

Exploring the Feasibility of a West Concrete Campus

Date:	April 25, 2013
To:	Etobicoke York Community Council
From:	Acting Director, Business Services, Economic Development and Culture
Wards:	Etobicoke York District
Reference Number:	

SUMMARY

This report responds to a request from the Etobicoke York Community Council for staff from the Economic Development and Culture Division, in consultation with City Planning, Municipal Licensing and Standards, Facilities and Real Estate, Build Toronto, industry representatives and stakeholders, to explore the feasibility and financial mechanisms to encourage the development of "Concrete Campus West " to assist and promote the relocation and consolidation of concrete production facilities.

There are currently no available sites in the Etobicoke York Community Council area that have the appropriate as-of-right zoning and size to accommodate multiple concrete production facilities within a concrete campus setting.

RECOMMENDATIONS

The Economic Development and Culture Division recommends that:

1. The Etobicoke York Community Council receive this report for information.

Financial Impact

There are no financial implications resulting from this report.

DECISION HISTORY

Etobicoke York Community Council at its meeting of February 26, 2013 adopted Item EY22.44, requesting a report on the feasibility of a Concrete Campus West, including potential sites, for its meeting of May 14, 2013.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.EY22.44>

ISSUE BACKGROUND

Concrete batching industries are an important element of the city's industrial fabric yet have historically raised some challenging land use issues. For example, in 1990 as part of the Crombie Royal Commission study of Toronto's Waterfront, a consolidation was suggested to retain and relocate heavy industries (including concrete works), which were dependent on waterfront and port access, yet critical to maintaining the economic viability of the City of Toronto. Once identified, these concrete and cement uses were to be relocated to the extreme east end of the Portland area and consolidated within an appropriate "campus" requiring: up to date environmental controls; abundant landscaping and buffering; and with these port users fronting directly on the Ship Channel for access.

In 2004 when conflicts between existing concrete batching operations and the emerging Fort York Neighbourhood began, the City via the then Economic Development Culture and Tourism Division and the Toronto Economic Development Corporation (TEDCO) began a comprehensive review at the establishment of a concrete campus in the Port Lands, undertaken through a recognized planning process with appropriate community consultation and Council input.

This industrial relocation process was initiated by TEDCO and received Council approval in February 2005. Concrete production facilities in close proximity to the downtown core, where many of Toronto's commercial and residential developments continue to generate demand for concrete, remain a key component in a broader sustainable economy.

Separately, in 2007 the City finalized an agreement and land swap helping to relocate Toronto Redi-Mix's planned concrete batching plant and salt depot from 207 New Toronto Street to 200 Horner Avenue. The former waste disposal site at 200 Horner was declared to be surplus to the City's requirements with the intended method of disposition being by way of long term lease to Toronto Redi-Mix, subject to Ministry of Environment approvals.

In 2009 due to ongoing concerns from local residents regarding the operations of a neighbouring concrete batching facility at 91 Baywood (Ward 1), the local Councillor at the time, requested the City purchase the property. In March 2010 Government Management Committee requested staff from City Planning and Municipal Licensing and Standards to review the material submitted by the Councillor with respect to 91 Baywood Road and attend the meeting of the Government Management Committee to be held in June 2010.

Responses were provided from City Planning, Municipal Licensing, Toronto Public Health and Facilities and Real Estate originally involved in the related Site Plan Approval. Negotiations with the property owners of 91 Baywood Road to acquire or expropriate the property were dependent upon a client Division being identified with a municipal purpose for the site and an approved capital budget, neither of which was available to secure the subject property.

Separately, in March 2012 City Council enacted By-Law No. 339-2012 to amend the former City of Etobicoke Zoning Code, with respect to certain lands zoned I.C2 and bounded by Horner Avenue, Judson Street, Royal York Road, Drummond Street, Dwight Avenue, Lake Shore Boulevard West and Thirtieth Street (known as the South Etobicoke Employment Lands Review Area (SEELRA)). This by-law removed the following uses from those permitted in the I.C2 zone in the SEELRA: Crude Petroleum Oil or Coal Refinery; Ammunition, Firearms or Fireworks Factory; Concrete Batching Plant; Primary Processing of Limestone; Primary Processing of Gypsum; Asphalt Plant.

While this by-law recently removed concrete batching as an eligible use in this area, certain grandfathering provisions remain in effect.

Resident concerns have been expressed regarding the ML Ready Mix facility at 29 Judson and a community meeting was held on February 6, 2013 with the Mimico Residents Association, the Local Ward Councillor, City Staff, and the Ministry of the Environment to address the issues put forward by the community. At the time of writing the MOE is currently reviewing ML Ready Mix's application for an Environmental Compliance Approval (ECA).

With these existing issues in mind this report explores mechanisms to encourage both better environmental controls on existing concrete batching sites and any potential opportunities to promote relocation of these industries to more appropriate lands.

COMMENTS

Economic Importance of Concrete Batching

The economic impact and need for concrete cannot be understated. According to the Ready Mixed Concrete Association of Ontario (RMCAO) Ontario produces approximately 10 million cubic metres of concrete per year. The Cement Association of Canada (CAC) reports when cement and concrete sales are taken together, the industry was responsible for over \$8.8 billion in sales, contributing over \$3.2 billion to Canada's Gross Domestic Product. The industry employs approximately 5,000 people in Ontario in the production of ready-mix concrete according to the RMCAO and there are 12 ready-mix facilities located in the Etobicoke York Community Council area. The demand for concrete and impact of concrete production in the city and region is spurred on by the fact that Toronto currently has more high rise buildings under construction than any other metropolis in the world (Financial Post 2013).

When production facilities and residential/sensitive uses are located in close proximity there may be land use conflicts and as such potential mitigation measures need to be addressed.

Concrete Campus Criteria

In order to address and assess the feasibility, financial mechanisms and interest in the development of a "Concrete Campus" in west Toronto, Economic Development and Culture staff contacted the following City divisions and stakeholders:

- City Divisions: City Planning; Municipal Licensing and Standards; Real Estate Services; Toronto Building
- Build Toronto
- Toronto Port Lands Company
- Canadian Pacific Railway
- Ministry of the Environment
- The Ready Mixed Concrete Association of Ontario including a selection of operators in the Etobicoke (ML Ready Mix, St. Mary's, Ontario Ready Mix and Toronto Redi-Mix)

In exploring the feasibility of a concrete batching facility to accommodate multiple users and to avoid some of the potential conflicts associated with nearby residential uses or sensitive uses mentioned above, a number of factors were taken into consideration including proximity to market, proximity to sensitive land uses, appropriate zoning, site size and financial mechanisms to promote and support relocation.

Ready-mix concrete is manufactured at a batching plant, according to a set recipe, and then delivered to a work site, by truck mounted in-transit mixers. This results in a precise mixture, allowing specialty concrete mixtures to be developed and implemented on construction sites. Concrete itself is a mixture of Portland cement, water and aggregates comprising sand and gravel or crushed stone. In traditional ready-mix production sites, each of these materials is procured separately and mixed in specified proportions at the site to make concrete. An average single concrete batching facility occupies a minimum of 2-4 acres which could require a suitable property of approximately 10-15 acres to accommodate a number of users.

Concrete is also a perishable product and operators have just 90 minutes to fully discharge product from the time materials are introduced into the concrete mixer truck. Because of this, proximity to market is critical.

For the purposes of this exercise only lands within the former Etobicoke were considered as the proposal to explore a concrete campus would largely need to be located in proximity to existing facilities in order for them to continue their operations.

Official Plan and Zoning

The City's Official Plan provides for a broad range of commercial and industrial uses in Employment Areas, however specific land use permissions are established in the City's Zoning By-law(s). The former City of Etobicoke Zoning Code has three industrial zones: I.C1 permits “light” industrial uses, I.C2 permits all I.C1 uses plus “medium impact” uses and I.C3 permits all types of industries, including “heavy” industrial.

On April 3, 2013 Council adopted a new City-wide Zoning By-law which regulates the use of land, size and location of buildings and parking and loading. This By-law comes into effect on May 9, 2013 and will permit concrete batching only within zones known as Employment Heavy Industrial Zone (EH) or properties that retain their previous zoning which allows for concrete batching as described in the Etobicoke Zoning By-law.

Appendix 1 shows a map of the EH zoned properties in western Toronto, which are limited primarily to the Rexdale employment area, lands bound by Bethridge, just above the CNR tracks to the north, Martin Grove to the East, the triangle dipping just below Highway 409 to the south and Highway 27 to the West. There are currently no vacant parcels of land to accommodate a concrete campus in this area.

Ministry of the Environment

While the Ontario Ministry of the Environment governs the operation of concrete batching facilities in terms of the issuance of an Environmental Compliance Approval (ECA) regarding noise and air emissions, it is difficult to assess the environmental benefit of co-locating these industries into a campus setting. While a campus setting may help in situations where production facilities are relocated way from residential/sensitive uses, the co-location of these types of facilities could potentially create a broader impact by being grouped together.

Municipal Licensing and Standards

The Municipal Licensing & Standards (MLS) Investigation Services of unit is responsible for enforcement of the Toronto Municipal Code including Chapter 591 related to noise. The bylaw compliance program responds to complaints and initiates proactive prevention through a range of approaches including inspections, alternative dispute resolution, education and, if necessary, enforcement, prosecution and other legal proceedings. From January 2007 to April 2013 MLS have received 13 complaints related to concrete batching plants including noise, air particle, fencing issues, zoning issues, Building Code issue and Ministry of Environment approvals within the Etobicoke York District.

Real Estate Services Division

The Real Estate Services Division has advised that it does not have any suitable surplus sites to accommodate a concrete batching facility and indicated that negotiations with a private property owner to acquire or expropriate a property are dependent upon a client Division being identified with a municipal purpose for the site, and an approved capital budget in place to secure the subject property.

Build Toronto and Toronto Port Lands Company (TPLC)

Both agencies were consulted to determine if there are any properties within their portfolio that might accommodate the development of a West Concrete Campus. There are currently not any properties zoned appropriately to accommodate a concrete production facility/campus or that are located away from nearby sensitive uses. TPLC indicated that there may be limited opportunities within the Port Lands area, but further consultation with TPLC, City Divisions, existing industry and others would be required.

The Ready Mixed Concrete Association of Ontario

The Ready Mixed Concrete Association of Ontario (RMCAO) has had a mandatory Facility Certification process in place since 1960. This is a third party engineer audit and certification process that addresses all stationary and transportation equipment, statistical product control, materials, manufacturing tolerances and more. It is mandatory that all member concrete facilities maintain this certification at all times.

The RMCAO has also developed its ECO Concrete (ECO) facility certification program which was introduced in Ontario as a voluntary program in 2009. ECO became a mandatory certification program January 1, 2013 and through the two year certification process, all member concrete facilities are expected to be ECO Certified by the end of 2014. The ECO certification will help to further address ongoing issues of dust and noise and help to put into place best practices at all member facilities in Ontario.

Industry Interviews

Industry sources that were interviewed were of the opinion that a concrete ready-mix industrial campus may be feasible, but only for new suppliers into the west Toronto markets. Others may consider relocating to a concrete campus if one is created in the future, provided they have not already spent significant money to make their existing site Ministry (ECA) approved. Established companies reported there is no incentive to move unless the City is prepared to fully compensate the companies to relocate.

Financial Mechanisms

Despite some of the City's innovative financial tools to support new building construction and/or building expansion in targeted sectors and areas across Toronto, including its Imagination, Manufacturing, Innovation, Technology (IMIT) program and Industrial Development Charge exemption, there are currently no significant financial mechanisms to support and promote the consolidation of industry into a concrete campus.

Potential Sites

Having consulted with a variety of internal and external stakeholders, and following an in-depth site search, it has been determined that there are currently no available sites that are large enough and have the appropriate zoning to permit the development of a new concrete campus to accommodate multiple production facilities. Sites that are large enough to provide a campus setting do not have adequate zoning and would not permit outside storage to allow for ready-mix concrete production. Should a potential site become available, a comprehensive planning process would need to be undertaken with appropriate community consultation and Council consideration in order to establish a concrete campus site in the Etobicoke area.

CONCLUSION

Concrete batching facilities have posed a number of challenges in the South Etobicoke area of Toronto yet are an integral part of the construction industry, requiring a central location to their market to support ongoing development. On the west side of Toronto there are limited opportunities to establish a concrete campus. The proposed new zoning by-law would permit concrete batching on lands zoned EH which are generally in the northwest area of area of the City, yet no available sites exist. There are also limited financial mechanisms to encourage the relocation of industries from their current sites.

Economic Development and Culture, in consultation with other City Divisions, will continue reviewing potential site opportunities in terms of planning status, site characteristics and the surrounding context. Staff will also continue to work with existing firms to explore relocation opportunities should any potential sites be identified. At the same time, existing ready-mix operations should consider expediting the RCMAO's ECO

certification process to help achieve or exceed industry best practices to further reduce and mitigate against any negative impacts on neighbouring properties.

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SIGNATURE

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Appendix 1

Employment Industrial Zones in West Toronto

17 Mar 2011 (Source City Planning)

