

TO: Members of the Planning Committee

FROM: Malcolm Hunt, Director of Planning and Development Services

MEETING DATE: October 26, 2009

SUBJECT: Report PLPD09-060

Official Plan and Rezoning Application

300 Milroy Drive (No Frills)

PURPOSE

A report to provide a preliminary evaluation of the planning context for an Official Plan and Zoning By-Law Amendment at 300 Milroy Drive (No Frills) to permit a 4,251m² (45,759 sq. ft.) food store and to recommend a deferral of the application to November 30, 2009.

RECOMMENDATION

That Council approve the recommendation outlined in Report PLPD09-060 dated October 26, 2009, of the Director of Planning and Development Services, as follows:

That the applications for Official Plan Amendment and Zoning By-Law Amendment for the property known as 300 Milroy Drive be **deferred** until such time as the Chemong Secondary Plan is presented to Planning Committee on November 30, 2009.

BUDGET AND FINANCIAL IMPLICATIONS

There are no direct budget or financial implications arising from the approval of these recommendations.

RATIONALE

The deferral of this application until the Planning Committee of November 30, 2009 is recommended for the following reasons:

- If the Walmart expansion is approved, the equivalent of one additional food store entry is justified on a citywide basis by 2016. The City should give careful consideration to where the justified space should be allocated, given that it is expected to be several years before additional supermarket space will be warranted.
- 2. The assignment of one additional food store should reinforce the planning objectives of the City. The policies of the Official Plan specifically exclude food store uses in the Special Purpose Retail designation because food stores are considered vital to the function of the Neighbourhood Centre and Major Shopping Centre designations. Permitting food stores to locate outside of these designations, may impact the planned function of the designations in which they are considered most important.
- 3. The Retail Market Analysis (2008) prepared by Urban Metrics recommends that the City seek "opportunities that enhance the availability of local serving retail facilities at the neighbourhood level throughout the City." There is a draft Secondary Plan being prepared for the Chemong Planning Area. This Planning Area will accommodate a significant share of north end growth over the next 20-25 years. To support the planning objectives of the City and to better position the success of the Planning Area under the Provincial Growth Plan, "Places to Grow", it is recommended that Council give full consideration to the planning merits of assigning the remaining food store opportunity to either the subject site or to a future Neighbourhood Centre within the limits of the Chemong Secondary Plan.

BACKGROUND

The property which is the subject of this application is located within the Portage Node as illustrated on Figure 1 – Peterborough's Commercial Structure. The site is also designated Special Purpose Retail on Schedule I – Commercial Area of the City of Peterborough Official Plan. The property is currently zoned C.7 – Commercial District

as recently approved by the Ontario Municipal Board. Both the Official Plan Designation and the Zoning of the property prohibit the proposed food store use.

An application for the subject property was originally received on October 24, 2007. Upon receipt of the applications, Planning Staff advised the applicant that the submission was considered premature until such time as the City had completed a Citywide Retail Market Analysis, which was underway at the time. The City retained Urban Metrics in early 2007 to provide an updated assessment of the warrants for retail expansion in the City of Peterborough to 2026. The City had experienced significant retail growth following the 2000 Commercial Policy Review based on the forecasts for retail floor space developed in 2000. The completion of the Retail Market Analysis update was delayed to include results from the 2006 Census received in the summer of 2008.

The applicant appealed Council's lack of decision in December 2008. The Urban Metrics Retail Market Analysis (2008) was completed and presented to Planning Committee on March 30, 2009 (Report PLPD09-007). Council adopted the recommendations of Report PLPD09-009 including:

That the Retail Market Analysis be formally released as a Planning Study for the City of Peterborough and that staff consult the findings of the study to guide the evaluation of commercial development applications.

In the meantime, a prehearing had been scheduled with the Ontario Municipal Board to consider the appeals.

A partial settlement was reached with the City of Peterborough, whereby Walmart and Mason Homes were granted party status to the Hearing. Both Walmart and Mason Homes expressed their desire to introduce new food store space within the north end along Chemong Road, in addition to the proposed food store at 300 Milroy Drive. As of September 3, 2009, Mason Homes has submitted a complete application to pursue additional food store space at its property known as the Mason Development Lands on the east side of Chemong Road, north of Milroy Drive.

The parties to the Hearing agreed to the City processing both the Walmart and Loblaw applications, to be considered by Planning Committee at its meetings of September 21, 2009 and October 13, 2009 respectively. In addition, the City agreed to process the Chemong Secondary Plan by the end of 2009 and to process the Mason commercial application upon receipt of a complete application.

As agreed to in the partial settlement, the subject application was circulated to agencies and departments on August 14, 2009. The City consulted with Urban Metrics regarding the conclusions of the updated Retail Market Analysis prepared for the City in March, 2009 and further requested a peer review of a 2007 market report prepared by the applicant in support of the subject application.

The Portage Node:

The Portage Node was introduced through the 2000 Commercial Policy Review as one of four shopping nodes within the City. The Portage Node was planned to become a focal point of retail expansion serving North Peterborough. The Portage Node was expanded to the south in 2004 to include the relocated Walmart from Portage Place to its current location at 1002 Chemong Road. The policies pertinent to the Portage Node recognize the two department stores located at Portage Place and on the Walmart lands. The policies further encourage the mix of large anchor stores and smaller mall tenancies. Particular emphasis is provided in the policy to accommodate expansion of the department store and supermarket anchors in Shopping Centres.

The subject property is situated on the north side of Milroy Drive, opposite Portage Place shopping centre. The property was designated **'Special Purpose Retail'** to implement the results of the City's Commercial Policy Review in 2000. Section 2.3.4.2 c) refers to these lands as follows:

"Further commercial development in the Portage Node will be accommodated by the off-site lands in the vicinity designated as Special Purpose Retail and Service Commercial. The policies for these lands are to effectively differentiate the type and size of permitted uses from those of the Major Shopping Centre."

The Retail Market Analysis (2008):

Report PLPD09-007 reported on the findings of the Urban Metrics Retail Market Analysis as it relates to food store, non-food store and service floor space and recommends that the distribution of new retail opportunity consider the following:

"Simply looking at the spatial distribution of retail growth is only part of the story. Comparing spatial distribution to population distribution and growth also explains why the distribution may be justifiable and be better positioned to serve a growing City.

| Population and Retail Floor Space Distribution, 2007 | | | | | |
|--|------------|--------|----------|---------|---------|
| District | Population | Food | Non Food | Service | Overall |
| Centre | 23.0% | 19.3% | 30.0% | 54.7% | 37.3% |
| North | 22.5% | 20.0% | 17.9% | 12.2% | 16.2% |
| East | 13.9% | 10.2% | 3.6% | 4.0% | 4.4% |
| West | 40.6% | 50.6% | 48.4% | 29.1% | 42.1% |
| Total | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |

The **West District** share of City population is in balance with its overall share of retail floor space. The **Centre District** is over-represented but understandably so given its historic role and its ongoing role as a major employment area. The **North and East Districts**, relative to the population, are somewhat underserved. Food Store space is a key indicator of the availability of convenience-oriented retail. The percentage of food store retail floor space closely mirrors the population distribution in each District."

The 2009 Retail Market Analysis concludes that a limited amount of food store space is warranted to 2026 within the City of Peterborough.

| Forecast of Warranted Space 2011-2026 (sq. ft.) | | | | |
|---|---------|-----------|-----------|-----------|
| | 2011 | 2016 | 2021 | 2026 |
| Food Store | 101,600 | 131,900 | 159,900 | 185,200 |
| Non-Food Store | 445,000 | 717,000 | 959,500 | 1,179,100 |
| Selected Retail & Service | 94,400 | 204,300 | 318,600 | 429,800 |
| Total | 641,000 | 1,053,200 | 1,438,000 | 1,794,100 |

The forecast above predates the expanded Loblaw at Lansdowne Place and the Walmart expansion application. The sales impact of the introduction of the Costco Warehouse Membership Club was also not considered in this forecast. The newly built food store floor space of Loblaw and the potential approval of Walmart represents approximately 90,000 sq. ft. of the 132,000 sq. ft. forecast to 2016. There is, therefore Citywide justification for only one new food store of approximately 45,000 sq. ft. to the year 2016.

The City should give careful consideration where the justified space should be allocated, given that it is expected to be several years before additional supermarket space will be warranted from a market perspective. The assignment of one additional food store should reinforce the planning objectives of the City and not based on a first come, first served basis.

PRELIMINARY EVALUATION

a) Official Plan

The property is designated 'Special Purpose Retail' in the Official Plan. The objectives of the Special Purpose Retail policies are to accommodate large format retail outlet opportunities that compliment Shopping Centres and the Central Area, but do not duplicate the uses, specifically department stores and supermarkets. Special Purpose Retail policies were introduced to the City's Commercial Structure in 2000 to implement

the conclusions of the Commercial Policy Review and provide opportunity for large format retail space.

The policies specifically exclude food store uses in the Special Purpose Retail designation because food stores are considered vital to the function of the Neighbourhood Centre and Major Shopping Centre designations. Permitting food stores to locate outside of these designations, may impact the planned function of the designations in which they are considered most important.

There is limited opportunity for existing designated land, to support additional food store space. As such, the applicant seeks to amend the Official Plan to accommodate the proposed 4,251m² (45,759 sq. ft.) food store as an exception to the Special Purpose Retail policies of the Official Plan.

b) Population Growth in North District

In considering the application, Council should consider whether the assignment of the remaining warranted food store space is appropriate in the North District and for the specific site, based on both the market and planning merits of the application.

Population projections prepared to generate forecasts for the City's Growth Plan support the assertion that the population within the North District as described in the Urban Metrics 2009 Analysis, is expected to increase at a much higher rate within the next 7 years than the population of other areas of the City. The following chart provides an analysis of the distribution of the population by area, projected to 2026.

| Population Distribution by Commercial District to 2026 | | | | | |
|--|--------|--------|--------|--------|--------|
| District | 2006 | 2011 | 2016 | 2021 | 2026 |
| Centre | 22.7% | 22.3% | 21.7% | 21.8% | 22.0% |
| North | 22.5% | 23.7% | 26.4% | 27.5% | 28.0% |
| East | 14.5% | 14.1% | 13.9% | 14.0% | 14.2% |
| West | 40.3% | 39.9% | 38.0% | 36.7% | 35.8% |
| Total | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |

The City's total population is anticipated to increase by approximately 3700 persons between 2006 and 2016. The bulk of the anticipated growth is expected to occur within the North District. It is reasonable, therefore, to consider assigning the balance of the warranted food store space to the north district as it is anticipated to accommodate the most growth. The retail growth of this area, therefore, is justified by the population growth projections and furthers one of the recommendations of the Urban Metrics Report related to consideration of new commercial applications.

c) Chemong Secondary Plan

The Urban Metrics report also recommends "seeking opportunities that enhance the availability of local serving retail facilities at the neighbourhood level throughout the City." The Chemong Secondary Plan is located within the North District. The Draft Secondary Plan anticipates the inclusion of neighbourhood commercial uses, consistent with the Neighbourhood Centre policies of the City's Official Plan. Food store space is considered an important anchor for successful neighbourhood retail facilities and is supported by policy to serve the needs of several planning districts.

The Chemong Secondary Plan is scheduled to be considered by Planning Committee at its meeting of November 30, 2009. Options for the location of neighbourhood-scale retail uses within the North District are anticipated to be proposed within the Secondary Plan area, to support the planning objectives of the City and to better position the success of the Planning Area under the Provincial Growth Plan, "Places to Grow". Staff recommend that Council consider the planning merits of the food store space for the subject lands, at such time as the Draft Chemong Secondary Plan is provided for consideration.

The Draft Chemong Secondary Plan has been prepared by Planning Staff, and has been circulated to agencies and departments for comment. The purpose of the Chemong Secondary Plan is to add a new schedule to the Official Plan, intended to set a framework for the land use pattern of development within the area. Although the subject property is not located within the secondary plan area, it is located directly adjacent to the boundary of the secondary plan area. The land use of the subject lands must consider the implications on the adjacent lands and vice versa.

d) Zoning By-Law

The property is currently zoned C.7 – Commercial District as recently approved by the Ontario Municipal Board. The C.7 – Commercial District was introduced to the Comprehensive Zoning By-Law to implement the Special Purpose Retail designation in 2000. The zoning district includes regulations for minimum floor areas of 700m² and specifically prohibits a department store and a food store as permitted uses.

The introduction of a food store to the subject site, therefore, requires an amendment to the zoning district applied to the property.

RESPONSE TO NOTICE

a) Significant Agency Responses:

Agency circulation was issued on August 14, 2009.

Peterborough Utilities Services Inc. indicate that development charges for water to the expanded site will apply and request the developer to contact PUSI to make arrangements for water and electric service.

The City's Site Plan Review Committee of the Council for Persons with Disabilities have provided comments related to the accessibility within the parking areas, including a recommendation for a pedestrian walkway. Additional comments will be provided at Site Plan Approval stage.

No further agency has expressed any significant concerns or requests with respect to the proposed amendments for the subject property.

b) Summary of Public Responses:

Notice of Complete Application was issued on August 14, 2009 by newspaper advertisement (Peterborough Examiner) and by direct mail. Notice of Public Meeting was issued on September 18, 2009 by direct mail and on September 19, 2009 by newspaper advertisement (Peterborough Examiner).

As of September 29, 2009 no further comments have been received.

| Submitted by, | |
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| Malcolm Hunt Director of Planning and Develor | oment Services |
| Prepared by, | Concurred with, |
| Caroline Kimble, Land Use Planner | Ken Hetherington, Manager of Planning |

Contact Name:

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Attachments:

Exhibit A - Land Use Map
Exhibit B - Concept Site Plan

Land Use Map

Exhibit A Page 1 of 1

File # z0714

Property Location: 300 Milroy Dr

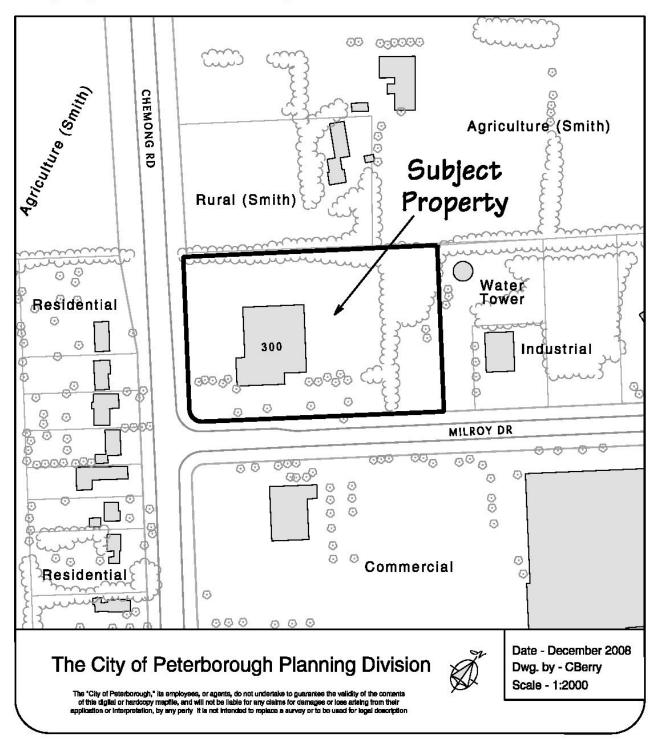


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