### City of Mississauga

# **Corporate Report**



Date: September 4, 2020 Originator's files: CD.03.REI

To: Chair and Members of Planning and Development

Committee

From: Andrew Whittemore, M.U.R.P., Commissioner of

Planning & Building

Meeting date: September 28, 2020

### **Subject**

#### **RECOMMENDATION REPORT (ALL WARDS)**

Recommendation Report - Reimagining the Mall - Official Plan Amendment Implementation

#### Recommendation

- 1. That the report titled "Recommendation Report Reimagining the Mall Official Plan Amendment Implementation" dated September 4, 2020 from the Commissioner of Planning and Building recommending approval of the official plan amendment, be adopted.
- 2. That Mississauga Official Plan be amended in accordance with the proposed changes contained in this report.

# **Report Highlights**

- This report contains the final recommended changes to Mississauga Official Plan in order to implement the Reimagining the Mall project for the City's mall-based nodes.
- A public meeting was held on February 3, 2020 to hear comments regarding the proposed amendments. A number of landowners provided oral and written comments before, during and after the public meeting.
- Several changes have been made to the proposed official plan policies, including those related to affordable housing.

# **Background**

On February 3, 2020, the Planning and Development Committee considered the Reimagining the Mall - Official Plan Amendment Implementation Information Report (Appendix 1) at a public meeting. This report presented a draft official plan amendment (OPA) that would update planning policies for six of the City's shopping malls and their surrounding areas. These revised policies relate to a range of items including maximum building heights and densities,

maintenance of the existing retail function, affordable housing, block sizes, development master plans and sustainability. It establishes a policy framework for mixed-use redevelopment with the recognition that the traditional retail market is changing.

#### Comments

The purpose of this report is to summarize and address the comments received from the community, departments, agencies and Council. A comprehensive summary of this input and staff responses are provided in Appendix 2. Complete comment submissions are attached as Appendix 3. Appendix 4 contains the meeting minutes from the statutory public meeting that was held on February 3, 2020, including summaries of the three oral submissions that were made.

Below is a summary of key concerns expressed by stakeholders and responses provided by staff:

Concern that a minimum 20% requirement for all new residential units to be affordable to low and middle income households is excessive and not financially viable, particularly without government funding subsidies. Some held the position that this is essentially making use of inclusionary zoning (IZ), which is not permitted on these lands because they are not within a Major Transit Station Area (MTSA) or an area subject to a development permit system as required by the Planning Act.

Staff response: In May 2020, the City retained land economists urban Metrics to update their preliminary financial analysis originally undertaken in May 2019 as part of the Directions Report for Reimagining the Mall. This new analysis used updated market data and specifically looked at whether the mall sites could be redeveloped in a way that is financially viable with the proposed affordable housing policies in place. It found that this is not feasible using the assumptions in the draft policy (i.e. 10% low income affordable units and 10% middle income affordable units) unless the low income affordable units are subsidized by non-profit funding sources. Their analysis does show that a policy requiring 10% of units to be affordable for middle income households is viable for redeveloped mall sites in the Central Erin Mills, Meadowvale, South Common and Sheridan Nodes. With the preliminary assumptions used, Rockwood Mall (Rathwood-Applewood Community Node) continues to present a challenge if redevelopment were to be pursued today even if affordable units were reduced to a 10% provision. Westwood Square in the Malton Community Node was not assessed, as it was not part of the original Directions Report evaluation and never included a potential redevelopment plan. Also, the land economics within the Malton

Community Node would likely present challenges to providing affordable housing. Appendix 5 contains the final report provided by urbanMetrics.

With these results, the affordable housing policy within the OPA has been revised to encourage the provision of low income affordable units in all Nodes subject to the availability of subsidized funding sources and to require 10% affordable units for middle income households developed within the Central Erin Mills, Meadowvale, South Common and Sheridan Nodes. This is consistent with Mississauga's Housing Strategy, which prioritizes affordability for middle income households and is part of providing a range of housing options for all residents. This is a fundamental component of good community planning.

The draft policies differ from IZ in several ways, including the incorporation of flexibility. The draft policy recognizes that low income units are subject to securing funding from non-profit housing partners and so does not prescribe a minimum amount of units but encourages its provision. Also, the definition of "affordable" is less onerous than the provincial definition and focuses on middle-income households. The policy now allows for land dedications in lieu of direct construction of affordable units. The City may also consider a Community Benefit Charge (currently Section 37 density bonusing) as part of an affordable housing contribution.

- Request for flexible policy language related to maximum heights and densities.
  - Staff response: The proposed height and floor space index (FSI) standards are consistent with the consultant's recommendations outlined in the May 2019 Directions Report and Council's specific direction related to the necessity of fixed heights as noted in their June 19, 2019 recommendation. Additional height and density would not be consistent with Council's direction or the City Structure hierarchy mandated by the Official Plan. Landowners have not identified a specific concern or conflict with how these standards may impact future redevelopment plans for their lands.
- Concern that wording requiring the maintenance of commercial floor space is too strong.
  - <u>Staff response:</u> The proposed wording already allows flexibility related to the commercial floor area provision. Reduced amounts of commercial space will be considered if it can be demonstrated that the Node's planned function will be maintained after redevelopment.

 Concern with a policy that would require buildings that are entirely commercial to be a minimum of three storeys.

Staff recognize the challenge of providing minimum three storey buildings in cases where there are only non-residential uses (e.g. retail, service commercial, office, institutional). After further consideration and discussions, including a meeting with one of the Node landowners and their planning consultant, it is recommended that the draft policies be modified to permit minimum two storey heights where buildings do not contain a residential component.

Concern with a policy that would require existing grocery stores to be maintained.

<u>Staff response:</u> After further consideration and discussion with landowners, it is recommended to adjust the policy to require the maintenance of at least one grocery store in each Node. This allows flexibility in location.

#### Other Modifications to the Draft Official Plan Amendment Policies

In addition to the proposed revisions noted in the staff responses above, other modifications made to the draft Official Plan Amendment include:

- Counting existing affordable rental units that are retained under the provisions of the Rental Housing Protection By-law towards the 10% affordable housing requirement
- Adding a threshold of 50 units for the minimum 10% affordable housing provisions to apply to development applications consistent with City practices elsewhere
- Clarifying that affordable housing should have a mix of ownership and rental units across the Node rather than on every individual land parcel that redevelops
- Clarifying that the affordable housing policy would involve a mix of unit sizes
- Clarifying that mid-rise buildings would be permitted in addition to low rise apartment buildings on lands designated "Residential Medium Density"
- Making a number of wording changes related to transit infrastructure
- Requiring Development Master Plans for all of the mall sites as part of future development applications

Appendix 6 contains the latest draft of the official plan amendment. Proposed changes since the Information Report version are shown in coloured text. Additional adjustments may be required prior to a finalized version being brought forward to Council for approval.

## **Financial Impact**

There are no financial impacts resulting from the recommendations in this report.

### Conclusion

The approval of amendments to Mississauga Official Plan is a key milestone in the implementation of the Reimagining the Mall policies. Comments from a range of stakeholders have been carefully considered and the proposed policies have been revised where appropriate. These policies will provide a sound planning framework for the future redevelopment of the City's mall-based nodes into vibrant, mixed-use communities.

### **Attachments**

Appendix 1: Reimagining the Mall - Official Plan Amendment Implementation Information Report

Appendix 2: Response to Comments Summary

Appendix 3: Written Submissions Appendix 4: Public Meeting Minutes

Appendix 5: urbanMetrics Financial Analysis Update Report Appendix 6: Updated Proposed Official Plan Amendment

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