Toronto Local Appeal Body

40 Orchard View Blvd, Suite 211 Toronto, Ontario M4R 1B9

Telephone: 416-392-4697
Fax: 416-696-4307
Email: tlab@toronto.ca
Website: www.toronto.ca/tlab

DECISION AND ORDER

Decision Issue Date Tuesday, June 12, 2018

PROCEEDING COMMENCED UNDER and Section 45(12), subsection 45(1) of the

Planning Act, R.S.O. 1990, c. P.13, as amended (the "Act")

Appellant(s): NICOLAS TYERS

Applicant: TERRENCE TYERS

Property Address/Description: 43 INDUSTRIAL ST

Committee of Adjustment Case File Number: 17 243636 NNY 26 MV (A0889/17NY)

TLAB Case File Number: 17 273448 S45 26 TLAB

Motion Hearing date: Tuesday, May 08, 2018

DECISION DELIVERED BY G. Burton

REGISTERED PARTIES AND PARTICIPANTS

Name	Role	Representative
Terrence Tyers	Applicant	
Industrial St Ltd	Owner	
2498000 Ontario Inc	Primary Owner	
Nicolas Tyers	Appellant	Calvin Lantz
Kendall Fullerton	Party	
Simon Stevenson	Participant	
Paul Valadan		
Hugh Martin		
Colin Evans		

Dag Enhorning

Peter Ntakos

David Grierson

David Richardson (Expert Witness)

Lorelei Jones (Expert Witness)

INTRODUCTION

This is an appeal by the owner of 43 Industrial Street in the former East York area from a decision of the Committee of Adjustment (COA) dated November 21, 2017. The application had sought approval of four variances from the applicable By-law for the construction of multiple industrial condominium units in two buildings on the vacant site. The COA refusal was appealed to the Toronto Local Appeal Body (TLAB).

BACKGROUND

The parcel in question (the site) is within the existing Leaside Industrial Park, an area long developed with both heavy and light industrial uses and some employment uses. It is situated east of Laird Drive and south of Eglinton Avenue East, at the southeast corner of Industrial Street and Esandar Drive. It is designated Employment Areas under the City of Toronto Official Plan (OP) and zoned M2 (2) General Industrial under the East York Zoning By-law, No. 1916 (the only By-law applicable to the site). Some time ago this East York By-law was amended to permit the manufacture of asphalt products on the site (By-law 43-85). The newer City of Toronto Bylaw No. 569-2013 does not apply to this parcel because there was an active site plan application when the variances were requested. It was therefore, by the By-law terms, exempt from its provisions, leaving only By-law 1916 as the applicable zoning for the site. The area entirely surrounding it is zoned Employment Industrial (E 1.0) by the new By-law 569-2013.

In a Motion to the TLAB, the owners requested the addition of a variance for a side yard setback inadvertently omitted by staff before the COA hearing. In its decision of April 9, 2018, the TLAB approved this addition, as it found the amendment to be minor. As well, all parties had had actual notice of it by service of the Notice of Motion. The five variances now requested are set out below.

MATTERS IN ISSUE

The main issues to be determined in this appeal are:

1. Are any of the uses proposed to be located in these industrial condominiums "sensitive" uses? Such uses are discouraged in existing industrial and employment

areas by provincial policy, the OP and the zoning By-laws, so that industrial and employment uses may be preserved.

2. Included in the issue above, but more specifically, is a free-standing "office" use permitted here? The applicable By-law would not permit such a use in the M2(2) zone, and the applicant wishes to have an office use in 25.00% of the complex.

JURISDICTION

For variance appeals, the TLAB must ensure that all of the variances sought meet the tests in subsection 45(1) of the Planning Act (the Act). This involves a reconsideration of the variances considered by the Committee in the physical and planning context. The subsection requires a conclusion that each of the variances, individually and cumulatively:

- is desirable for the appropriate development or use of the land, building or structure;
- maintains the general intent and purpose of the official plan;
- maintains the general intent and purpose of the zoning by-law; and
- is minor.

These are usually expressed as the "four tests", and all must be satisfied for each variance.

In addition, the TLAB must have regard to matters of provincial interest as set out in section 2 of the Act, and the variances must be consistent with provincial policy statements and conform with provincial plans (s. 3 of the Act). A decision of the TLAB must therefore be consistent with the 2014 Provincial Policy Statement (PPS) and conform to (or not conflict with) any provincial plan such as the Growth Plan for the Greater Golden Horseshoe (Growth Plan) for the subject area.

Under s. 2.1(1) of the Act, TLAB is also to have regard for the earlier Committee decision and the materials that were before that body.

EVIDENCE

The minor variances now being requested, including the variance for the north side yard setback are:

- 1. Section 5.19, By-law No. 1916
 The minimum required number of loading spaces is two (2).
 The proposed number of loading spaces is zero (0).
- 2. Section 8.3.2, By-law No. 1916
 The minimum required front yard setback is 6.00m.
 The proposed front yard setback is 2.50m.

- 3. Section 8.3.2, By-law No. 1916
 The minimum required side yard setback is 6.00m.
 The proposed side yard setback is 2.50m.
- 4. Section 8.3.1, By-law No. 1916
 To permit vehicle storage in the units.
- 5. Section 8.2.1, By-law No. 1916 An Office use is not a permitted use in a M2(2) zone. To permit Offices in 25.00% of the complex.

The omitted side yard setback is located to the north of the property, next to Industrial Street. This measurement can be seen in the Site Plan and other Plans filed with the COA on October 5, 2017, and with the TLAB in Volume 1, Document Book, Tab # 10 at p. 133 (Exhibit 9). The plans have not changed.

EVIDENCE

Ms. Jones

Ms. Lorelei Jones, an experienced land use planner, was qualified to provide expert opinion evidence for the proponent. She had given planning advice and assistance to the previous owner from 2012 on, and the same to the present owner from his purchase in 2016, through the COA process.

I am setting out the description of the nearby industrial neighbourhood in some detail as it is important to understanding the rationale for the decision below.

The surrounding area

She summarized the area in her Witness Statement (Exhibit 5) in these terms:

- "5.2.1 The surrounding area is an older employment area with a variety of uses including manufacturing, processing, assembly, repairs, cement and concrete, metal works, offices, contractor's yards, storage and recreational uses. Along Laird Drive there are retail uses including a number of automotive and equipment/truck sales and service. There is a large retail plaza at Wicksteed Avenue and Laird Drive anchored by a Home Depot and another plaza at Esandar Drive and Laird Drive anchored by a Longo's. Both plazas front onto Laird Drive and extend easterly from Laird. There is a large Telus data centre at Esander and Laird. There are currently some vacant lands within the employment area and some buildings for lease. The property immediately to the north of the subject site offers office space for lease to small businesses [No. 42]. The lands west of Laird Drive are a residential area.
- 5.2.2 Within the employment area, there is a diversity of building sizes, lot sizes and building setbacks as shown on the property data map in Appendix A.

5.2.3 The site is approximately 400 m from Laird Drive which has regular bus service and 1 km from the corner Eglinton Ave and Laird Drive where a stop on the new LRT line is under construction. There is a concrete sidewalk running along the north side of Industrial Street but currently no sidewalk on the south side of the street. A sidewalk on the south side of Industrial Street will be added in front of the subject site as part of its development."

She submitted many photos of the surrounding properties, both on Industrial St. and in the nearby area. The uses in the western portions of the area are more commercial, while the east is more heavily industrial. She highlighted the industrial properties especially. There is a landscaper to the east, Unicell at 45 and 50 Industrial, St. Mary's Cement (CBM Redimix) at 55, across the street at 42 an office use and Mount Pleasant Glass and Mirrors, 39 on the opposite south corner an industrial use, 31 - Kreitmaker Building Supplies, and 30 - a variety of uses including a fitness facility. At 10 across the street to the west is Apco, a chemical supplier. On nearby streets are Leaside Landscaping at 29 Commercial Rd. to the north, Tremco at 220 Wicksteed further north and east; Siltec Corp. at 225 Wicksteed, and Lincoln Electric at 179 Wicksteed. The President of Lincoln Electric, Mr. Fullerton, is the President of the Leaside Business Park Association (LBPA), a Party to this appeal. At 19 Esander to the south of the site is a new 6-storey self-storage use. At 20 Esander there is a Waste Management facility with offices, across from an indoor Trampoline Park and a brewery at 45 on the east side. Further south is another industrial structure and the former rail track.

Office components exist at St. Mary's Cement (55) and two other industrial operators.

The Present Application

Ms. Jones outlined the history behind the present application to the COA. Minor variances were approved in 2014 for a previous proposal for three buildings on the site. That site plan is seen in Exhibit 2. Approvals were given then for 16 units, one loading space (3 are required), front and west yard setbacks of 2.50 m (rather than 6), east and rear setbacks of 2 m (instead of 6), and 30 parking spaces (instead of 33). Although a related site plan was approved in 2016, it was not constructed.

A revised proposal was submitted by the current owner on September 16, 2016. It reduced the proposed development from 3 buildings to 2, and provided for second floor space in Building B along the Esander side of the site. One of the purposes of the change in the building layout (3 to 2) was to increase the amount of parking on the site.

The proposed development would have 2,478.05 sq. m. of gross floor area (GFA). This is slightly more than the previous application because of the addition of the second storey on Building B. There would be 13 ground floor units. For the second floor in B, the units could either be integrated with the ground floor space below, or remain as a separate unit. Each one at ground level would have a front door and window facing the street. Most of the ground floor units would feature a garage door at the rear, facing the proposed parking area.

City Planning Staff had no objections to the proposal. Their memo of November 10, 2017 stated: "Planning staff has reviewed the minor variance application submitted for 43 Industrial Street concurrently with the Site Plan Application (File no. 13 139757 NNY 26 SA), that was previously been submitted (sic) for the same proposal. Staff have reviewed the variances proposed and have no objections or comments on the application."

Because of neighbours' objections that the structures appeared to be convertible to a residential use, the second-floor balconies in Building B have recently been removed. These had been intended only as outdoor recreational areas for the users, as is the City's policy for such developments in employment areas. Strong concerns about potential conversion to residences led to the local Councillor's request for their removal, and the owners agreed.

The proposed site plan and the elevation renderings are shown in Exhibit 9.

Vehicle access would be via two full turn driveways, one from Esandar Drive and one from Industrial Street. These would lead to the parking located behind the buildings, with a total of 57 parking spaces, two of these handicapped. 47 spaces are outdoor and 10 are indoor, in garages. There would be a space where loading can take place in front of each garage door, seen on the plan as a driveway entrance. These spaces do not comply with the By-law loading space dimension requirements, but are adequate to accommodate smaller trucks, Ms. Jones testified.

A garbage enclosure would be placed in the rear of the property. A portion of the rear southeast corner could accommodate a large truck for temporary loading purposes. Outdoor bicycle parking would be in the courtyard area between Buildings A and B.

When the site plan was altered in 2016, a new application for minor variances was required. Variances sought included a reduction in the loading spaces from 2 to 0. Also sought were office uses and medical and therapist uses. A Planning staff report (June 7, 2017) did not support the medical and physical therapist use, but did not comment on the other variances. The request for the medical and physical therapist use was thus withdrawn at the COA meeting.

Three persons representing local businesses had attended the COA meeting in opposition to the proposal. While there were many letters of support, those persons did not attend. The Committee did not approve the application. As mentioned, one required variance had been omitted from the COA agenda, and it has been restored for the appeal to the TLAB.

The present variances sought are:

- To reduce the loading spaces required from 2 to zero. The By-law requires 2, but another solution is proposed see below.
- All setbacks would be 2.5 m, rather than 6 m. This is about equivalent to the majority along the streetscape. No larger boulevard is required for parking.
- Vehicle storage is proposed within the units, this for only one purchaser as of now. This person refits stunt cars for films and requires safe indoor storage.

Segregated office use would comprise up to 25% of the unit space (619 sq. m. of the 2478 sq. m.). Only an "accessory" office use is permitted in the applicable By-law, s. 8.3.1(b)(ii).

The proposal would meet the maximum lot coverage of 75% (37% is proposed); the maximum height of 30 m (it would be about 6 m), and the number of parking spaces - 57, when 36 is the By-law requirement (s. 5.17). The list of purchasers with the intended uses can be seen in Exhibit 3. They include dental implant manufacture, ceramic tile manufacture, custom embroidery and apparel manufacture, interior design, HVAC contractor, drywall, and auto collecting, as well as stunt car preparation. The latter use is not proscribed by the By-law as is an "auto vehicle repair shop", but is a manufacturing use for a specific purpose.

Provincial Policies

Ms. Jones considered the application in light of the applicable provincial planning documents, as required by section 2 of the Act. I am going to set out many of the actual texts for information purposes, rather than trying to summarize them. If read carefully they reveal many policies applicable to this project.

The crucial subsection of the Act is 3(5), which requires that:

- "(5) A decision of the council of a municipality, a local board, a planning board, a minister of the Crown and a ministry, board, commission or agency of the government, including the Tribunal, in respect of the exercise of any authority that affects a planning matter,
- (a) shall be consistent with the policy statements issued under subsection (1) that are in effect on the date of the decision; and
- (b) shall conform with the provincial plans that are in effect on that date, or shall not conflict with them, as the case may be."

This sets out explicitly that all land use planning decisions must be in accord with the PPS, the Growth Plan, and other policies at the provincial level.

<u>The PPS</u> recognizes that efficient land use and development patterns support strong, livable and healthy communities, protect the environment and public health and safety, and facilitate economic growth. Healthy, livable and safe communities are sustained by (among other things) accommodating an appropriate range and mix of various land uses, including employment, to meet long term needs. Land use patterns should be based on a range of uses, including intensification and redevelopment where possible. This should consider existing building stock (including brownfield sites) and the availability of suitable existing or planned infrastructure and public service facilities.

Economic development and competitiveness are to be promoted by providing for a mix and range of employment uses to meet long-term needs; and providing opportunities for a diversified economic base. This would include maintaining a range and choice of suitable sites for employment uses, which support a wide range of economic activities and ancillary uses, and take into account the needs of existing and future businesses.

Planning authorities must plan for, protect and preserve employment areas for current and future uses and ensure that the necessary infrastructure is provided to support current and projected needs.

Energy conservation and efficiency, improved air quality, reduced greenhouse gas emissions, and climate change adaptation through land use and development patterns will be supported, which (among other things):

- promote compact form;
- promote the use of active transportation and transit in and between residential, employment (including commercial and industrial) and institutional uses and other areas;....
- improve the mix of employment and housing uses to shorten commute journeys and decrease transportation congestion.

Policy 4.4 in the Implementation and Interpretation section of the PPS directs that "the Provincial Policy Statement shall be read in its entirety and all relevant policies are to be applied to each situation", and Policy 4.7 of the PPS directs that: "The official plan is the most important vehicle for implementation of this Provincial Policy Statement. Comprehensive, integrated and long-term planning is best achieved through municipal official plans. Municipal official plans shall identify provincial interests and set out appropriate land use designations and policies. Official plans shall provide clear, reasonable and attainable policies to protect provincial interests and direct development to suitable areas."

Section 4.8 states that "zoning and development permit by-laws are important for implementation of this Provincial Policy Statement. Planning authorities shall keep their zoning and development permit by-laws up-to-date with their official plans and this Provincial Policy Statement."

Ms. Jones concluded that this proposal is consistent with the PPS, as implemented by the OP and the zoning. This application for minor variances supports efficient development and land use patterns, by allowing redevelopment of underutilized lands for employment uses. It optimizes the use of existing investments in infrastructure and public service facilities by using existing municipal water and sewer services, the road network and public services such as police and fire. The proposed development would add to the range and mix of employment uses, and support a diversified economic base. It would support long term prosperity by providing economic development through redevelopment of a brownfield site. It would promote energy efficiency by maintaining a compact form. Employment opportunities close to residential developments shorten commute times.

Growth Plan Also necessary to consider are the provincial policies in the recent Growth Plan for the Greater Golden Horseshoe (2017 – the Growth Plan). This revision of the earlier Plan provides a framework for making development decisions. It establishes growth policies, and prescribes that all municipalities develop (by OP amendments and other supporting documents), a strategy and policies to achieve intensification. Municipalities therefore must implement these policies through official plan policies and designations, updated zoning and other supporting documents.

The Growth Plan policies for employment uses state that employment areas must be protected for these uses for the long term. Municipalities should prohibit residential uses in these areas, and limit other sensitive uses that are not ancillary to primary employment use. The policies also state that office uses are to be directed to locations that support active transportation, with existing transit. Large retail uses are inappropriate in such areas.

Ms. Jones testified that this application conforms to the Growth Plan because it allows for appropriate employment uses within a compact built form. It optimizes the use of existing infrastructure and public service facilities. Industrial Street now has a sidewalk on one side of the street and there are bus routes along Laird Drive.

Policy 2.2.5.1 of the Growth Plan, like the PPS, encourages economic development and competitiveness by:

- "a) making more efficient use of existing employment areas and vacant and underutilized employment lands and increasing employment densities;
- b) ensuring the availability of sufficient land, in appropriate locations, for a variety of employment to accommodate forecasted employment growth to the horizon of this Plan;
- c) planning to better connect areas with high employment densities to transit; and
- d) integrating and aligning land use planning and economic development goals and strategies to retain and attract investment and employment."

By 2.2.5.7, municipalities may plan for all employment areas, with the exception of any prime employment areas, by:...

"c) integrating employment areas with adjacent non-employment areas and developing vibrant, mixed-use areas and innovation hubs, where appropriate."

By policy 8, authorities may protect employment areas by:

- "a) prohibiting residential, institutional, and other sensitive land uses;
- b) prohibiting retail and office uses that are not associated with or ancillary to the primary employment use; and
- c) planning for freight-supportive land use patterns."

Ms. Jones testified that the City has **not** taken steps to exercise these exclusionary powers for the subject area. A comprehensive review of employment areas, required by Policy 2.2.1.9, was conducted during the City's recent adoption of OP Amendment 231 (OPA 231). In this amendment, employment areas are designated and protected from encroachments. This is not yet in force as it is under appeal. However, as adopted, the OPA would include in the existing OP the following:

"1. Employment Areas, as shown on Map 2, are comprised of both Core Employment Areas and General Employment Areas, as shown on Maps 13 to 23 inclusive. Employment Areas are areas designated in this Plan for clusters of business and economic activities including, but not limited to, manufacturing, warehousing, **offices**, and associated retail and ancillary facilities." (emphasis added.)

The New City By-law zones almost all of the nearby lands "Employment". **Office uses are generally permitted up to 100% of the buildings in these lands surrounding the site.** It is only because the site plan process is underway that the provisions of the new Zoning By-law do not apply to this site.

She concludes that this proposal is consistent with the PPS and complies with the Growth Plan. It makes efficient use of an underutilized site and increases employment densities.

Other provincial requirements

Another aspect of provincial interest (which must be considered under section 2 of the Act) is addressed by the Environmental Protection Act. Ms. Jones stated that one of its goals is to control discharges and emissions into the environment.

The Minister of the Environment has issued D-1 to D-6 Guidelines for deciding if new development or uses are appropriate, so that land use compatibility is preserved. They also address the types of uses that are acceptable near industrial areas. One objective of the D-6 Guideline is to prevent or minimize the encroachment of so-called "sensitive" land uses into industrial land set aside for this use. This addresses the problem of Industrial operations creating adverse effects on sensitive land uses so that complaints are lodged against the industries.

For the purposes of the Guideline, "sensitive" land use may include recreation uses, and any buildings or amenity areas not associated with the industrial use where humans or the environment may be adversely affected by emissions from the industry. Examples provided include residences, senior citizen homes, schools, day care facilities, hospitals, churches and other similar institutions, or campgrounds.

Ms. Jones provided evidence that "offices" are not sensitive land uses, and are appropriately located in an industrial or employment area. The PPS defines employment areas in this way, and the Growth Plan is similar:

"Employment area: means those areas designated in an official plan for clusters of business and economic activities including, but not limited to, manufacturing, warehousing, offices, and associated retail and ancillary facilities." (emphasis added.)

The subsection 45(1) tests

Ms. Jones then evaluated the variances on the s. 45(1) tests.

Respecting the general intent and purpose of the OP, she stated that these broader provincial policies are carried out in the City's OP. The applicable policies for this development are:

Policy 2.2.4 - Employment Districts:

- "1. Employment Districts shown on Map 2 will be protected and promoted exclusively for economic activity in order to:
- a) maintain and grow the City's tax base:
- b) attract new and expand existing employment clusters that are key to Toronto's competitive advantage;....
- d) nurture Toronto's diverse economic base;
- e) provide a good overall balance between population and employment growth by creating job opportunities for Toronto residents;

f) provide a range of employment opportunities for Toronto residents that can be reached by means other than the private automobile;..."

Policy 3.1.2, Built Form, contains policies that direct structures to appropriate locations on their sites and directs their form. In her opinion, the project appropriately addresses almost all of these **present** OP policies:

- "1. New development will be located and organized to fit with its existing and/or planned context. It will frame and support adjacent streets, parks and open spaces to improve the safety, pedestrian interest and casual views to these spaces from the development by:
- a) generally locating buildings parallel to the street or along the edge of a park or open space with a consistent front yard setback. On a corner site, the development should be located along both adjacent street frontages and give prominence to the corner...
- b) locating main building entrances so that they are clearly visible and directly accessible from the public sidewalk;
- c) providing ground floor uses that have views into and, where possible, access to, adjacent streets, parks and open spaces;
- 2. New development will locate and organize vehicle parking, vehicular access, service areas and utilities to minimize their impact on the property and on surrounding properties and to improve the safety and attractiveness of adjacent streets, parks and open spaces by:
- a) using shared service areas where possible within development block(s) including public and private lanes, driveways and service courts;
- b) consolidating and minimizing the width of driveways and curb cuts across the public sidewalk;
- c) integrating services and utility functions within buildings where possible:
- d) providing underground parking where appropriate;
- e) limiting surface parking between the front face of a building and the public street or sidewalk; and
- f) integrating above-ground parking structures, where permitted or appropriate, with building design, and have usable building space at grade facing adjacent streets, parks and open spaces.
- 3. New development will be massed and its exterior façade will be designed to fit harmoniously into its existing and/or planned context, and will limit its impact on neighbouring streets, parks, open spaces and properties by:
- a) massing new buildings to frame adjacent streets and open spaces in a way that respects the existing and/or planned street proportion;
- b) incorporating exterior design elements, their form, scale, proportion, pattern and materials, and their sustainable design, to influence the character, scale and appearance of the development;..."

Another important policy for this area is found in present Policy 4.6 – Employment Areas.

- "1. Employment Areas are places of business and economic activity. Uses that support this function consist of: offices, manufacturing, warehousing, distribution, research and development facilities, utilities, media facilities, parks, hotels, retail outlets ancillary to the preceding uses, and restaurants and small scale stores and services that serve area businesses and workers.

The proposal fits well within these policy goals, she testified, as it would enhance employment opportunities in an attractive and compatible format. It is notable that offices are contemplated as the first use in Policy 4.6.1 above, and not only as an accessory use. Mention is made of manufacturing only *after* an office use.

Ms. Jones then addressed the general intent and purpose of the zoning By-law.

Zoning By-law 1916

The only zoning By-law applicable is (as mentioned) By-law 1916, enacted many years ago in 1963. The site is zoned M2 (2) – meaning that there is an exception (2) from the uses otherwise available in section 8.3.1. A site-specific Exemption was made in s. 8.3.4, whereby manufacture of asphalt was permitted. An office use is not carried forward from the M1 zone as other uses were. Offices are permitted in this By-law only as accessory and exclusively devoted to the use permitted on the same lot (s. 8.3.1(b) (ii). This is the reason for the requested variance to permit office uses.

By-law 1916 permits as Ancillary Uses factory and retail outlets, provided the only products sold there are those manufactured on site, and the Gross Floor Area devoted to such retail uses does not exceed 30% of the Gross Floor Area-Commercial of the Building. The proposed units do not fall within this definition.

Ms. Jones put forward many COA decisions where approvals were given to similar uses, loading space reductions, and setbacks. I do not propose to cite them, but just note that they were approved. For example, an office use was approved at 200 Wicksteed as the primary use, when the use of an office was permitted only as an accessory to a primary use on the lot. A private and public recreational use was approved at 15-25 Industrial, a use not permitted in the M2 zone. This use must have posed more of a concern for the perspective of contaminants, yet it was approved by a minor variance. Thus these uses form part of the existing and planned neighbourhood.

The new Bylaw No. 569-2013 (mostly in force, but sections still under appeal) has zoned all of the surrounding lands here E 1.0, a new Employment Zone in which offices are permitted as a stand-alone use, that is, in 100% of a structure. In formulating the new By-law, the City has found that this is an appropriate use in these zones in the current context. If this By-law rather than the former applied to this site at present, offices would be fully permitted as a use (subject to development standards.) Ms. Jones testified that there is now more information about compatibility, and the City has concluded that offices are indeed an acceptable use in an employment area.

It is her opinion that the variances requested are minor as required, both in numbers and in impact. Mr. Richardson would testify as to the existence of impact from the loading spaces. She sees no impact from the setback variances. The setback from Industrial Street to the north is consistent with the prevailing pattern of 1 m or less. It is also similar to the new standard that will be implemented on the street by the new Zoning By-law 569-2013. The terraces have been removed on Building B to allay the fears of a residential use. The use for vehicle storage is minor as there are approved self-storage units on a nearby site, so this use in one unit would have no impact.

The last test under section 45(1) is whether the variances are desirable for the appropriate development or use of the land, building or structure. Ms. Jones opined that they were desirable as they would revitalize a vacant lot with a variety of light industrial uses, within an attractive structure as promoted by the OP policies. Units would face the street, with windows permitting significant light, and loading would be carried out right beside the units. The OP requires new developments to meet the test of retaining the stability of designated areas, but they are not to remain static. The City's By-law allows office use in Employment areas, and thus they must be considered to be compatible with industry. The Growth Plan does warn against "non-employment creep" but in this industrial park, some office uses exist and residential does not. The new owners are very aware that the site is surrounded by industry, and yet the unit purchasers clearly want to be in this area. This development will not in fact diminish the availability of industrial lands, as it will contain these very uses.

To the objector's comment that this change in use should be authorized by change to the zoning by-law rather than by variances, she replied that on the contrary, this request of office use is a true minor variance. The use is permitted in the applicable By-law as an ancillary one. To enlarge it to free-standing in this context of small units and adequate parking, loading etc. is more than acceptable.

Messrs. Fullerton and Martin conducted a joint cross examination of Ms. Jones. She was asked whether she was aware of any new office space being constructed nearby. She believed that other than 200 Wicksteed, there might be some at 201 to 209 as well. She was asked many questions about existing offices, and about complaints respecting Certificates of Compliance. She replied that this is not her area of expertise, but that the City had nonetheless deemed office uses to be appropriate in this area. This is supported by provincial policies, as outlined in her evidence. The City is trying to increase the tax base and jobs, and office uses have been deemed to support these goals.

The objectors turned to the D-6 Guidelines, asking about the Classes 1-3 respecting separation distances ("areas of influence"). Mr. Fullerton expressed it that, whatever the use at 43 Industrial, there is no avoiding noise, traffic, odours and other contaminants from nearby industries. Ms. Jones clarified that office uses were not dealt with in the Guidelines because these uses were not themselves anticipated to generate any ill effects on neighboring properties. The Guidelines only require that if the proposed use is a "sensitive" one, the proponent must consider what the impacts will be (if any), and consider how they can be mitigated. The opponents objected to her suggestion that perhaps a scrubber might be required for some uses, because of the cost of such mitigation.

She reiterated how the uses proposed here would most likely fall into the category of "small manufacturing uses" in the By-law. There are many such uses in this area. She reserved their many questions on loading spaces for the transportation witness, Mr. Richardson. She then outlined the difference between a designation in an official plan, and a zoning/rezoning of a specific property. Because an office use is not permitted on this site by older By-law 1916, the owners need a variance for the office use, even

though all surrounding lands are permitted to have this by the new By-law. She was then asked many questions about the difference in procedures at the COA and the TLAB, versus a rezoning which might be appealed to the LPAT (only on the ground of failing to meet provincial policy.) There is no appeal from a TLAB decision.

Respecting the trees on the site, Ms. Jones referred to an Arborist Report prepared by GLN Farm and Forest Research dated March 7, 2013 (attached as Appendix B to Exhibit 5). There are 5 trees of significant size (DBH >/-30cm, or of any size if on municipal land) located on, or adjacent to the site. One is located solely on the subject site and four are on the municipal road allowance. These would need to be removed because of the walkways to the front entrances, requiring a permit from Urban Forestry. All the trees on site will need to be removed because they are in areas of proposed construction. A Tree Permit application has been submitted to the City for the five significant trees. The other trees do not require a permit. The application addresses the City's compensation requirements (replacement-planting or cash in lieu).

Mr. David Richardson was qualified as an expert in transportation matters and traffic planning. He has had extensive municipal and provincial experience. He has been studying this project since May, 2016 in order to provide a Loading and Waste Collection Assessment. The purpose is to ensure that the site would function well. He has closely considered the access, circulation, parking and loading spaces proposed.

He is confident that a standard size garbage truck can enter, manoeuver and exit the site, as proposed. Waste storage and collection is proposed to be accommodated in a 10.6 m x 4.0 m pad along the southern limit of the property.

The variance sought for zero loading spaces when 2 are required is acceptable, he testified. This is a unique proposal, which he termed "nicely functional", as the units will be small and will not require large trucks for deliveries. There is space for even a large truck to lay over at the southeast of the site. If this occurs, material can be hand-trucked to the units. However, in his opinion the size of the units will govern the size of truck for both deliveries to and pickups from the site. The vast majority would be the size of a large passenger car or a cube van. Given the purchasers of the units and their intended uses, he believes that none will generate as much product so as to require skid loads.

He outlined the By-law requirements for loading spaces. In By-law 1916 a loading space is required to be 10.6 m long by 3.5 m wide, with a vertical clearance of 4.2 m. The area dedicated to waste collection here is 10.6 m long by 4.0 m wide with no encumbrances to the vertical clearance. However, the 10 proposed loading spaces for the individual units are only 5.6 m long by 3.2 m wide. These dimensions do not meet the By-law requirement for loading spaces, even though they will be used for that purpose. The solution is that driveways at the rear of the units will be used in substitution for a loading space, as they will be "unencumbered", i.e. not needed as parking spaces. There is even more parking available than the By-law requires. Mr. Richardson is satisfied that the site will perform as intended, and that the variances are desirable. The City Transportation Department did not request a traffic study. He considered the traffic count on site, concluding that it would be very low.

On the issue of road circulation around the site, he opined that most traffic of all types does not choose to exit from Industrial Street onto Laird, even at present. The intersection is not signalized. Large trucks (including those from nearby industries) would normally exit at the intersection of Laird and Commercial Road, which is signalized. A left turn in particular would be easier.

When challenged in cross examination he outlined how he assesses a site. Here it was governed by the proposed uses, rather than the type of structure. With the 21 individual uses here rather than one large structure, it is an entirely different feel and operation. He examines a proposal starting with the By-law then assesses whether the site can be made to work within that framework.

Mr. Fullerton, President of the Leaside Business Park Association (LBPA), provided extensive evidence in opposition to the proposal. He had prepared an extremely well researched Witness Statement (Exhibit 8). The Association of 55 members has long fought any encroachment of residential and commercial uses into this industrial area. The Business Park is suitably structured, with high voltage power, water and sewers and truck and rail transport. He stated that while he and the other owners nearby were not being obstructionist, they had to oppose the encroachment of incompatible uses, and they had done so for about a century. The only supporters here were either outside the area or at the periphery. He outlined the nearby uses and employee numbers, especially the few remaining office uses. He provided in detail the current variety of industrial emissions, which in his view argue against the office uses proposed. The only free-standing office uses, he reiterated, were part of the business on site originally, such as at 42 owned once by Unicell. With a vacancy rate at only 1%, there was no need for this use. It appeared to the LPBA to be intended to be residential as well, with the proposed balconies on Building B, and the graphics on the advertising sign on the site.

He admitted to Mr. Lantz that the group had no detailed land use planning experience. It had few funds to expend on professional planning advice. He was not aware that the present OP designated the property so as to include office uses. (Policy 4.6 reads: "1. Employment Areas are places of business and economic activity. Uses that support this function consist of: offices, manufacturing, warehousing, distribution, research and development facilities,...)". Mr. Lantz pointed out that "offices" are the first use mentioned, and are not tied to an ancillary role here. Mr. Fullerton was reminded that not only was there an office building across the street at 42, but there is also another existing office building behind his site at 179 Wicksteed to the north east. He was unaware of any complaints from the existing office uses against the businesses he cited. Because the Association had few funds, they did not know that the new comprehensive By-law permitted office uses in Core Employment districts. Thus they did not oppose the By-law when enacted, or appeal it, or comment on OPA 231.

Mr. Fullerton testified that the LBPA had no real objections to the setbacks or loading space variances. They still believed, even without balconies, that a residential use would creep in if the project is approved. Whole sections of the industrial area south of Eglinton Ave. have now been converted to residential. Mr. Fullerton feared that allowing such incompatibilities would force industries out of the city, and raise land values.

He stated that the members had no funds to pursue legal remedies for illegal conversions as are available through the City, or by using section 440 of the Municipal Act to prosecute privately.

Mr. Hugh Martin, the Treasurer of the LBPA, provided extensive and helpful evidence as well. He has recently returned to his present business Unicell, a fiberglass truck body manufacturer, from a legal career in the US. His family's business has just left a Laird Dr. location for Newmarket because of commercial pressures on that street. He stressed that the Association members were upper management, without either expertise in planning provisions or funds to pursue objections.

His conclusion is that this application does not meet the four tests. One should consider the environmental guidelines rather than the "overbroad" zoning that permits an office use in employment areas. In the objectors' opinion this site falls squarely within the M2 Heavy Industry category in the By-law, and the uses proposed are Light Industrial. The applicable zoning By-law does not permit free-standing office use, and it is not appropriate or desirable because it will interfere with the industrial uses. This will cause "constructive evictions" of the industrial owners, and shrink the available lands as well as the tax base. He repeated Mr. Fullerton's concerns about chemical emissions and giant trucks, saying that buffering of such uses is essential. An office or the other proposed uses would not need the existing heavy infrastructure. He objected that the actual space for the former balconies had not been eliminated, still leaving the threat of an illegal use. His conclusion is that the structure was to be "fundamentally different from the by-law" requirements. The fact that eight individual business owners sought participant status in the TLAB hearing indicated the degree of alarm about this threat. A rezoning is needed for this degree of change, so that the issues can be adequately addressed. It is not minor. This "basket" of variances fundamentally alters the building that is allowed on the site.

He had not reviewed the applicable By-law 1926 in detail, and Mr. Lantz took him through the industrial uses provisions. He appeared to reluctantly agree with Mr. Lantz that the conditions requested (built substantially in accordance with the attached plans) would give them some reassurance about possible conversions.

Mr. Simon Stephenson, owner of a 25-year business at Leaside Landscaping, 29 Commercial Rd., testified that from his personal experience of living and working nearby, the industrial area is being depleted more and more. Businesses depending on industrial space will move, losing jobs. In his opinion this admittedly attractive proposal is merely "plunked down" in the industrial area, and is out of place there. Complaints from new owners are inevitable. He said to Mr. Lantz that in his opinion the province and the City had made an error in permitting office uses in employment areas. He could not afford the time or money to appeal from the planning decisions. He was somewhat comforted by the removal of the terraces, and had no objection to the setbacks.

Mr. David Grierson of Apco Industries at 10 Industrial St. to the west has been in business there since 1976. He has 6 acres, with a former rail siding. He opposes this change, as such should be permitted only on the periphery of the industrial park and not in the centre. This is one of the last industrial parks in Toronto, and must be protected

against uses that are inconsistent. He foresees that there might well be larger trucks required on this site, and perhaps 50 deliveries a day. He had to get rid of his rail spur because illegal residents nearby complained, and threw cigarette butts under the rail cars, causing him liability. He pointed to two asphalt plants within 100 m and 150 m of this site, a smelly waste management plant nearby and a gravel operation next door.

ANALYSIS, FINDINGS, REASONS

I was particularly impressed by the heartfelt testimony given by the nearby business owners, all seriously concerned about this proposal. Mr. Grierson's evidence highlighted the contrast between his operation and those proposed for this site. His Participant Statement described the products handled by Apco at 10 Industrial: Industrial Hydrocarbon Solvents, Alcohols, Ketones and Glycols, cutting oils, hydraulic oils, Quench Oils and Heat Treating Salts. He foresees complaints by the new owners about such chemicals and other pollutants in the area, should the proposed use be approved. The industrial owners believe that Certificates of Compliance could be at risk, or expensive remediation be required.

I found it instructive that the Planning Staff and Transportation Management had no objections to these variances. The City did not appear at the TLAB hearing, or otherwise comment on the appeal. As Mr. Lantz argued, an office is not a "sensitive" land use. They exist in the area. I can understand the practical reason why the LBPA made no challenge during the enactment of the actual planning documents, the real source of their objections. They had little means to do so. However, as Mr. Lantz pointed out, it is necessary to take a role on occasion. They have done so in this hearing. It would have been desirable to have presented expert evidence to counter that of the proponent. However, even with such evidence I do not believe that I would have found differently on the applicable documents.

Provincial Policies

Para 1.1 of the provincial D-6 Guideline says:

"The objective of this guideline is to prevent or minimize the encroachment of sensitive land use upon industrial land use and vice versa, as these two types of land uses are normally incompatible, due to possible adverse effects on sensitive land use created by industrial operations."

However, I agree with Ms. Jones that the Guideline does not mandate fixed separation distances. It is a Guideline, not a zoning by-law. No provincial policy thus prevents an office use as close to industry as the proposed small office units would be. Nor would the City policies. Offices would be fully permitted here in the newer By-law 569-3103. As Ms. Jones testified, there is now more information about compatibility, and the City has concluded that offices are indeed an acceptable use in an employment area.

An office use is not similar to any of the enumerated "sensitive" uses. I conclude that limited office uses, otherwise permitted at 100% of nearby lands, **at only 25% of the subject property** would not contravene the latest provincial policy documents. Another indication of acceptance is found in the aforementioned definition in the PPS:

"Employment area: means those areas designated in an official plan for clusters of business and economic activities including, but not limited to, manufacturing, warehousing, offices, and associated retail and ancillary facilities." (emphasis added.)

On the ordinary rules of statutory interpretation, "offices" here falls into in a separate category from the phrase following the comma, meaning that offices are not considered to be either "associated" or "ancillary" to the principal industrial or employment use. An office should indeed be available as a freestanding use.

The intent and purpose of the Official Plan

The essence of the arguments for both applicant and objectors here is expressed succinctly in the newest plan on the issue, OP Amendment (OPA) 231 on Employment Lands. This is not yet fully in force, but is persuasive as the latest expression of Council's intent, as approved by the Minister. It states:

"2.2.4. Employment Areas: Supporting Business and Employment Growth

Our Employment Areas are finite and geographically bounded. Given relative land values, residential lands are rarely converted to employment uses and there is little opportunity to create new employment lands. It is the City's goal to conserve our Employment Areas, now and in the longer term, to expand existing businesses and incubate and welcome new businesses that will employ future generations of Torontonians. Given the diminishing supply of vacant land in Employment Areas, new development in Employment Areas needs to take place in a more intensive physical form. (emphasis added)

Maintaining Employment Areas exclusively for business and economic activities provides a stable and productive operating environment for existing business, that also attracts new firms. The introduction of sensitive land uses into Employment Areas can force industry to alter their operations, particularly when the environmental certificates that industries operate under are affected, or complaints are lodged about adverse effects from industrial operations. Even where new sensitive land uses are located outside of, but in close proximity to, Employment Areas, they should be designed and constructed to prevent the residents or users from being affected by noise, traffic, odours or other contaminants from nearby industry."

This OPA would create a new policy:

"1. Core Employment Areas are places for business and economic activities. Uses permitted in Core Employment Areas are **manufacturing**, **warehousing**, **wholesaling**, transportation facilities, **offices**, research and development facilities, utilities, industrial trade schools, media facilities, and vertical agriculture." (emphasis added).

Also important for this application, OPA 231 would:

"Add the following sidebar to Section 4.6:

'SENSITIVE LAND USES"

For the purposes of this Plan the term 'Sensitive land uses' shall have the same meaning as in the Provincial Policy Statement. In the Provincial Policy Statement (2005) the term Sensitive land use means: buildings, amenity areas, or outdoor spaces where routine or normal activities

occurring at reasonably expected times would experience one or more adverse effects, as defined in the Environmental Protection Act, from contaminant discharges generated by a nearby major facility. Sensitive land uses may be a part of the natural or built environment. **Examples may include, but are not limited to: residences, day care centres, and educational and health facilities."** (emphasis added).

This directly addresses the possible adverse effects on sensitive land uses that may be created by industrial operations. Throughout Mr. Fullerton's Witness Statement he relied on policies in the existing OP that would ensure segregation of "sensitive" land uses from the industrial areas. For the reasons stated, I find that the proposed light industrial uses do not fall within this description, even under the present policies now in force. The argument that whatever the use, there would be no avoiding contaminants from nearby industry would apply equally to another heavy industrial use if proposed for the site. Similarly, the definition of "adverse effects" in the PPS (see p. 3 of Ex. 8) is not a convincing argument against this as there are many existing uses in the area that also might suffer these effects. The proposed would not be commercial/retail uses, even though the objectors often described them as such.

I find that the proposal meets Policy 3.1.2 of the OP, above, in its design and all proposed facilities, including loading. It also satisfies the detailed goals of Policy 4.6.6:

- "6. Development will contribute to the creation of competitive, attractive, highly functional Employment Areas by:.....
- d) providing adequate parking and loading on-site;
- e) sharing driveways and parking areas wherever possible;....
- i) ensuring that outside storage and outside processing is:
 - i. limited in extent;
 - ii. generally located at the rear of the property;
 - iii. well screened by fencing and landscaping where viewed from adjacent streets, highways, parks and neighbouring land uses; and
 - iv. not detrimental to neighbouring land uses in terms of dust, noise and odours."

Even considering the present OP, as Ms. Jones pointed out, the OP policies for Employment areas in Policy 4.6.1. cite as the very first use encouraged there: ...**offices**, manufacturing, warehousing, distribution, research and development facilities, etc.

The intent and purpose of the zoning By-laws

The proposed offices here are not to be the primary use in an entire structure, but are to be primary uses only in the few small units that would be devoted to them. The variance for this use will restrict the GFA of this use to only 25% of the structure. I realize that the objectors view this as some type of incursion into the industrial area. However, the City would permit it under the new By-law if a similar application were to be made a few properties away from this site. It would comply with the newer By-law. This matter cannot be decided on the perceived threat of incursions of residential and other non-industrial uses. This proposal is not in that category. It is for light industrial uses in 75% of the structure.

Despite the objections that the By-law discourages office uses in employment areas, the opposite is true in the new By-law 569-2013.

I also find that there appears to be confusion as to the purpose and availability of the minor variance process in section 45(1) of the Act. No By-law amendment is required to permit a development if the COA and TLAB find that it meets the tests in the subsection. I realize that the LBPA is wishing for a more extensive policy examination of their issues, but in my opinion this took place during the enactment of both OPA 231 and the new comprehensive By-law 569-2913. No zoning amendment is required here, as the minor variance procedure is available to the applicant.

Are the variances minor and desirable?

I find that the variances proposed are indeed minor, in both quantity and impact. The uses when fully operational will have no direct adverse effect on nearby properties. If the LBPA is correct, there could well be an adverse effect from nearby industries on the site itself. I am presuming any purchaser of the proposed condominiums would be well aware of the nearby industrial uses, and have made the choice, as many have, to locate there regardless. The design of this project can only enhance the neighbourhood. There are many such structures nearby – one just has to visit, or consider the photos such as 42 Industrial. The Leaside Commercial Centre here is also an attractive two storey structure with decorative awnings. Many also fall into this category – 24, 34, even 55 at approximately four storeys all appear like office buildings. The fact that so many of the proposed units have sold even before approval indicates the desirability of such unit sizes for light industrial uses here.

Conclusion

It could be that the structures and uses proposed here are examples of what the nearby industries object to as counter to the OP and the zoning by-law. However, I find that the light industrial uses actually conform to the planning instruments, and that the office use at only 25% of the square footage would not contravene them. One of the uses, the storage of a stunt car, would actually meet the new By-law's requirements, as the uses that are permitted in the E zone include a vehicle depot, defined to mean premises used for the non-public storing of vehicles. (Ex. 5, p. 15).

The test of meeting the general intent and purpose of the OP is met. It provides a range of employment uses close to residential areas, with adequate public transportation nearby, sufficient parking behind the site, and adequate loading, all in an attractive modern structure. Considering many of the nearby businesses, themselves with interesting architectural designs, this would enhance the employment area and not destabilize it, as the Plan proscribes.

Considering the Environment Guidelines, which are clearly of great concern to the objectors here, the key section I find to be 2.1;

"Dual Nature of Guideline (2.1)

The guideline is applicable when:

a. a new sensitive land use is proposed within the influence area or potential influence area of an existing facility; and/or

b. a new facility is proposed where an existing sensitive land use would be within the facility's influence area or potential influence area."

I find that because the proposed development cannot be said to fall within the definition of a "sensitive" land use, the Guideline does not assist the objectors.

There seems to be a general misunderstanding of the purpose of the D-6 Guidelines. They are not to create separation distances, but have a gatekeeper function, as it were, to prevent location of a sensitive use (a school or park) in an area where heavy industry is located. The objectors here say that this proposal offends this goal. Because I find that the proposed uses here are in fact light industrial, and not commercial or residential, I conclude that the D-6 Guideline is not contravened by this project. "Offices", the use so undesirable to the Association and the participants, are permitted even in areas designated Industrial and zoned Employment Area.

I agree with Ms. Jones that the City's intent for employment areas is to have attractive new developments with a presence close to the street. This meets this intent. I also agree with her other conclusions (8.4.3 et seq. of Exhibit 5) that the variances will allow flexibility within these spaces to accommodate office uses, either as a component of the industrial space or independently. This serves the industrial function of the area. The variance for vehicle storage in the units will provide increased security by allowing indoor storage of vehicles which are valuable assets or which contain important assets. In addition, the variances will allow for loading that better meets the needs of the smaller users by permitting loading in front of the individual units rather than from a centralized location.

Ms. Jones also provided the information that the Condominium Corporation agreements with the new owners stated that no residential uses are permitted. This should quell the fears often expressed that there would be a tendency to convert the uses to residential over time. Other unit owners could enforce this provision. Many of the objectors raised this as a problem, but I do not find that it is relevant in the circumstances of the prohibition in the Condominium Agreement. The Association may not have the funds to pursue either planning or Municipal Act remedies, but they should not have to do so for this project.

The evidence of Ms. Jones is persuasive due to her long association with the file, and her familiarity with the area. I rely on the applicable planning documents as outlined.

DECISION AND ORDER - REVISED

The TLAB orders that the appeal is allowed, and that:

1. The variances to East York Zoning By-law, No. 1916, as listed above, are authorized.

- 2. REVISED: The new industrial condominium shall be constructed substantially in accordance with the site plan and survey dated OCTOBER 5, 2017 and attached hereto as Attachment 1. These plans shall form part of this order. Any other variances that may appear as required on these plans and that are not listed in this decision are not authorized.
- 3. There shall be no rooftop terraces on Building B.
- 4. The Applicant shall comply with the City of Toronto Municipal Code Chapter 813, Article II (Private Trees) and Article III (City-Owned Trees).

G. Burton

Panel Chair, Toronto Local Appeal Body

Attachment 1 - Plans

