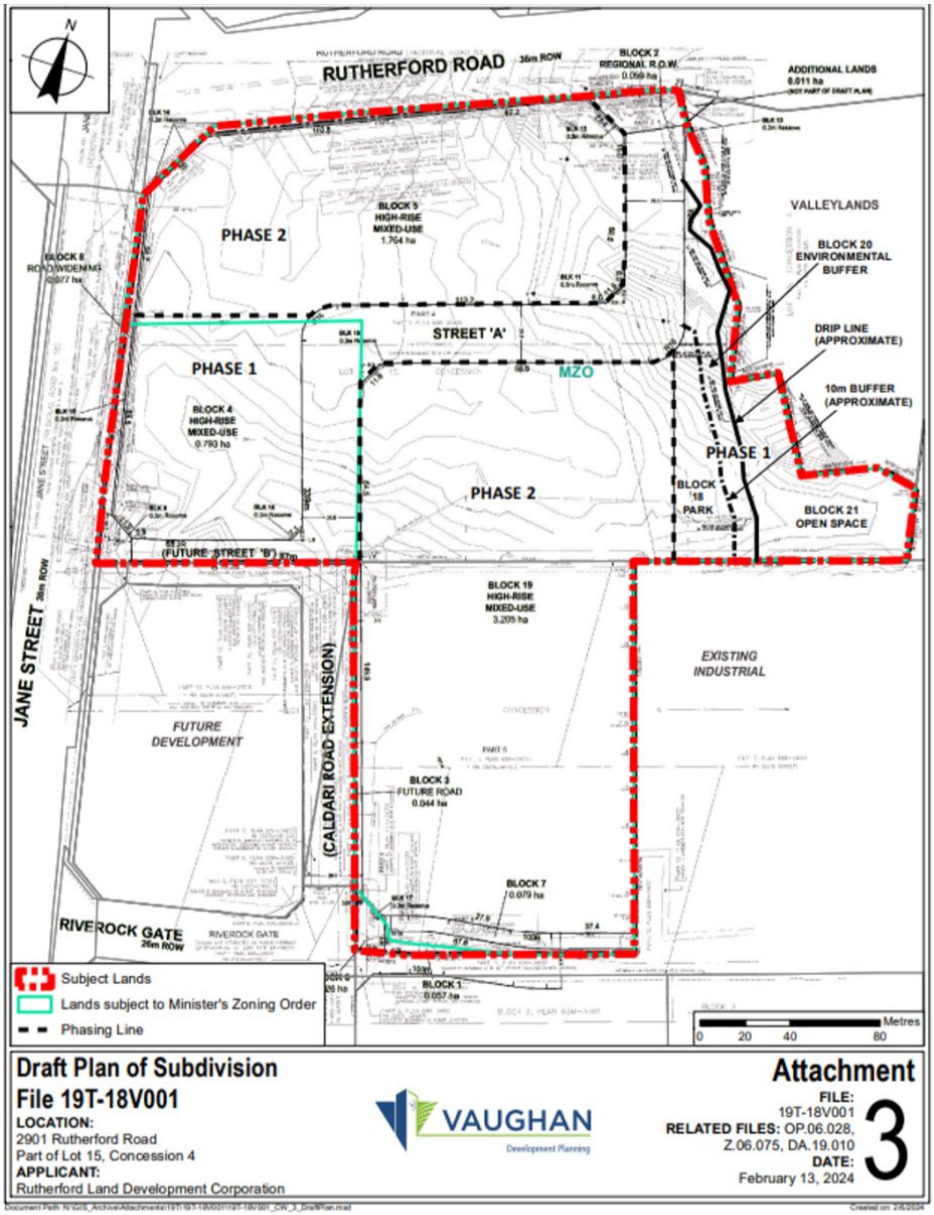
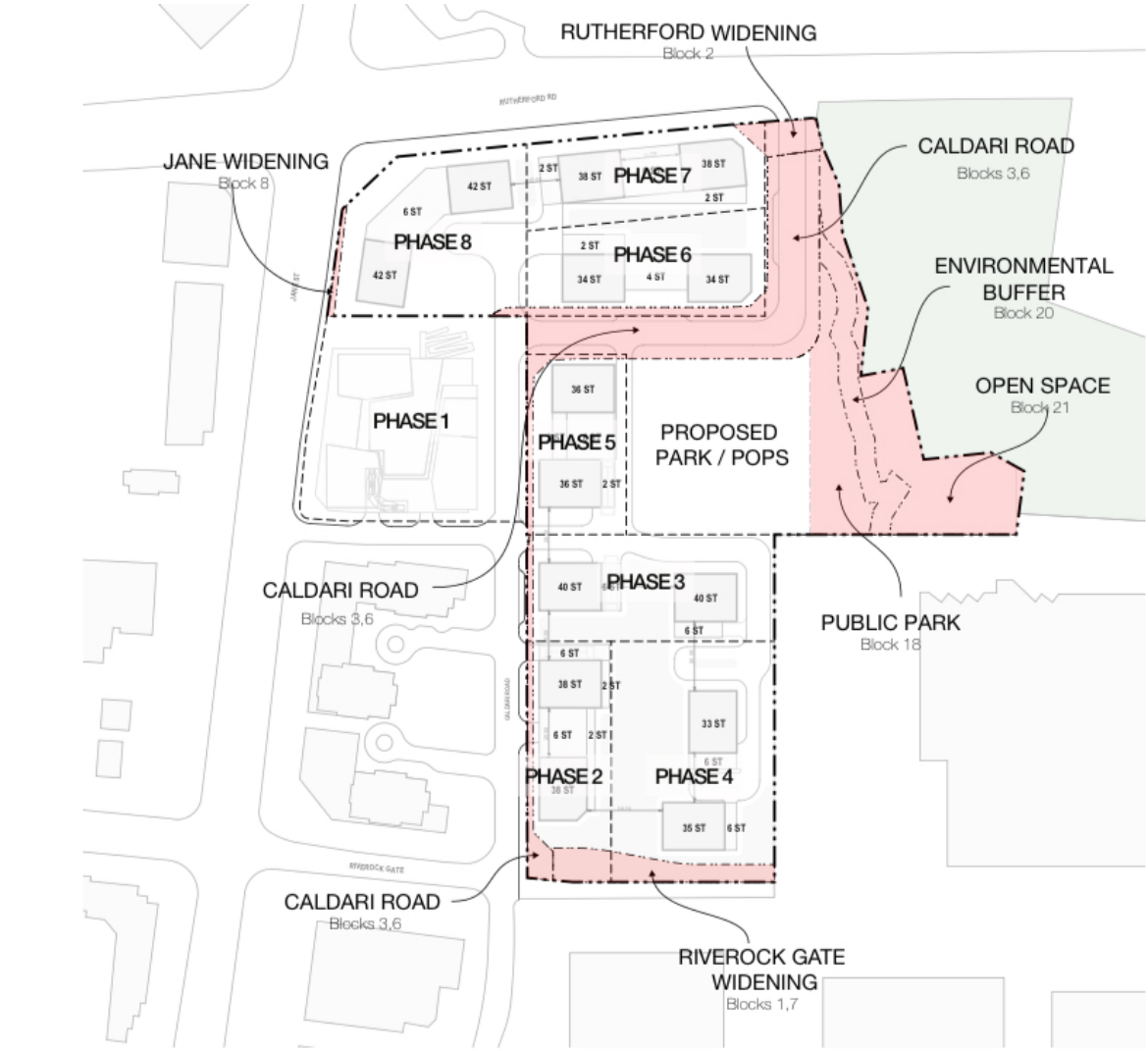


Figure 9: RDLC MZO Draft Plan of Subdivision Source: City of Vaughan, 2024

The RLDC lands proposal includes buildings with heights as high as 40 storeys, immediately abutting the 401 Caldari site. The illustration below shows the development plans for the RLDC Zoning Order lands:



September 24, 2025

The approval of residential towers up to 40 storeys in height only steps from the 401 Caldari site makes it very difficult to attract new manufacturing uses to 401 Caldari.

Any new employment use will need to establish conformity with the Ministry of Environment Land Use Compatibility D-series guideline. This will require minimum separation distances of 70 metres to 300 metres. The lower dimension would apply to Class 2 industries, being those of medium scale, with only occasional emissions of noise, dust, or odour and a low probability of fugitive emissions. The 300 metre separation would apply to Class 3 industries, being large scale plants with frequent noise or fugitive emissions. Class 2 industries also must address impacts on a 300 metre area of influence in order to obtain an Environmental Compliance Approval to operate. A Class 3 industry will need to address impacts on a 1000 metre area of influence.

The proximity of the abutting sensitive use (residential towers) approved by the Minister's Zoning Order, and the resulting constraints, are making it extremely challenging to establish any meaningful employment use could on the 401 Caldari site.

As such, as a consequence of the Zoning Order, the only logical and sound planning resolution is to permit similar high density residential uses on the 401 Caldari site. The Vaughan Official Plan 2025 should be modified to designate the lands at 401 Caldari as high-rise residential to make them compatible with the Minister's Zoning Order for the RLDC lands.

Lands Represent a Logical Addition to the Jane Rutherford Primary Centre

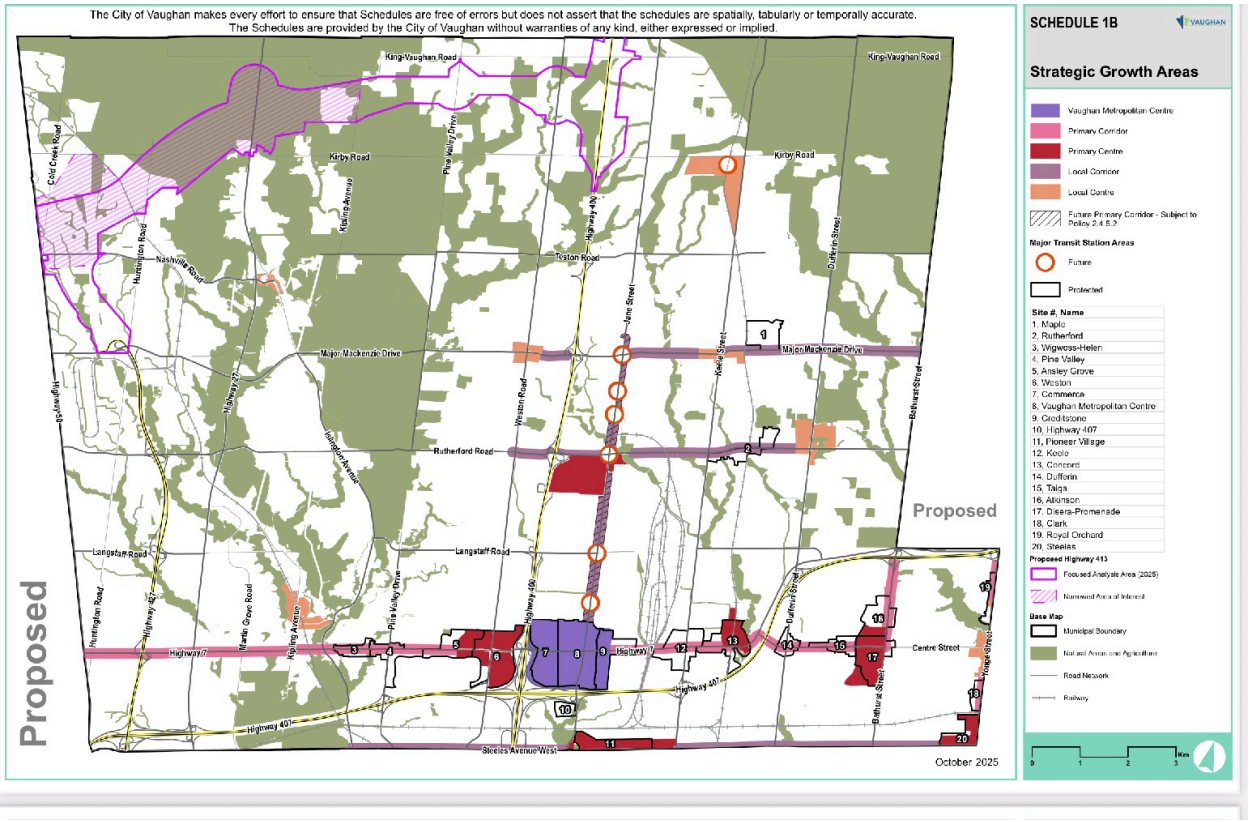
In the current Vaughan Official Plan, the adjacent lands are mapped as an Intensification Area, the Jane Rutherford Primary Centre. In addition, the nearby lands fronting on Jane Street are mapped as a Regional Intensification Corridor.

The current Vaughan Official Plan, in policy 2.2.5, provides the following with respect to Primary Centres as Intensification Areas: *"Primary Centres will accommodate a wide range of uses and have tall buildings, as well as low ones, to facilitate an appropriate transition to neighbouring areas."*

The 401 Caldari site is not near any low density residential neighbourhood. Instead it is bounded by lands to the west and north planned for high density residential and to the north and east by natural heritage features. This makes the 401 Caldari site an ideal and logical addition to the adjacent Primary Centre, and to allow it to fulfill its planned function as an Intensification Area.

In a similar fashion, a portion of the RLDC Minister's Zoning Order lands are already in the Primary Centre. It would make sense to modify the mapping of the Primary Centre to include the entirety of those lands based on their high density residential permissions, as well as the 401 Caldari site.

In the adopted Official Plan, currently before the Minister, the nearby lands are identified as part of the Vaughan Mills Primary Centre, with the Jane Rutherford intersection identified as a future Major Transit Station Area, and the Jane Street frontage identified as a Future Primary Corridor. These are ALL Strategic Growth Areas. This, in combination with the Minister's Zoning Order on the abutting RLDC lands make it logical to modify the mapping of the Primary Centre to include the lands at 401 Caldari and to designate them for high density residential development.



This is an area that clearly has potential to contribute meaningfully to Vaughan's increased intensification goals, and the inclusion of 401 Caldari allows for the establishment of a logical boundary of this Strategic Growth Area.

Intensification at 401 Caldari Will Help Vaughan Address the Population Growth Shortfall in Meeting Established Growth Targets in Official Plans

The Residential Needs Study that contributed to the new Vaughan Official Plan identifies that Vaughan has been falling short of meeting its growth targets as set out in the York Region Official Plan.

In particular, it identified that Vaughan had a population shortfall of 27,500 people against its established targets and that York Region's shortfall was 104,200 measured against its targets.

The addition of the 401 Caldari lands as high density residential will help to address this shortfall, and assist Vaughan in meeting both its growth targets and the new increased intensification target in the adopted Official Plan (57% compared with the previous intensification target of 45%).

Housing Growth in Vaughan Falling Short of Provincial Targets at Only 69.46% - Approval of High Density Residential for 401 Caldari Will Create an Opportunity to Deliver More Housing Starts

The Province of Ontario has assigned housing targets for the 50 largest and fastest growing municipalities. Achieving these targets is linked to opportunities to obtain additional funding from the Province through the Building Faster Fund.

Vaughan has been falling short of its Provincial target for new housing. According to the Provincial Housing Tracker, Vaughan has been able to deliver only 69.46% of its housing goals.

The approval of more housing will create the opportunity for Vaughan to achieve more housing starts. The approval of high density residential at 401 Caldari will help support the ability of the City to increase its housing supply.

Provincial Planning Statement Policy 2.8.2.5 Respecting Removal of Lands from Employment Areas is Satisfied Permitting Designation of Site as High-Rise Residential

The Provincial Planning Statement has streamlined the approach for removing lands from employment areas. The policy now has four tests that must be satisfied in order for lands to be removed from employment. The policy provides as follows:

2.8.2.5 Planning authorities may remove lands from employment areas only where it has been demonstrated that:

a) there is an identified need for the removal and the land is not required for employment area uses over the long term;

b) the proposed uses would not negatively impact the overall viability of the employment area by:

1. avoiding, or where avoidance is not possible, minimizing and mitigating potential impacts to existing or planned employment area uses in accordance with policy 3.5;

2. Maintaining access to major goods movement facilities and corridors;

c) existing or planned infrastructure and public service facilities are available to accommodate the proposed uses; and

d) the municipality has sufficient employment lands to accommodate projected employment growth to the horizon of the approved official plan.

The 401 Caldari site satisfies the tests for removal from employment area as set out in the sections of this submission which follow.

Need - The 401 Caldari Site Can Help Meet the Demonstrated need for More Housing and Intensification in Vaughan - The Site Can No Longer Contribute Meaningfully to the Need for Employment Land and Thus is No Longer Required

The Residential Land Needs Study that supported Vaughan Official Plan 2025 indicated a strong need for additional housing in Vaughan. In addition the study supported an increase in the residential intensification target in the Official Pla. The adopted Official Plan now has an intensification target of 57%.

In addition, there is a demonstrated provincial housing supply shortage, to which the Province has responded with numerous policy changes and iterations of a Housing Supply Action Plan in order to increase supply. As noted above, Vaughan has been falling short of its housing target starts established by the Province.

There is clearly a demonstrated need for additional housing in Vaughan.

With respect to the need for employment land, Vaughan has one of the highest supplies of employment land in the Province of Ontario. In addition, Vaughan Official Plan 2025 proposes to add hundreds of acres of new employment area lands to the settlement area.

The 401 Caldari site can no longer practically make a meaningful contribution to the employment area lands supply. While currently designated as employment, manufacturing has ceased on site. The abutting residential now represents a land use compatibility constraint that is making it very difficult for Granite REIT to establish any new employment uses at 401 Caldari. As such, the site is no longer “needed” for employment.

The removal of the 401 Caldari site from employment satisfies the need test established in policy 2.8.2.5 a) of the Provincial Planning Statement.

Removal of 401 Caldari from Employment Will Not Negatively Impact the Viability of the Employment Area

The 401 Caldari site is located at the periphery of the larger employment area - which is extraordinarily large. As such, its removal will have no measurable or noticeable impact on the remaining enormous and very vibrant employment area.

The site is bounded on east, north and west by residential and by natural heritage features. The only nearby employment uses are located to the south of the site. The majority of those uses are logistics and warehousing operations, which gain their vehicular access by the public road on the south side of those uses - a considerable distance from the 401 Caldari. None make use of the 401 Caldari driveway (located on the south side of the property) for access to their properties. As such, the removal of the 401 Caldari site will not affect the public road access to those logistics employment uses.

Finally, it should be observed that the subject property is a considerable distance from either of the Highway 400, or Highway 407, and thus its removal from employment will not affect the access of the employment uses to goods movement facilities and corridors.

In summary, the removal of the 401 Caldari site will not negatively impact the viability of the employment area. The viability test in 2.8.2.5 b) is satisfied.

The 401 Caldari Site Is Located In Close Proximity to Vaughan Mills, and Will Effectively Function As Part of that Complete Community - The Area is Well-Served by Infrastructure and Public Service Facilities

The subject property is located in a well-established dynamic part of Vaughan. It is well served by sewer, water and roads.

The nearby Vaughan Mills Centre - a super-regional shopping centre - has proven to become a successful anchor of an enormous area of retail, service, recreation and entertainment offerings. Future residents from 401 Caldari will be within walking distance of almost every conceivable retail and restaurant option.

The area is unique in Ontario in also serving as an agglomeration of commercial family recreation and entertainment uses. Nearby examples include Skyzone Trampoline Park, Reptilia, Game Time Social, Jungleland indoor playground and Legoland. Of course, Canada's most successful theme park - Canada's Wonderland - is actually within walking distance.

Schools can be found within walking distance. Julliard Public School is 700 metres from the site, and Maple High School is less than a kilometre to the north.

A number of health related services can be found just to the north on Rutherford Road. The new Cortelucci Vaughan Hospital is just over two kilometres away.

The site immediately abuts a watercourse related natural heritage area. Those lands are part of a larger contiguous system of natural heritage lands. Active parks are also available nearby including Julliard Park and Castlehill Park. The Vaughan Sports Village Bocce Courts can be found to the east on Rutherford.

The Sports Village recreation centre located close by at 2600 Rutherford Road is less than a kilometre away. It includes 4 ice pads, two baseball diamonds, 4 beach volleyball courts, and an outdoor skate path.

The future residents of 401 Caldari will find themselves enjoying an abundance of offerings of services, retail, restaurants, recreation, entertainment options and public facilities. The necessary infrastructure is well-established in this area.

The test in 2.8.2.5 c) that requires infrastructure and public service facilities be available is clearly satisfied.

Vaughan Will Continue to Have an Abundant Supply of Employment Land to Accommodate Employment Growth to the Horizon of the Plan With No Impact from the Redesignation of 401 Caldari

The last of the tests in the Provincial Planning Statement policy that must be satisfied to support the removal of lands from employment is that there be sufficient employment lands to accommodate employment growth to the horizon of the plan - in this case 2051.

Vaughan is perhaps the Ontario municipality with the largest supply of employment land. The Vaughan Official Plan 2025 adds even more land to the employment area supply. The test in 2.8.2.5 d) is satisfied.

The Provincial Planning Statement tests for removing 401 Caldari are demonstrably satisfied. The designation of 401 Caldari from employment, and its redesignation as high-rise residential, is consistent with the requirements and policies of the Provincial Planning Statement.

With York Region Now an Upper Tier Municipality Without Planning Responsibilities, The Vaughan Official Plan Should Include a Conflict Resolution Clause

The Province of Ontario has made legislative changes that result in York Region becoming an Upper Tier Municipality without planning responsibilities. This took place after the approval of the York Region Official Plan.

As a result, the York Region Plan is now an instrument of the City of Vaughan to the extent that it applies to lands in Vaughan, and the City of Vaughan can now make amendments to that plan.

Section 1.3.2 of the adopted Vaughan Official Plan 2025 aims to address the transitional issues arising from this change in planning responsibilities.

However, the transition provisions do not anticipate all possibilities. For example, if modifications are to be made to the Vaughan Official Plan 2025 by the Minister in exercising his approval powers, the York Region Official Plan is not before him to make corresponding changes to ensure conformity of the modified Vaughan Official Plan with the legacy York Region Official Plan in the event of a conflict.

Such a situation would apply to the 401 Caldari lands if they were to be designated as community areas (rather than employment) by way of a modification by the Minister.

We are recommending that a conflict resolution clause be added to section 1.3.2. of Vaughan Official Plan 2025 to address such situations:

1.3.2.4 *To the extent that any of the policies of the Vaughan Official Plan are in conflict with those of the Upper Tier Official Plan, the policies in the Vaughan Official Plan shall prevail.*

The proposed policy above is similar to policies commonly found in official plans which indicate that, to the extent that a secondary plan policy conflicts with the main official plan, the policies of the secondary official plan shall prevail. In fact, such a policy providing for secondary plan policies to prevail is found at 1.3.1.9 of the adopted Vaughan Official Plan 2025.

The exact same planning and legal interpretation principles would now apply between the Vaughan Official Plan 2025, and the parts of the York Region Official Plan over which Vaughan now has jurisdiction.

Vaughan Official Plan 2025 Should Be Modified to Facilitate Residential Development at the 401 Caldari Site, Or the Policies Applicable to the Site Should Be Referred to the Ontario Land Tribunal for a Hearing

In view of the impact of the residential approvals on abutting lands by way of Minister's Zoning Order Regulation 643/20, it is appropriate and good planning to redesignate the lands at 401 Caldari as high density residential.

In view of the provincial approval of high density residential towers abutting 401 Caldari, and the subsequent closure of Magna's manufacturing on site, it will be extremely challenging to establish, on a long term basis, any new employment at 401 Caldari.

In the circumstances, the site is an ideal addition to the adjacent Strategic Growth Area, and for it to assist Vaughan in achieving its intensification and housing targets.

We ask that the Minister modify Vaughan Official Plan 2025 as follows:

1) Modify Schedule 1"Urban Structure" to map the 401 Caldari site as "Community Areas".

2) Modify Schedule 13 "Land Use Designations" to map the 401 Caldari site as "High-Rise Residential".

3) Add a new Policy 1.3.2.4 to read as follows:

1.3.2.4 *To the extent that any of the policies of the Vaughan Official Plan are in conflict with those of the Upper Tier Official Plan, the policies in the Vaughan Official Plan shall prevail.*

While not required to permit the development of the 401 Caldari site for high density residential, we believe that the following modification would be desirable to ensure that the Vaughan Official Plan reads in a coherent and sensible manner:

4) Modify Schedule 1B "Strategic Growth Areas" by adding the 401 Caldari site and the balance of the RLDC lands that were the subject of the Minister's Zoning Order in Ontario Regulation 643/20, to the "Primary Centre" mapping.

In the event that the Minister is not prepared to make the requested modifications directly, we request that the proposed modifications above be referred to the Ontario Land Tribunal for a hearing pursuant to section 17 (55) of the *Planning Act*. The Minister could refer determination of the appropriateness of the requested modifications, including the policies for the lands at 401 Caldari, to the Ontario Land Tribunal for a hearing, while still modifying or approving the balance of the Official Plan Amendment, so that it could come into force.

Yours truly,

AIRD & BERLIS LLP



Hon. Peter Van Loan, P.C., K.C.
Partner