

Staff Report: Policy Options for Amendments to the Shopping Centre Commercial Zone

August 31, 2020

Planning Services Division

Background

The LaSalle Corridor Study, and associated Official Plan amendment OPA 102 recommended the addition of residential uses, specifically multiple-residential uses to the Shopping Centre Commercial (C5) zone. Multiple Dwellings are currently permitted within the C2, C3, C4 and C6 zones.

Staff have since identified an opportunity to accelerate the incorporation of residential uses in the C5 Zone and expand the proposed permitted uses to include long-term care facilities and retirement homes.

Shopping centres, similar to downtowns and town centres, are a focus of commercial activity within our urban areas. The rise of online retailing, evolution of customer preferences, government intensification efforts, and the long-term impact of COVID-19 have collectively called into question the future of the traditional shopping centre model (Mitani, 2020).

Over the past number of years there has been trend of permitting residential uses within shopping centre commercial zones in North America. In 2018, Revera struck a non-exclusive deal with SmartCentres Real Estate Investment Trust to develop 25 new retirement homes over the next five years on SmartCentre properties (Globe and Mail, 2019). Staff research has identified that development applications and official plan amendments have been submitted for a number of these projects in southern Ontario, including the South Oakville Centre and at the corner of Weston Road and Major Mackenzie Drive West in Vaughn. A list of other similar redevelopments is provided in appendix A.

With the changing retail environment there is an opportunity to facilitate the adaptive reuse of shopping malls by allowing for medium and high density residential development. Additionally, with the recent announcement by the Province regarding funding for long term care, staff recommend that these changes to zoning by-law be made to facilitate potential future developments. (News Release, July 15, 2020)

Shopping Centre Commercial Zone

The Shopping Centre Commercial Zone does not currently permit any residential uses. A range of non-residential uses are permitted, including personal service shop, pharmacy, and professional office. Hotels are currently permitted and Institutional uses are also currently permitted.

Per the Zoning By-law, *institutional uses* include *public uses*, the definition of which includes a building, structure, use or lot that is owned, occupied, used or administered by a public agency, such as Long Term Care Facilities which are licensed under the Long-Term Care Homes Act,

2007. The proposed amendment would more explicitly define long term care facilities as a permitted use.

Retirement Homes differ from Long-Term Care Facilities in that they are not licensed in the same manner. Similar to a Long-Term Care Facility, a Retirement Home provides private bedrooms or living units, in addition to common facilities for preparation and consumption of food, common lounges and medical care facilities may be provided for retired persons or residents that require nursing or homecare.

Other Considerations

Parking

A review of commercial parking standards was recently undertaken. It is recommended that the revised parking ratio for Shopping Centres as per the report prepared by J.L. Richards be incorporated into the Zoning By-law, which proposed a reduction from 1 per 20 square metres (5 per 100 square feet) to 1 per 25 square metres (4 per 100 square feet). The new parking rates would be more consistent with comparator municipalities and would help to facilitate the redevelopment of C5 sites.

Limitations on Size of Residential Component

The Shopping Centre Commercial Zone is primarily intended for commercial uses. In order to preserve the primary retail use of the site it is recommended that a cap be placed on the amount of residential ground floor area in relation to commercial ground floor area to preserve at grade retail. It is recommended that residential uses be limited to a maximum of 25% ground floor area. The Site Plan Control process will ensure that key integration issues such as emergency vehicle access, setbacks from adjacent railways, truck movement and loading access are appropriately considered.

Relationship to the Employment Land Strategy

An Employment Land Strategy which will ensure that the City is well positioned to respond to employment land needs, foster economic growth, and can support a diversified economy now and into the future, is currently underway and is expected to be completed in early 2021. The City's consultant, Cushman & Wakefield (CW) has advised that they are supportive of the proposed amendment for several reasons. As consumer preferences evolve, and more spending occurs online, shopping centres will need to overcome key challenges such as the departure of anchor tenants or the downsizing of stores – adaptive reuse will form a key role in overcoming these challenges. The proposed uses are compatible with the commercial uses and provide new residents in proximity to the commercial uses which can enhance their sales performance. CW has also noted that it is important to maintain a level of retail presence in a neighborhood to ensure that element is not lost. Which is consistent with staffs' recommendation that a limitation be placed on the maximum ground floor area that can be occupied by a residential use.

Conclusion/Next Steps

The addition of medium and high density residential along with retirement homes and long term care facilities has been identified as an opportunity facilitate the redevelopment and adaptive reuse of Shopping Centre Commercial (C5) zones while also providing additional opportunities for housing in areas that are well serviced by public transportation and retail. Adding these uses was also identified in LaSalle Corridor Study, and the planning policy frameworks has already been established by the City through the adoption of Official Plan amendment OPA 102.

The proposed amendment would also ensure the continued ability to provide commercial space while allowing shopping centres the flexibility to incorporate residential uses should the opportunity arise. Further, the proposed amendment would be consistent with Council's strategic objectives of ensuring investment readiness and encouraging retirement homes as part of the Nodes and Corridors Strategy. It is recommended that staff be directed to proceed with the preparation of the amending by-law. A draft by-law is attached to this report as Appendix B.

References

1. City-Wide Nodes and Corridor Strategy
<https://agendasonline.greatersudbury.ca/index.cfm?pg=agenda&action=navigator&lang=en&id=992&itemid=11977>
2. Official Plan Amendment No. 102
<https://agendasonline.greatersudbury.ca/index.cfm?pg=feed&action=file&agenda=report&itemid=2&id=1388>
3. City of Greater Sudbury Zoning By-law <https://www.greatersudbury.ca/do-business/zoning/zoning-by-law-2010-100z/#PART%203:%20%20%20DEFINITIONS>
4. Staff Report, LaSalle Boulevard Corridor Study and Strategy Proposed Approach to Zoning By-law Amendment. June 15, 2020.
<https://agendasonline.greatersudbury.ca/index.cfm?pg=feed&action=file&attachment=30549.pdf>
5. LaSalle Boulevard Corridor Plan and Strategy – Final Report, June 2018
<https://agendasonline.greatersudbury.ca/index.cfm?pg=feed&action=file&attachment=24185.pdf>
6. Staff Report, Report on the Commercial Parking Study. January 27, 2020.
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7. Province of Ontario, News Release, July 15, 2020. Ontario Accelerating the Development of Long-Term Care Homes. <https://news.ontario.ca/opo/en/2020/7/ontario-accelerating-the-development-of-long-term-care-homes.html>
8. Mitanis, Marc. 2020. QuadReal Submits Comprehensive Plan to Redevelop Cloverdale Mall. Urban Toronto. <https://urbantoronto.ca/news/2020/08/quadreal-submits-comprehensive-plan-redevelop-cloverdale-mall>
9. The Globe and Mail, November 15, 2019. Revera Partners with SmartCentres to Bring Seniors Housing to Shopping Plazas. <https://www.theglobeandmail.com/real-estate/toronto/article-revera-partners-with-smartcentres-to-bring-seniors-housing-to-shopping/>