

REGION OF OTTAWA-CARLETON  
RÉGION D'OTTAWA-CARLETON

REPORT  
RAPPORT

File/ Réf.	43-99-0125
DATE	30 August 2000
TO/ DEST.	Co-ordinator Planning and Environment Committee
FROM/ EXP.	Planning and Development Approvals Commissioner
SUBJECT/ OBJET	<b>PUBLIC MEETING TO CONSIDER DRAFT REGIONAL OFFICIAL PLAN AMENDMENT 9 ~ KANATA WEST BUSINESS PARK</b>

**DEPARTMENTAL RECOMMENDATION**

**That, subject to the public meeting, Planning and Environment Committee recommend that Council enact a bylaw to adopt draft Regional Official Plan Amendment 9 to the 1997 Regional Official Plan, attached as Annex A to this report.**

**SUMMARY**

Amendment 9 - the Kanata West Business Park proposes the addition of 555 gross ha of land to the urban area of Ottawa-Carleton to accommodate future growth in the high tech industry. The proposed expansion area, west of the present boundary of Kanata, includes approximately 209 ha of Agriculture Resource land while the balance is designated as General Rural in the Region's Official Plan (1997). The area includes the Corel Centre, a National Hockey League arena, and land previously approved for a 40-hectare automall. A total of 330 new net hectares would be available for development. The proposed amendment sets directions for development of a prestige business park in the area and requires Council approval of a concept plan to guide subdivision and zoning.

**PURPOSE OF REPORT**

In February, 2000, Regional Council asked staff to prepare an Official Plan amendment for the Corel Centre area for consideration by Planning and Environment Committee in September, 2000 and address the following issues:

- boundaries of the expansion area consistent with justification of the need for additional land;
- land uses;

- the timing, cost and funding arrangements for infrastructure, including offsite infrastructure such as Terry Fox Drive;
- implications for the capital budget and development charges;
- opportunity for public comment;
- analysis of development of a business park south of Maple Grove; and
- the environmental impacts of such development.

Regional Council also asked whether the addition of land at the Corel Centre would lead to a deferral of infrastructure in other parts of the Region which may not be required as quickly and to consider alternate forms of infrastructure funding.

## BACKGROUND

Regional Council requested an amendment in the Corel Centre area after it received a report on whether the Corel Centre and Highway 417 interchange at Palladium Drive created an economic opportunity which could be further developed. The report, *Economic Study of the Corel Centre Area* by Malone Given Parsons, recommended development of a prestige business park north of Highway 417 within the next 5 to 10 years and an entertainment, sport and leisure area to the south. Land between Maple Grove and Hazeldean was proposed for longer-term development for general employment, after the high tech park was established.

The report was prepared in response to policy 4.1.2.17 in the Regional Official Plan (1997), which set broad directions for the study. The policy was strongly supported by area municipalities and owners of land in the area, which has been the subject of planning applications since the early 1980s. In 1989, Terrace Investments applied to amend the Official Plan designation of 243 ha (600 acres) of land from Agriculture Resource to urban area to permit construction of a National Hockey League arena and other uses. Regional Council separated the application for the Palladium arena from the larger application and, at the same time, initiated a planning study of 2835 ha (7000 acres) generally between Richardson Side Road and Fernbank Road.

Council adoption of the Palladium amendment was appealed to the Ontario Municipal Board by the Ontario Ministry of Agriculture and Food and other parties. In its 1991 decision, the Board approved the Palladium, subject to conditions which included:

- that the Highway 417 interchange and other transportation and servicing infrastructure be provided at the expense of the proponent;
- that Terrace withdraw applications for its other land in the area and, along with the Region, withdraw from the larger urban expansion study; and
- that the Regional Engineer certify that piped services would only be sized to service the facility defined in the Board's decision.

The Board's intent was to ensure that no further development occurred on Agriculture Resource land in the vicinity the Corel Centre. However, a review of Agriculture Resource land for the 1997 Regional Official Plan led to a change in designation of land adjacent to the Corel Centre and highway

interchange ramps to General Rural from Agriculture Resource largely because of the introduction of non-agriculture uses. As well, a new system of evaluating agricultural land—the LEAR system—was introduced. At the public meeting on the 1997 Regional Official Plan, Council also considered six applications for urban expansions between Highway 417 and Fernbank Road and a seventh was withdrawn at the meeting. Only a portion of one application was approved, to provide a site for a high school and recreation facility in Stittsville. Subsequently, the designation of two parcels south of Hazeldean Road was appealed to the Ontario Municipal Board.

At the public meeting on the 1997 Regional Official Plan, Regional Council also requested the report on economic opportunities around the Corel Centre.

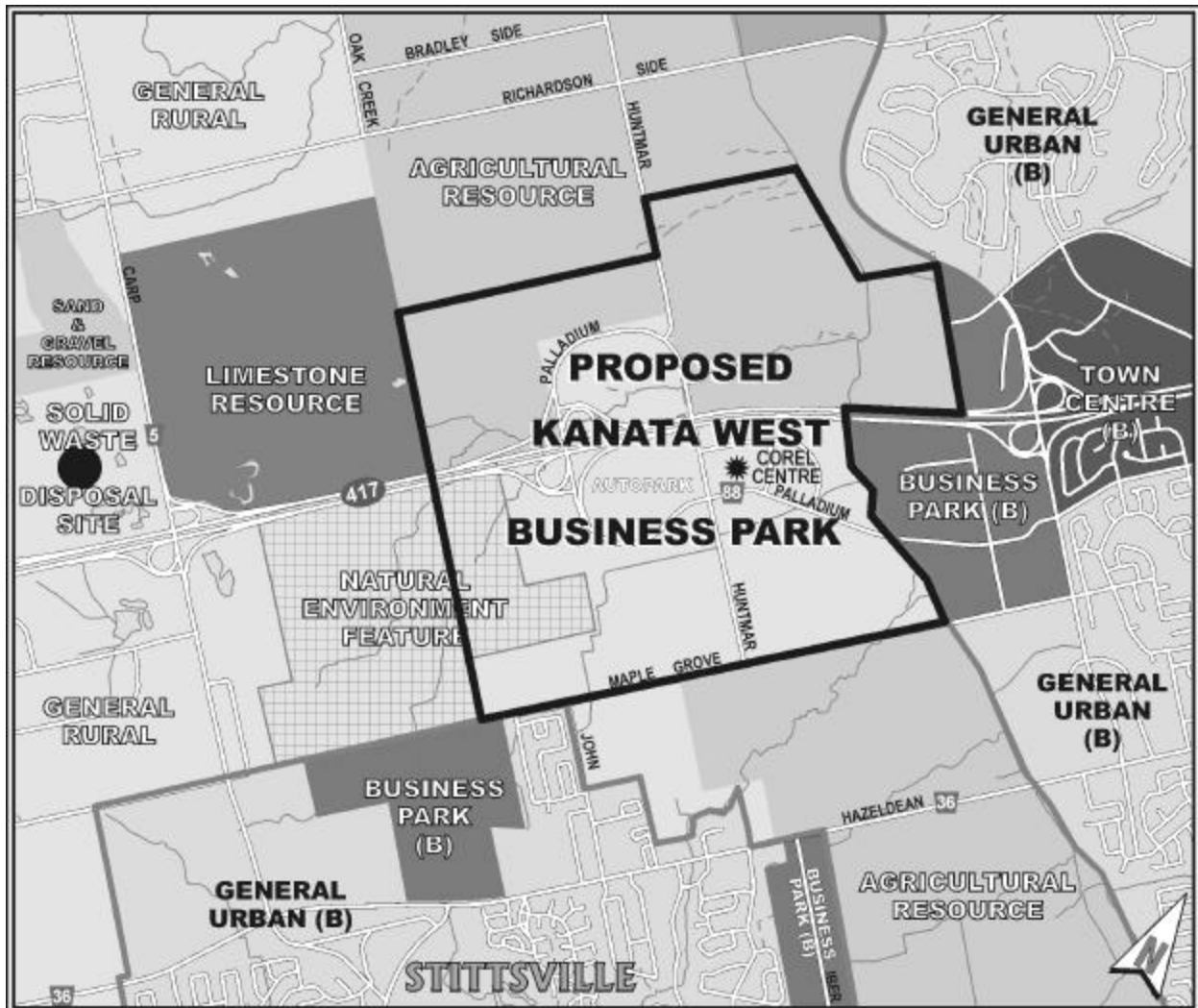
### THE PROPOSED AMENDMENT

Amendment 9 proposes to change the designation of 555 gross ha of land to Business Park in the urban area, from Agriculture Resource and General Rural in the rural area. The amendment also provides policy direction towards development of a prestige business park suitable to the needs of the high tech industry. The land will accommodate an estimated 21,000 jobs when fully developed. However, the amendment requires a change in designation of approximately 209 ha (516 acres) of Agriculture Resource and a portion of an Environmental Feature. Costs of Regional infrastructure within the expansion area are estimated at about \$39.5 million.

The subject lands, shown on the location map on the next page, are immediately west of the Carp River and the urban boundary of Kanata. They are bounded to the north by Agriculture Resource land and to the south by Agriculture Resource and General Rural land. Land to the southwest is a treed area designated as an Environmental Feature in the Region's Official Plan. A limestone quarry marks the northwest boundary.

Other development, in addition to the Corel Centre and interchange, include municipal works yards owned by the City of Kanata and the Region of Ottawa-Carleton and a few farm dwellings and country lot estates. An Official Plan Amendment permitting development of an autopark, offices, restaurants and a farmers' market was adopted by Regional Council in March, 2000 and was appealed to the Ontario Municipal Board. The appellants are seeking a contribution from the Palladium Autopark towards the cost of sewer services. Once in effect, the policies approved by Regional Council for the autopark will remain in place to guide development, as will those in policy 3.5.2.10 regarding development at the Corel Centre.

The proposed expansion is supported by a justification of the need for the land, in keeping with the Region's Official Plan. With respect to proposed official plan amendments, policy 1.6.10 requires Council to consider whether there is a need to add new land to the areas already designated for the proposed use. Council is also to consider the effect of the proposed amendment on the achievement of Council's goals, as expressed in the Plan, and the effect of the proposed change on the need for Regional services. The *Provincial Policy Statement* sets similar requirements for the designation of new urban land and sets more stringent tests for a change in the designation of Agriculture Resource land, as will be discussed below.



### Justification of Need

The Kanata West Business Park is proposed in order to support the ongoing employment growth in the high tech industry in Ottawa-Carleton. Growth in high tech employment averaged about 6500 jobs annually between 1996 and 1999, with the greatest increase occurring in 1999, when an estimated 9000 new jobs were created.

These new jobs have been widely distributed throughout the region. An estimated two-thirds of the new high tech jobs between 1995 and 1999 were located inside the Greenbelt, with most of the remainder in the urban centres outside the Greenbelt. The greatest increases of new jobs were in the Central and Inner Area (approximately 5100 jobs), Kanata (approximately 5300 new jobs) and South Nepean (approximately 3500 new jobs). A greater share of growth will likely occur in the urban centres in 2000 and 2001, as discussed below.

About two-thirds of high tech employment overall in Ottawa-Carleton was located in designated Business Parks in 1996, compared with about 20% of total employment. Other locations for employment include Town Centres and Primary Employment Centres, the Central Area, and General Urban Areas along major roads.

If high tech employment continues to grow at the high rates experienced in 1999 and 2000, an estimated 200 to 250 net ha of business park land will be required in the northwest area of Ottawa-Carleton to accommodate that growth. According to the study, *Corel Centre Lands: Justification of Need*, by the Corporate Research Group, other areas would also experience a shortfall but none as great as the area west of Woodroffe Avenue and north of Hunt Club Road. This area currently has the largest concentration of high tech employment in the region; discussions with industry representatives found that while no single area of the region is preferred above others, expansion plans are guided by a desire to be close to current operations, wherever they may be. With the greatest concentration of employment in the northwest, it follows that much of the future demand will be located there.

The estimated shortfalls in employment land assume job growth continues at an ambitious 6.5% annually through the forecast period, with increases of 8500 jobs annually between 2001 and 2011. It also assumes about two-thirds of high tech employment will continue to locate on business park land and that, over time, the high tech industry will expand more to the south and east than at present. Addition of urban land is proposed solely to meet the employment needs of the high tech industry; sufficient land is available in the region to accommodate other employment needs.

Analysis of developments announced by the high tech industry confirms key assumptions used in the forecast and points to an unprecedented level of consumption of business park land in Kanata in 2000 and 2001. Analysis by the Corporate Research Group of 69 announcements of new developments or expansions reported in the media since 1996 found about half the new growth was expected to occur on vacant business park land. The balance occurred through intensification of development on existing sites, conversions, and on other types of land.

The announcements also provide a short-term update of the Region's business park inventory. Whereas Kanata had a total vacant supply of 285 ha in mid-1999, the announced developments entail consumption of about 70 ha from that point to the end of 2001. This level of consumption could average 45 ha annually if an additional allowance is made for business park land consumption by other users. This level far exceeds the average of 15 ha consumed annually in Kanata between 1995 and 1999. If consumption remains at a very high rate, Kanata has about a six-year supply of vacant land remaining. Addition of 330 net ha through Amendment 9 (and another 38 ha net in the Kanata North Urban Expansion area) would bring the total vacant supply of business park land in Kanata and the adjacent area of West Carleton to 545 ha—about a 15-year supply.

#### Justification of Use of Agriculture Land

The *Provincial Policy Statement* and the Region's Official Plan require that the urban area be expanded only when the existing designated areas are not sufficient to accommodate the growth

projected for the municipality. Provided this requirement is met, the *Provincial Policy Statement* indicates that expansions onto prime agriculture areas are permitted only where:

- there are no reasonable alternatives which avoid prime agricultural areas; and
- there are no reasonable alternatives with lower priority agriculture lands in the prime agriculture area.

The issue of the need for more employment land was addressed in the Corporate Research Group study described above. This study showed a need for land in the northwestern sector of the region, west of Woodroffe and north of Hunt Club. The study also found the industry favoured locations on the Queensway. Given the locational advantages of land at the Palladium Drive interchange compared with any other potential areas, no other locations in this sector were considered.

An alternative which avoided prime agriculture land in this area was considered in the initial analysis. This option located almost all development south of Highway 417. Analysis of this option showed it carried several drawbacks: higher infrastructure costs, potential loss of an environmental feature, less effective use of the interchange, and less potential for prestige development because of proximity to a quarry and sanitary landfill.

Within the expansion area, are there reasonable alternatives with lower priority agriculture lands in the prime agriculture area? The prime agriculture lands included in the expansion area occupy almost all the expansion area north of Highway 417. An assessment of the agriculture resource by CH2M Gore & Storrie Limited in association with DBH Soil Services Inc. found that agriculture lands in the expansion area have a lower agriculture value than the other prime agriculture area further to the north. They are comparable in quality to the prime agriculture lands between Maple Grove and Hazeldean, which are not included in the expansion area. Thus, there are no reasonable alternatives with lower priority agriculture lands in the prime agriculture areas.

While the proposed expansion meets the test of the *Provincial Policy Statement*, it nevertheless results in a change in designation of 209 ha of land designated as Agriculture Resource. This area includes about 83 ha where removal of topsoil and addition of fill decreased the LEAR rating of the land below the level indicating prime agriculture land. The agriculture resource assessment found that the expansion area and the area north and south of it are already heavily influenced by the presence of the urban area, as witnessed by absentee ownership, uncultivated land and absence of commercial livestock operations. Extension of the urban boundary will extend the area that experiences these pressures further to the north and south in the long term.

#### Development of Expansion Boundaries

Three options (Annex B) were initially examined for their land use and servicing implications. The first two tested a maximum level of development north and south of Highway 417. The third avoided the Agriculture Resource land in the study area and expanded west to Regional Road 5. Key findings<sup>1</sup> of the first phase of analysis included the following:

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<sup>1</sup> Three background studies are available: *Palladium Drive Interchange - Land Use Transportation Study*, McCormick Rankin Corporation, July 2000; *Corel Centre Wastewater Infrastructure Assessment - Technical*

- *The road network needed to serve the employment area can accommodate about 21,000 employees balanced north and south of Highway 417. No acceptable road solution could be found for development of all the land north of Highway 417 to Richardson Side Road (as in Option 1), or for development of all the land south of Highway 417 to Hazeldean (as in Option 2) at assumed employment densities of 40 to 70 jobs per hectare. Option 3 required the greatest amount of new road construction to support the smallest number of employees and an adequate road solution could not be found.*
- *Much of the infrastructure proposed for the West Urban Centre in the Regional Official Plan and Transportation Master Plan must be in place by 2021 to support additional growth in the Kanata West Business Park.*
- *Quality transit service should be provided at the outset and improved incrementally as development proceeds. Development should be oriented to allow direct access from buildings to nearby bus service.*

In the next round of analysis, assumptions about job densities increased to reflect a review of employment densities on 10 developments proposed in 1999 and 2000 for the Kanata North Business Park, which ranged between 114 and 194 jobs per net ha and averaged 135 jobs per net hectare. Option 4 also tested the implications of developing part of the land between Maple Grove Road and Hazeldean Road.

Requests from landowners to move the boundary further west to the Second Line road allowance led to a field investigation of the Environmental Feature southwest of the interchange, east and west of the Second Line road allowance. Such a review is in keeping with policy 5.4.3.4, which indicates that the boundaries of Environmental Features are general and may be interpreted by Regional staff or their designates based on further field investigation.

The Stittsville North Natural Area was assessed during the Official Plan Review as having moderate significance on a regional scale with some diversity, uncommon regional vegetation, and hydrological features. An environmental consultant was contracted to review the boundary of the feature and found that the values which led to the designation of the area are concentrated west of the Second Line. The significance of the woodland east of second line has been reduced by the long history of disturbance in the area. While there is general woodland habitat west of Second Line, using the Second Line road allowance as a boundary for the feature is considered reasonable given the results of the examination of the boundary and provided that certain features east of the allowance are also protected. These include two groves and a thicket swamp.

An Option 5 was therefore developed with Second Line road allowance as the western boundary, defining an area about the same size as Option 4. The area south of Maple Grove Road was excluded from the option because of concerns about the best use of land between Maple Grove Road and

Hazeldean Road. Consideration of development of a Business Park between Maple Grove and Hazeldean found that:

- *Road capacity is an issue.* Development of all these lands in addition to land north of Maple Grove would require six traffic lanes on Maple Grove and eight lanes on Hazeldean. Such road widths could not be provided at intersections with Carp Road and Terry Fox, nor is it desirable to plan for such widths.
- *Transit usage would be low.* The transit share would be less than 10% and would require an additional \$360,000 in operating costs annually.
- *An additional 144 ha (net) between Maple Grove and Hazeldean—or a total of 474 ha net in the Kanata West Business Park—is not required for employment in this location, based on the justification analysis which supports 200 to 250 net ha for employment.*
- *Other uses may be more appropriate for this area, provided a need for additional urban land is identified in the long term.* The area has an extensive boundary with existing residential areas that will require sensitive treatment and likely a mix of residential and other uses. The proposed boundary creates a compact employment area around a highway interchange; extending employment further to the south may create too large of a single-use area.

The primary advantage of developing between Maple Grove and Hazeldean is to include the land required for the Huntmar extension and thus offset the cost of the land for the right of way. These costs are estimated at about \$250,000 at 2000 market values and are subject to speculation. If the land for the road is not provided as part of the development of adjacent lands, the municipality will have to purchase it.

#### Infrastructure Requirements, Timing and Cost

Total costs of Regional infrastructure are expected to total \$39.53 million, as shown in the table below:

Wastewater	\$ 7.4 million
Water	\$ 2.83
Roads	\$15.1
Transit	\$14.2
Total	\$39.53 million

#### *Wastewater*

Wastewater flows from the expansion area north of Highway 417 are proposed to be directed to the Signature Ridge Pumping Station and south of Highway 417, to the Glen Cairn Collector. Costs of off-site improvements are estimated at \$7.4 million but may increase following completion of ongoing studies regarding the Tri-Township Collector and servicing to Kanata North. The Tri-Township has no spare capacity and thus development cannot occur in the expansion area until the system is upgraded. The Tri-township Upgrade Environmental Assessment is in progress now and the required improvements could be in place by the end of 2002 at the earliest.



### *Water*

On-site costs of water service normally are paid for directly by developers. Off-site infrastructure requirements will be finalized through an ongoing study of requirements for a larger area in Kanata, but are estimated now in the order of \$2.83 million and include additional pumping capacity at the Glen Cairn pumping station and a new elevated storage tank. Some of the upgrades must be complete before development can proceed in the expansion area. Pending budget approval, the Glen Cairn Pumping station upgrade could be complete by 2002, and the elevated tank in 2002 or 2003.

### *Roads*

Several four-lane roadways will be required within the expansion area, including an extension of Campeau Drive to Huntmar Drive, widening of Maple Grove to four lanes and a new four-lane extension south from the interchange to Maple Grove. Huntmar Drive will also require extension from Maple Grove to Hazeldean. A schedule for coordinating land development and infrastructure will be developed during the next stage of planning for the area, as part of a detailed concept plan. A preliminary schedule shows that areas north of Highway 417 east of the Carp River and adjacent to the interchange ramp could develop with no new construction of roads, while the remaining lands require additional road capacity.

The transportation analysis assumed completion of about \$66 million in road improvements in Kanata outside the expansion area, already required in the Region's Official Plan and Transportation Master Plan. These improvements include extensions of Terry Fox Drive both north and south and construction of the Castlefrank Overpass. In addition, development in the area will require widening of Highway 417 and intersection improvements on Highway 417 at Terry Fox and Eagleson, now under study by the Ontario Ministry of Transportation.

### *Transit*

Transit service is proposed to be phased as the area develops, beginning with transit priority measures and bus lanes on existing roads and moving towards a bus-only road and finally, a grade-separated transitway. Scheduling of transit improvements would depend on levels of road congestion as the area develops and the resulting need to improve service.

Extension of the transitway from the Kanata Town Centre to serve the expansion area and the Corel Centre would build on the West Transitway extension, at a cost of approximately \$130 million.

### Natural Environment Impacts

The lands within and adjacent to the expansion area are primarily farm fields or former farm fields, with bushland south of Highway 417 along the western boundary of the expansion area. A portion of this area is designated as an Environmental Feature, as discussed previously. Poole Creek, Feedmill Creek, and Huntley Creek traverse the study area to join the Carp River on its eastern boundary.

The impacts of urban development on the natural environment of the area will be related primarily to impacts on vegetation features and the Carp River ecosystem, with respect to such issues as quantity and quality of stormwater runoff, maintenance and enhancement of vegetative cover along watercourses, and habitat linkages. A subwatershed study of the Carp River has been initiated to address these issues, in keeping with policy 5.3.2.3 of the Official Plan. This policy requires subwatershed studies to be complete before Regional Council considers official plan amendments or subdivisions in areas which are largely undeveloped. The subwatershed study will examine a range of environmental issues including natural areas and linkages and approaches to stormwater management. It will provide a more detailed environmental management strategy for the area and direction to stormwater management.

In addition, investigation of the boundary of the Environmental Feature east of the Second Line road allowance has identified areas which should be conserved in the course of future development.

Proposed Amendment 9 requires that development in the area be guided by the Carp River subwatershed study and include measures to maintain and enhance environmental features. The detailed concept plan to be developed by the municipality, landowners, other interested parties, and the public will demonstrate how this principle is to be achieved. The concept plan will be coordinated with the subwatershed study, which is scheduled to be completed in the spring of 2002.

### Proposed Policies

Work to date on the Kanata West Business Park has focussed on defining appropriate boundaries, identifying infrastructure requirements and examining methods of financing public costs. The next steps in developing the area are critical to ensuring development of a prestige business park that meets the high tech industry's preferences for qualities that can be fostered through good planning: high quality design, good transit service, and access to commercial services and outdoor recreation facilities. The proposed Kanata West Business Park has excellent potential to meet these needs, provided it is planned and developed in a comprehensive manner. Unlike other Business Parks currently developed in the region, the proposed Kanata West Business Park will be planned on the basis of relatively high densities of employment based in offices and light manufacturing. The proposed boundaries for the amendment were tested at 70 to 75 jobs per net hectare, comparable to current employment densities in office-oriented business parks and capable of accommodating a range of employment densities on different parcels.

Design guidelines will be developed to ensure a uniformly high quality of appearance throughout the park and to support transit use from the outset through requirements for setbacks, pedestrian linkages and other measures that support transit use. The policies also require provision of continuous public access along the east and west banks of the Carp River, in keeping with policies in section 6.5, 6.7 and 6.8. These policies encourage the transfer of undevelopable flood plain to public ownership and the dedication of land for public purposes (obtained through subdivision approval) at the shoreline. Open space and recreational pathways are also proposed to link the area with surrounding communities, to provide recreation and support walking and cycling as modes of transport.

A retail, commercial and entertainment node is proposed north of Highway 417 to serve as a focal point, without undermining the role of the Kanata Town Centre as the retail and commercial core of the West Urban Centre; otherwise, retail and commercial services within the park are to be scaled to meet the daily needs of park employees.

Development of a concept plan as the next stage in planning for this area will demonstrate how these criteria are to be achieved. The concept plan will include a detailed schedule for phasing land development and extension of roads and piped services and development of transit in phases as the area develops. This approach fulfils the requirement for concept planning in section 3.2.10 of the Official Plan and reflects the approach used in local municipalities in Ottawa-Carleton and elsewhere.

The concept plan will be used to guide subdivision, zoning and public expenditure, once it is approved by the City of Ottawa Council or its designate. Subject to the wishes of that Council, local official plan amendments will not be required for the Kanata West Business Park.

#### COMMENTS FROM THE CIRCULATION

Copies of proposed Amendment 9 were circulated for comment to technical review agencies as required under the *Planning Act* as well as to landowners in the study area, community associations, area municipalities and others with an interest in the application. As well, two information meetings were held in the community to comment on various options used to test servicing requirements. Copies of all comments received before the public meeting are available in the Resource Centre at Ottawa-Carleton Centre and those received by the end of August are summarized here.

The Ministry of Municipal Affairs and Housing commented that, having reviewed the background documents, it believes the Ministry's interests have been addressed with respect to the proposed amendment. Sufficient information was provided to justify the addition of urban land for employment purposes and the addition of such land will not result in significant loss of prime agriculture land in the region, the Ministry stated. It noted that requirements for the minimum distance separation between the remaining barn near the proposed urban boundary should be respected. It also said that given the size and nature of the proposed amendment, a concept plan for the area should be prepared and would be in keeping with the *Provincial Policy Statement*.

Comments from Kanata, West Carleton and Goulbourn were not available in time to include in this report but are expected for the public meeting on September 12, 2000. Staff from the City of Nepean acknowledge that while there is a need for additional employment land, they propose that all suitable alternate locations and the cost of servicing them be reviewed before Regional Council makes a decision on proposed Amendment 9.

The Mississippi Valley Conservation Authority strongly supported completion of the Carp River subwatershed study before development proceeds on the site. It quoted the *Provincial Policy Statement* on the need for a coordinated approach to areas such as ecosystem and subwatershed issues in cases where more than one municipality is involved. MVC also quoted the Ministry of Environment *Stormwater Practices Planning and Design Manual* that, "...development planning in

the absence of subwatershed planning input to land use planning is inappropriate.” The subwatershed study will provide guidance on treatment of the Environmental Feature in the area and, potentially, input to a flood fringe/floodway approach to flood plain planning. The subwatershed plan will also provide the best management for Feedmill Creek, a potential cool water fishery, and avoids the risk of undoing the fish habitat enhancement features implemented as part of a compensation package arising from the construction of the interchange at Highway 417 and Palladium Drive.

Staff concur with the views of the MVC, and believe that the concept plan and the subwatershed plan can be coordinated so that they provide timely information to each other.

The Region’s Environmental Health Advisory Group said alternative modes of travel (ie, high quality transit) and alternative parking arrangements (ie, structured parking) should be emphasized. Given the importance of changing the use on Agriculture Resource land, the group said it reserved the right to provide additional comments once the Agriculture Resource study is available.

Staff provided copies of the study to the group when it was available. Proposed Amendment 9 includes policies that support transit and travel demand management. Structure parking is difficult to require, because of its cost, but the detailed concept plan could consider guidelines on impervious surface areas that would help mitigate environmental impacts.

Participants in the information meetings were generally supportive of the provision of more employment land in the vicinity of the Corel Centre. At the meetings and at other points, many landowners argued that a larger expansion area, including the land adjacent to the proposed Huntmar extension, is needed to meet the needs of the high tech industry, pointing to its rapid growth in recent years. Some questioned the employment densities used in the analysis, arguing for a lower density and consequently a larger expansion area. Some also said that since high tech companies land-bank land for their own use, a larger area than can be supported by the transportation network can be designated, since the land will not be developed for a long time. As well, some parties spoke to the need for a vision for the larger Kanata-Stittsville corridor that includes housing and a greater mix of uses than prestige business park and an entertainment centre.

Staff recommend the boundary, the location and the land area proposed in Amendment 9 for the following reasons:

- The area meets the region’s needs for employment land for the high-tech industry. With provision of 330 ha (net) for new development, the proposed expansion area provides the 200 to 250 ha (net) additional land warranted by the justification analysis.
- The area poses an opportunity for development of a prestige park. In comparison with internationally recognized parks such as Stanford Research Park (283 gross ha), the area is sufficiently large to create an international presence. Closer to home, the 555 gross ha included in the park makes it larger than the Kanata North Business Park (435 gross ha) or the Colonnade Business Park in Nepean (465 gross ha) and rivals the Orleans business parks south of Innes Road (600 gross ha).
- The proposed expansion area maximises use of the interchange and the future on-site road network, with provision for transit in a compact area. A more extensive employment area would be difficult

to service with roads and transit, particularly if development achieved higher densities than the 70 to 75 jobs/net ha assumed in the final analysis. If more land for high tech employment is warranted, other locations may be more suitable.

- Regardless of the rate of development in the area and potential land-banking, long-term plans must provide for full transportation and other servicing.

The Corel Centre noted it is working with other landowners north of Highway 417 to create a comprehensive plan for the area. It requested that all of its property be included in the amendment boundary, without constraints. The boundary of the proposed amendment reflects this request, but the proposed amendment retains policies which require measures in the concept plan to ensure that resource extraction from a Limestone Resource Area adjacent to the site is not restricted by future development. This policy mirrors policy 8.2.7 in the Plan, which is under appeal and therefore would not be applied to this site unless included in proposed Amendment 9. The *Provincial Policy Statement* also provides that existing mineral resource operations shall be protected from development which would impair their activities.

A consultant for the landowners north of Highway 417 commented that his clients support an expeditious approach to developing their lands and, towards that end, propose that concept planning proceed independently for the areas north and south of Highway 417. Golf courses should be a permitted use, to allow for a competitive range of uses in the park. While development should take into account the ongoing findings of the Carp subwatershed study, it should not be delayed by the study. Entertainment, retail and commercial services proposed north of Highway 417 should not be restricted primarily to area employees.

Staff agree that the areas north and south of Highway 417 can develop unique qualities consistent with the criteria proposed in Amendment 9, but believe the areas are not independent with respect to timing of service extensions and development, the quantity of retail space permitted overall and the mix of permitted uses, and recreational pathways and other elements that link the two areas. Small-scale recreation uses and linear recreation pathways can be included in the area, but land-extensive uses such as full golf courses are generally incompatible with the transit-supportive development pattern envisioned for the area. The entertainment, retail and commercial service area proposed north of Highway 417 is intended to provide a focus for the employment area and not compete with the Town Centre of Kanata.

A planning consultant in Ottawa-Carleton proposes that the amendment designate the area between Richardson Side Road and Hazeldean Road for two phases of development, with the first phase encompassing the land in proposed Amendment 9 and the second, larger area designated as Future Expansion Area. Overall planning for roads, transit and services would encompass the entire area, and create opportunity to provide additional land quickly should demand warrant.

The staff response is that a designation of Future Expansion Area commits the new City of Ottawa to urban development of a large area without analysis of the effects of such a designation on public costs, the overall pattern of development in the new city, and consideration of alternate locations for future growth. These alternate locations include other lands in the Stittsville-Kanata corridor, outside the "Future Expansion Area", whose owners support development, as well as locations in the South Urban Centre.

A consultant for a landowner south of Maple Grove Road and west of the proposed Huntmar extension said his client's land should be included within the proposed boundary. The extension of Huntmar Road will have an impact on the lands to the west, including his client's land, and will leave them relatively isolated. The consultant acknowledged that employment uses may not be appropriate for the area and proposed further study to define uses and solutions to transportation and servicing issues.

Staff agree that further study would be required to identify appropriate uses for these lands and other land south of Maple Grove Road, should the need for additional urban land be identified. At present, the capacity of proposed roads is fully utilized by the proposed development area, with no provision for additional developed area. Again, designation of an area for future study commits Council to development before the costs and implications are known.

A family that owns a farm immediately north of the proposed boundary asked to be included in the expansion area. The family said the area north of the proposed boundary is surrounded by non-agriculture uses and will have business park to the south. The resulting increase in traffic will make it difficult to move farm equipment onto the family's farm and the farm operation will not be a good neighbour to the high tech industry because of noise, dust and odours from the farming operation.

Staff note there is a substantial portion of Agriculture Resource land remaining north of the expansion area and south of Richardson Side Road, which includes the subject farm. Future development of the employment lands can include measures to mitigate the effects of proximity to the remaining barn on the site. A non-agriculture designation of any portion of the subject site, about 80 ha (200 acres) in total, diminishes the prospects for long-term agriculture use of the property.

A landowner on Carp Road (Regional Road 5) said the expansion area should be extended west to include the AG Reid Industrial Park west of Carp Road and south of Highway 417, in West Carleton.

The staff view is that proximity to the sanitary landfill north of Highway 417 is a major disincentive to designating this land as urban, for use as a prestige business park, since additional development here will lead to complaints about the landfill operation and pressures to limit its lifespan. Proximity to the landfill and other characteristics of this park (ie, fragmented development pattern) reduces this area's potential to serve as prestige business park.

An owner of land in the rural area of Cumberland questioned the need to add additional land in the west while large areas of employment land are vacant in the east. He noted the cost of servicing the expansion area is high and roads such as Highway 417 near Terry Fox are already congested.

Staff note these issues are addressed in the justification analysis, which shows the current demand for more employment land is for land in the western area of the region. Transportation infrastructure is recognized as an issue.

An owner of a country lot estate on Maple Grove, within the expansion area, expressed concerns about the effects of future road widening on their property and asked whether the concept planning would develop an appropriate interface between future employment lands and the country lot estate residential

area along Maple Grove. Another owner also questioned whether removal of part of the area from the Environmental Feature designation would jeopardize the health of the remaining area.

Staff replied that further study is needed to determine whether the widening would be an equal or unequal widening. Concept planning for the area would help the owners identify their options, in terms of retaining a residential use or considering other uses. The issue of the Environmental Feature is discussed previously in this report.

Area municipalities and Stittsville residents expressed concerns about the need to buffer existing residential areas from employment lands where the two could become adjacent, and to ensure that traffic from the employment lands does not enter residential areas. Residents of John Street are concerned about the volume of traffic on John Street, which connects Maple Grove Road and Hazeldean Road.

In response to this concern, policies were added to the draft amendment to the effect that the concept plan will include measures to protect Stittsville neighbourhoods from cut-through traffic in the short term and long term. Short-term measures, before new roads are built in the area, include options for road closures and turning restrictions that need to be considered by the neighbourhood as a whole.

The Katimavik Hazeldean Community Association commented on the need to reduce disruption to their communities and reduce the potential for cut-through traffic along Katimavik Road. Among other matters, the association supported cycling in the area and a maximum road width of four lanes. It pointed out the current need for key infrastructure improvements, including a four-lane overpass at Terry Fox and Highway 417.

A Kanata resident said he was concerned about the increase in traffic and the impact the development would have on the existing residential areas. Traffic volumes on Terry Fox are unacceptably high now and growth in commercial space near residential communities is changing the nature of the communities, the writer said.

Staff acknowledge these issues are central in future plans. The road network will be operating at capacity if the area develops as proposed and traffic will increase in adjacent neighbourhoods. However, intersection improvements at Terry Fox should make Terry Fox the more attractive alternative to access Highway 417, rather than Katimavik Road to Eagleson Road.

Two members of the public expressed the concern that the expansion is driven by a desire to obtain cheap land with sufficient area for parking. Provision of extensive surface parking areas carries environmental costs and encourages auto use; it also consumes agriculture land and contributes to traffic congestion. Alternative sites on less environmentally significant lands can be found, and the industry can be encouraged to develop structured parking and support transit use.

Staff acknowledge that Agriculture Resource land will be used to provide land for employment areas with extensive parking. Efforts will be made to mitigate the effects of development on the natural environment through the Carp River subwatershed study and the concept plan for the area, while transportation demand management initiatives will be used to contain auto use.

## DISCUSSION

The addition of employment lands as proposed in Amendment 9 is justified on the basis that lands already designated for the proposed use are insufficient to meet projected needs, assuming today's high rate of growth in the high tech industry continues. The availability of the highway interchange at Palladium Drive and Highway 417 make the subject lands the leading candidate for future expansion in the northwest sector where the current demand exists. Over time, the high tech industry is expected to shift to the south and east and its land requirements in these areas will require monitoring.

The area of land proposed for the designation—555 gross ha—represents the area directly adjacent to the interchange and has the potential to become a compact, efficient employment node with a world-class presence. The area can accommodate 21,000 to 24,000 jobs, in addition to those that are already planned for the West Urban Centre. This increase represents about a 50% increase in the number of jobs envisioned in Kanata and Stittsville, which are considered together for purposes of the 1.1 jobs and housing target. Whereas the Region's Official Plan targets 1.1 jobs per household in urban areas outside the Central Area, development of the new lands would have the effect of creating a 1.7 ratio in Kanata and Stittsville. This would compare with an estimated 1.8 ratio inside the greenbelt in 1999—or 1.4 if the Central Area were excluded from the calculation.

Arguments that Kanata requires more business park land must also consider:

- whether the demand for business park land and the distribution of employment will continue in the future as they have in the past, particularly after employment land becomes available in the Highway 416/Strandherd area. A municipality cannot afford to service more land than is required or land in locations where it is not needed;
- whether the jobs-to-household ratio in the Kanata-Stittsville area can be further increased without significant impacts on commuting flows, transportation infrastructure, and Council's regional development strategy.

These issues speak to other objectives in the Region's Official Plan and other matters Council considers as part of its discussions of Regional Official Plan amendments. Policy 1.6.10 requires Council to consider the effects an amendment will have on its goals and objectives as expressed in the Plan. In this case, Council must weigh decisions about economic development against the cost and taxation implications of providing infrastructure for more employment land and the community effects of potentially higher costs of living. In the long term, goals regarding quality of life and economic development are complementary, as one of Ottawa-Carleton's draws with the high-tech industry is its quality of life, a quality that reflects the natural environment, open spaces, cost of living, ease of travel and other intangible benefits of living here. Decisions that support growth in the industry must be balanced against quality of life considerations across the region.

On the whole, staff are recommending the boundaries proposed in Official Plan Amendment 9 because they include an area capable of supporting growth in the high tech industry in a compact, prestige



setting. The requirements for transportation and piped services to the area have been identified and a process defined for bringing the land forward for development. The amendment responds to the justification of the need for land suitable for the high technology industry. No need has been established for lands for other purposes, nor has there been a broader-ranging examination of significant issues in the region's development strategy which would arise if more land were designated, for a variety of purposes.

Two other potential changes to land designations in Kanata must also be considered. Additional land for employment is being proposed in the Kanata North Urban Expansion Area, the subject of Amendment 8 adopted by Regional Council in April, 2000. The Kanata Research Park Corporation appealed a portion of the amendment to the Ontario Municipal Board and is seeking permission to change the designation of 47 ha gross (34 ha net) from General Urban to Business Park. Secondly, an Official Plan amendment will be required early in 2000 to identify the route for Terry Fox Drive from Richardson Side Road to March Road and designate land uses in the area between the present urban boundary and the new alignment.

In addition, Regional staff are recommending against an application to amend the Regional Official Plan west of the proposed expansion area to permit access to central services to support a country lot estate subdivision. This area was considered for development as a prestige office park in preparing proposed Amendment 9 but rejected for reasons related to cost of central servicing and proximity to landfill and quarry sites, as discussed above. The application for country lot estates is recommended for refusal because of its requirement for development on a central water supply and private septic systems, when Council's policy is that development proceed on private services in the rural area and that development generally proceed on the basis of either private or public services, but not a combination of both.

Planning for the Kanata West Business Park can proceed following adoption of proposed Amendment 9, in consultation with area landowners, neighbouring communities and other interested parties. The concept plan and the subwatershed plan can be completed within the time it takes to upgrade the sanitary and water services in the existing urban area to support the new development, by the end of 2002 or 2003 (subject to budget approval).

### FINANCIAL COMMENT

The proposed Kanata West Business Park requires approximately \$39.5 million in infrastructure to support development on the site, not including infrastructure already identified in the Region's Official Plan and Transportation Master Plan. This infrastructure is not currently reflected in either the 10-year capital forecast or the Regional Development Charge calculation. Accordingly, these expenditures are incremental to the existing funding needs.

No infrastructure can be removed or deferred from the capital forecast as a result of a decision to designate additional urban land. Monitoring of dwelling unit and employment growth throughout the region indicates a need to advance infrastructure projects and add new infrastructure spending to the capital forecast. A report to Planning and Environment Committee regarding growth in Ottawa-Carleton, 1996 to 1999, identifies approximately \$86.5 million of growth-related transportation

infrastructure that is included in the 2000 capital budget forecast that is required but has no funding. In addition, approximately \$80 million in new or expanded growth-related transportation projects are identified as additions to the 2000 capital budget.

This spending cannot be financed unless additional capital funding is made available through additional contributions through taxes, additional debt is assumed, or the development charge rates are increased to the levels that will provide the full financing requirement of growth. The requirements of the lands included in this report bring additional requirements even beyond those that exist within the existing approved Plan.

In order to fund the infrastructure required for the proposed Kanata West Business Park, the following options could be pursued:

- (1) a special area development charge that would capture all incremental costs that are associated with the inclusion of these lands in the Official Plan;
- (2) inclusion of these costs in the existing development charge and the development of a new by-law for the entire Region;
- (3) the front-ending of all project costs by the developer with repayment through the reimbursement of the special area development charge when collected;
- (4) increase tax rates to raise sufficient funds to cover these costs;
- (5) increase debt levels which could be recovered from all taxpayers or from the special area development charge;
- (6) a combination of development charges and the earmarking of future tax revenues from the subject lands to cover the infrastructure financing

A special area development charge would be levied against all properties within this area and would be in addition to the development charges that are currently charged for across the Region. This would recover all incremental costs from the directly affected area. The charging of the existing development charge recognizes that this development also requires the infrastructure covered by the existing charge such as the major plants and road network. While the charge would have to be fully reviewed to determine the share that may be attributable to existing development or developments that may occur outside this specific area, it is estimated that the charge would be approximately \$5.50 - \$6.00 per square foot on all non-residential development permitted in the Kanata West Business Park.

The existing development charge could be amended to include the costs of this development and a new development charge calculated. This process will be lengthy and will not guarantee that any greater portion of growth costs is recovered than is currently the case. If a new charge does not recover a greater portion of the overall costs, then the capital shortfall that was detailed earlier will only be made greater. It is possible that this option would not result in the advancing of the works for the projects

required for this area given the large volume of projects that exist within the current work plan that have not yet been constructed.

If the objective is to expedite the development and eliminate the need to increase the debt requirements of the Region (and future City), developers could front end the required work. In this instance agreements can be entered into which would provide the developer with the special area development charge that is raised when development occurs. This type of arrangement transfers the risk of providing the infrastructure from the municipality to the developer while providing cost recovery through the eventual development of the land. This type of transaction is anticipated in the Development Charges Act that details the legal requirements of such an agreement.

The options of tax increases and debt load increases (which in turn result in tax increases) are not likely to be popular and would require a substantial level of support by the public to be deemed true alternatives.

The option of a combination of development charges and future taxation would provide for a significant portion of the costs to be recovered from development charges—set at a level below full cost recovery—with the balance to be recovered from the tax revenues that will accrue from the development within this area. Since the development area is strictly non-residential, this option could be considered. An earlier study of the Corel Centre Area by Malone Given Parsons said the area will generate substantial property tax revenues in the future. Council could consider earmarking a portion of the municipal share of the tax revenues to be used to specifically offset the development costs that will be incurred. The amount of the tax revenues that would be utilized could be calculated only after determining the operating costs that will occur from the development of the area. All or a portion of the residual revenues could then be allocated to capital cost recovery.

It should be noted that this would not constitute a special tax area but rather an administrative policy that attempts to match future revenues against the infrastructure costs. In this option the Region (or new City) would be required to front end the costs through short term debt financing which would be reduced as development charges and tax revenues are received.

Council should clearly understand that the use of future tax revenues would restrict their ability to use the assessment growth from these lands to offset other budgetary pressures. Depending on the apportionment of the residual tax revenues, infrastructure programs could receive a disproportionately higher percentage of revenues from the development area compared with other municipal programs and services which draw on tax revenues.

Neither the *Local Improvement Act* nor the *Municipal Act*, section 221, would provide a full solution to the funding of the required infrastructure. Under the *Local Improvement Act*, a municipality can only recover for services such as roads, watermains, and sewers upon which the development in question fronts. The cost of works beyond the limit of the development is not recoverable. Anything that could be provided under the *Local Improvement Act* could more readily be obtained through the subdivision approval process.

The *Municipal Act*, section 221 is only available for the recovery of the costs of water, sanitary sewers and stormwater management. It can include off-site costs of water or sewer works being constructed to service the development. This legislation was used to pay for services to Vars, Carp and to some extent, Carlsbad Springs. It could be used in combination with a special area development charge to pay for specific infrastructure.

#### Other funding arrangements

KPMG and McCormick Rankin Corporation were contracted to advise the Corporation on how municipal infrastructure projects can be delivered in partnership with the federal and provincial governments and the private sector. Their review focussed on transportation infrastructure because water and sanitary sewer infrastructure is largely funded through user fees. In summary, the firms advised that:

- There is no simple solution or “magic bullet” to the problem of financing infrastructure other than increasing taxes or development charges.
- Funds for selected projects may become available in the future through Treasury Board’s Infrastructure Canada program or from the Ontario Superbuild Corporation, but program details are not known at this time.
- Public-private partnerships could take the form of design-build procurement, whereby the municipality combines smaller projects into one project and thus creates (and captures) cost efficiencies. This arrangement could also be enhanced with a tie to a commercial benefit, in the form of a contract to maintain or operate the infrastructure, secure advertising or development rights alongside the infrastructure, or some other commercial activity. Or the municipality could offer a share of a revenue flow, such as transit fare revenues, to attract a private partner.

Contractors who build major infrastructure projects are potential partners for partnerships where the private partner assumes a financial risk in return for a large design-build contract, revenue flow and/or some commercial advantage. The Ontario Roadbuilders’ Association recommends that projects be bundled to a size of at least \$20 million to make the bid process worthwhile to contractors, although smaller projects are considered.

- Other municipal funding options include development charge credits to developers who pay for infrastructure and receive in return a waiver of their development charges and payment of charges collected from other benefiting parties (as discussed above); sale of municipal land or other assets to create infrastructure dollars; and lobbying for alternate sources of revenue, particularly a share of federal and provincial gasoline tax revenue.

#### Consultation with Landowners and Developers

Landowners and developers, primarily from the Kanata West Business Park and the West Urban Centre, were interviewed by the consultants about the more traditional approaches to financing infrastructure. As a group, they were comfortable in the role of infrastructure provider but had long-

standing concerns about cost-sharing arrangements with benefiting parties and front-ending agreements. A municipal commitment to accelerate the delivery of infrastructure was of interest to the group, but not to the extent that its members would contribute capital funding. Developers said they might take on some capital costs in exchange for a share in increased tax revenues resulting from the development or a waiver of development fees. They proposed phasing of development, with the developer building a minimum requirement and the municipality paying for the subsequent expansion.

Major high tech employers, including firms that develop their own properties, believed public infrastructure was a public-sector obligation. Quality of life here was cited as a major advantage in recruitment and retention, such that even minor changes in travel times are cause for concern.

### Recommended Strategy

With respect to development charges, the current non-residential rate of \$1.90 per square foot of gross floor area in theory recovers about 13.5% of the Region's costs of infrastructure and other costs eligible for development charge recovery. In setting the development rate, Council considered the theoretical maximum non-residential development rate of \$14 per square foot but decided against it given its potentially negative impact on development prospects.

The theoretical cost-recovery rate for the additional infrastructure required for the Kanata West Business Park is estimated at approximately \$5.50 to \$6.00 per square foot. When combined with the current rate of \$1.90, the total cost would be \$7.40 to \$7.90. This compares with non-residential development charges in regional municipalities in Ontario that range from a high of \$5.78 in Dundas in Hamilton-Wentworth, to a low of \$1.75 in York Region (Annex C). As in Ottawa-Carleton, a local area development charge is applied in addition to the Regional charge.<sup>2</sup>

An area-specific development charge of \$5.50 to \$6.00 per square foot for the Kanata West Business Park would substantially fund the costs of major roads within the area plus the offsite costs of upgrading sewer and water services to support development in the area. Such a charge can be based on the rationale that a modest premium can be charged for development in an area of strong market demand, thus enabling it to develop more quickly than might be the case if it queued alongside other areas awaiting spending on infrastructure.

The recommended strategy for financing the infrastructure needed to develop the Kanata West Business Park is through a special area development charge and other development-funded revenues, apart from the property tax. The costs of developing the area will be determined more precisely through the detailed concept plan and completion of the larger area servicing studies now in progress. Local municipal costs, such as stormwater management costs, can also be included in the calculation. Agreements will need to be negotiated among landowners regarding apportionment of costs and provisions for front-ending, with the final package presented for approval by the new City of Ottawa along with the concept plan. Implementation of the special area charge requires preparation of a background study and Council adoption of a bylaw following a 20-day notice period.

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<sup>2</sup> The development charge is only one of several factors which determine the cost of developing in one area compared with another. Other factors include the market values of land and the level of property taxes charged.

Proposed Amendment 9 includes a policy that states the principle that the costs of infrastructure required to support development in the area are to be funded primarily through development in the area, in the form of a special area development charge or other charges exclusive of the property tax. The Corel Centre site would be excluded from this policy, in view of the development's contribution to infrastructure to date, but the policy would be applied to the Palladium Autopark site, which is likely to benefit from development of the larger area.

## CONSULTATION

Notices of the public meeting were published in *The Citizen*, *The Sun*, *Le Droit*, *The Ottawa Business Journal* and community newspapers in West Carleton, Kanata and Goulbourn. As well, information meetings were held with landowners within the study area and with planning staff of urban municipalities within the region.

## CONCLUSION

The Kanata West Business Park is a needed addition to the urban land supply to support future growth in the high technology industry. Designation of land here will support the high tech industry's interest in finding new locations close to the site of present operations. However, designation of the land carries public costs and raises the issue of how to balance economic growth against other aspects of quality of life. Economic growth is supported by designation of the Kanata West Business Park and development in other employment areas, yet requires construction of significant infrastructure to ensure ease of travel and to provide servicing. Travel times, road congestion and air quality are major considerations in assessing quality of life and can be negatively impacted if transportation infrastructure is not provided as required. At the same time, the costs of this infrastructure are challenging to local municipalities and their desire to maintain property taxes at levels that are affordable to residents. Accordingly, development in the Kanata West Business Park is proposed to pay for the costs of its servicing through such means as special area development charges.

The next step towards development of the Kanata West Business Park is preparation of the detailed concept and completion of the Carp River subwatershed study, now in progress. Regional staff are prepared to move forward on the concept plan in the fall of 2000, in consultation with the public, interest groups and area landowners, with a view to timely completion.

**DRAFT  
AMENDMENT 9**

**OFFICIAL PLAN (1997) OF THE  
REGIONAL MUNICIPALITY OF OTTAWA-CARLETON**

**PURPOSE**

The purpose of Amendment 9 is to support economic development in Ottawa-Carleton by designating additional land for the high technology industry. Rapid economic growth has created a need for additional land to accommodate expansion within the high technology industry, particularly in the western area of the region where the industry has become well-established. To meet the industry's needs, a total of approximately 555 gross ha (1370 acres) is proposed to be designated Business Park in the Region's Official Plan (1997), with accompanying policies to ensure the area meets current industry requirements with respect to transit service, high-quality design, outdoor recreation and other features. The expansion area includes approximately 40 gross ha for the Corel Centre, a national hockey league arena, and another 40 gross ha for an autopark and associated offices which has been approved previously by Regional Council.

**BASIS**

**Job Growth in Ottawa-Carleton**

While job growth is occurring at only a slightly higher rate than anticipated in the Region's Official Plan, it includes a rapidly increasing component within the high technology sector that must be accommodated. Employment in high technology industries in Ottawa-Carleton accounted for about half of the estimated job growth in the region between 1996 and 1999. Of the total 40,000 jobs created between 1996 and 1999, about 19,000 were in the high technology industry. Half of this growth occurred in the last year of the three-year period. Most of the growth (about 93%) occurred in large firms that are already established in the region, rather than by new firms entering the area.

The land required to support growth at the rate witnessed in the last three years is in short supply in the Kanata Urban Centre, where much of the current demand exists. About half of all business park land absorption in the region in the late 1990s occurred in Kanata. While there likely is sufficient, designated land within the region as a whole to accommodate employment growth in the high technology industry, a shortfall is expected west of the Rideau River if growth occurs at recent rates and continues at or surpasses levels that occurred between 1998 and 1999.

### **The Geography of High Technology in Ottawa-Carleton**

The high technology industry has established itself throughout Ottawa-Carleton in at least six nodes that includes the central area and the National Research Campus in the eastern area of the region. However, about 70% of total high technology employment is west of the Rideau River and about half the jobs are in the northwest part of the urban area, in an area which includes the Nortel Campus just inside the greenbelt and firms established in the business parks in the Kanata Urban Centre.

In addition to its tendency to locate in the western area of the region, high technology employment is further differentiated from total employment by two features: a greater tendency to locate in designated business parks and development at higher densities in these parks than traditionally observed. Whereas about 20% of the region's total employment was located within business parks in 1996 (the year of the most recent survey of employment in Ottawa-Carleton), about 60% of high technology employment is located in these parks. Other locations for high technology employment and other employment are not designated as Business Parks and include downtown, commercial areas along major roads, and primary and secondary employment centres.

High technology employment also occurs at higher densities than typically found in business parks, reflecting the head office and research and development functions of the industry in Ottawa-Carleton and, to a lesser extent, manufacturing activities. A review of site plans proposed for business parks in Kanata in 1999 and 2000 found an average employment density of about 135 jobs per net hectare compared with about 40 jobs per net hectare in parks where the traditional mix of uses includes retail, storage and warehouse functions, in addition to office uses.

### **Supply and Demand for Land Suitable for High Technology Development**

In 1999, the supply of vacant land in designated Business Parks in the urban area totalled about 1,900 net hectares. However, not all this land is suitable for high technology development. A survey of the industry's location preferences completed for the *Corel Centre Lands: Justification of Need* (2000) by the Corporate Research Group found that firms generally are seeking new sites close to their present location so as to minimize disruption to their employees and to permit shared use of corporate facilities such as meeting space and training facilities. Once this basic requirement is met, the firms surveyed saw a need for ample parking, expansion potential to accommodate the quick delivery times set for new facilities, access to fibre, support from a responsive landlord or developer, high design standards, and access to Highway 417. Other important factors include opportunity for outdoor recreation, good public transit, cost, and proximity to commercial services.

While most employees travel by car, the firms also want high quality transit for those employees who use it, since all employees are important to the firm. In manufacturing industries, where wages are lower than in other high technology sectors, transit use is high, reaching up to 40% in one example.

The high tech firms' requirements were used as criteria to evaluate the 1999 supply of vacant business park land for its suitability for high technology development. A total of about 600 net hectares were found to have potential to meet the industry's requirements, including a portion of land east of the Rideau River. In the 20-year horizon, it is assumed that the industry will move more to the south and east of the region than it has to date.



The projected demand for business park land assumes a high rate of job growth in the industry over the 20-year period, growing at a rate of 6.5% annually. Allocating about 60% of this growth to business parks developed at relatively high job densities suggests a potential shortfall of about 200 to 250 net ha of land “close to home” for the majority of high technology industries if a very high growth rate continues in the high technology industry

Thus, Official Plan Amendment 9 designates approximately 330 net ha of land for employment, not including land for the Corel Centre and an autopark at the interchange of Highway 417 and Palladium drive that is subject to site specific policies within the Plan. Amendment 9 also proposes policies which ensure that the area develops to meet the needs of the high technology industry: high quality design, good transit, opportunities for outdoor recreation, and access to commercial services.

### **The Proposed Kanata West Business Park**

Interest in the development potential of the land around the Corel Centre, a National Hockey League stadium adjacent to the Kanata Urban Centre, led to a Regional Council policy in the 1997 Regional Official Plan to undertake a study of the economic potential of the area. The study, *Economic Study of the Corel Centre Area* by Malone Given Parsons Ltd. and Delcan, was completed in 2000 and found that while most of the direct spin offs from the Corel Centre itself had been captured in development approvals already in place as a result of the Ontario Municipal Board decision, the interchange at Highway 417 supporting the centre had considerable unused potential. Furthermore, the study referred to a shortfall in the employment land supply in the Kanata Urban Centre which could be met in the area.

The supply of vacant business park land for the high technology industry was then examined in the study referred to above, the *Corel Centre Lands: Justification of Need* (2000) by the Corporate Research Group, which also looked more closely at the requirements of the high technology industry. Separate analyses were undertaken regarding the amount of development which could be supported by the existing interchange and infrastructure extensions to the area. Three options were tested: one focussing growth north of Highway 417, a second focussing growth south of Highway 417, and a third which focussed development on lands designated General Rural Area in the Region’s Official Plan and avoided all Agriculture Resource land. The proposed amendment boundaries reflect one of the general findings of this analysis: that growth balanced north and south of Highway 417 is the most efficient development pattern, yielding land for about 21,000 to 24,000 jobs at relatively high densities. Above these employment levels, traffic generated by the park exceeds the capacity of the roadway network.

About 190 ha north of Highway 417 in the expansion area is designated Agriculture Resource. The Provincial Policy on urban development states that urban expansions can occur on prime agriculture land only when it is demonstrated that non-agriculture land or agriculture land of lesser agriculture value is not available for the purpose. In this case, the analysis of the option that directed growth to the non-agriculture lands found that this area was more difficult and expensive to service than other options. Although these lands have good access to Highway 417, their location south of the highway does not maximize use of the interchange, which has access ramps north and south of the highway. This area also has less potential to lead to development of a prestige business park, given its proximity to a sanitary

landfill site to the northwest. Also, development would likely lead to the loss of an Environmental Feature designated in the Region's Official Plan.

Within the expansion area, there are no reasonable alternatives with lower priority agriculture lands within the prime agriculture area. An assessment of the agriculture resource by CH2M Gore & Storrie Limited in association with DBH Soil Services Inc. found that agriculture lands in the expansion area have a lower agriculture value than the other prime agriculture area further to the north. They are comparable in quality to the prime agriculture lands adjacent to the expansion area, to the south. Thus, there are no reasonable alternatives with lower priority agriculture lands in the prime agriculture areas.

The proposed expansion results in a change in designation of 209 ha of land designated as Agriculture Resource. This area includes about 83 ha where removal of topsoil and addition of fill decreased the LEAR rating of the land below the level indicating prime agriculture land. The agriculture resource assessment found that the expansion area and the area north and south of it are already heavily influenced by the presence of the urban area, as witnessed by absentee ownership, uncultivated land and absence of commercial livestock operations. Extension of the urban boundary will extend the area that experiences these pressures further to the north and south in the long term.

Proposed Amendment 9 removes a portion of an Environmental Feature designated on Schedule K in the Region's Official Plan east and west of the Second Line road allowance. The area was identified as an Environmental Feature because of the presence of regionally significant vegetation and flora. A review of the Environmental Feature boundary found that the area east of the road allowance contributes little to the ecological significance of the feature as a whole, although elements within it should be conserved. Field visits found poor representation of the significant vegetation east of the road allowance and fragmented habitat on both sides of the allowance. As well, there appears to be little hydrological connection between the two areas because a major drain within the road allowance separates them. Elements east of the road allowance with potential for conservation and protection can be identified through the concept planning for the area and through the Carp River sub-watershed study.

### **Developing a Prestige Business Park**

The Kanata West Business Park proposed in Amendment 9 is envisioned as a prestige office and light manufacturing environment suitable for the high technology industry and developed at relatively high employment densities. To achieve these intended employment densities, land intensive uses like golf courses will not be permitted. Proposed policies to guide future development envision development of a distinctly urban campus, centred around a service commercial core at the interchange that provides a focus for entertainment and leisure for park employees. The daily needs of park employees will be provided by commercial and retail services in selected locations throughout the park, although retail and commercial uses will be scaled to maintain the prestige nature of the area and ensure that the Kanata Town Centre develops as the retail and service commercial focus for the Kanata Urban Centre.

The land envelope is compact around the interchange, creating opportunities for quality transit service to the area. The Carp River, to the east of the expansion area, and several creeks within the area create opportunity for development of outdoor recreation for park employees and area residents. A well-designed system of on-road bicycle lanes and off-road recreational pathways will further support non-auto modes of travel.

The proposed amendment states the guiding principles to be respected in future development of the area and requires that these be implemented in a concept plan prepared in consultation with area landowners and other interested parties. The concept plan, which will set the direction for future subdivision and zoning applications, will be approved as a policy document by the new City of Ottawa Council or its designate rather than proceed as amendments to the three different local official plans that will remain in effect in 2001, the first year of the new City. Under the two-tier system of local government, new large areas slated for urban development typically are the subject of a Regional Official Plan Amendment, followed by a concept or secondary plan that provides the basis for a local Official Plan amendment, zoning and subdivision approvals. The proposed approach requires the concept plan but moves directly to zoning and subdivision, in order to expedite the approvals process under the new, one-tier City of Ottawa.

Through the concept plan, an appropriate interface with existing residential areas will be defined, using road layout, open space and other means to provide an appropriate separation. Additional studies will be required to identify appropriate uses for lands adjacent to a licensed quarry west of the study area, so as not to restrict future resource extraction.

The area can be serviced through extensions of existing piped infrastructure. However, no land can be developed within the expansion area until upgrades are made to both sanitary sewer and water services outside the expansion area to support the increased demand. Planning for transportation services to the expansion area assumes that all network improvements in the Region's Transportation Master Plan are in place by 2021. These improvements include development of a partial interchange at Castlefrank Drive and Highway 417 and development of Terry Fox Drive to four lanes from South March to Eagleson Road. Regional Council has requested information on the timing, cost and funding arrangements for infrastructure and will consider these issues at the same time as proposed Amendment 9.

Amendment 9 proposes that development in the area pay the costs of the necessary infrastructure, apart from infrastructure already approved in Table 6 in the Region's Official Plan. A special area development charge to pay for infrastructure will be calculated on the basis of the more detailed concept plan.

### **Development at the Corel Centre and Palladium Autopark**

In the immediate vicinity of Highway 417 and Huntmar Road, the Corel Centre occupies a 40 gross ha site in the southeast quadrant, and the proposed Palladium Autopark occupies a 40 gross ha site in the southwest quadrant. Proposed Amendment 9 designates these lands as Business Park, as shown on Schedule 2 of this amendment. However, the policies included in Amendment 9 are not to apply to these lands, since Council has already approved policies for these lands which direct the nature and extent of development which can occur. The exception is the provision for development to pay the costs of infrastructure in the area (policy 4.4.7), in which case the proposed Autopark is included in the area where development is to pay for infrastructure costs.

No change is proposed in the designation of the Corel Centre as a Major Community Facility or in policy 3.5.2.10 which sets guidelines for development at the Corel Centre, in keeping with the 1991

Ontario Municipal Board decision which permitted this development. Similarly, Regional Council has adopted policies for development of an automall, farmers' market and related offices at the Palladium Autopark site through Amendment 3 to the Regional Official Plan. These policies are currently under appeal (August 2000).

## **THE AMENDMENT**

1. Section 4.4 Business Parks is hereby amended by the addition of new policies 4.4.6, 4.4.7 and 4.4.8 following policy 4.4.5:

“6. In the Kanata West Business Park further require that development in Lot 1, part of lot 2, lot 3, and the south half of lot 4 Concession 1 in West Carleton (formerly the Township of Huntley) and part of lot 1, part of lot 2, lot 3, and part of lot 4 Concession 1 in Kanata (formerly the Township of March) respects the following criteria:

- a) Provision is made for relatively high densities of employment and opportunities for a range of parcel sizes in an attractive office and light manufacturing business park that meets the needs of the high technology industry;
- b) A high quality of urban design is achieved through road design guidelines and site planning standards for landscaping, signage, lighting, set-backs and other aspects of the development;
- c) Transportation demand management shall be supported and a high quality transit service shall be provided from the outset of development through requirements for building locations, roadway patterns and development density, while allowing for the phased implementation of a transit strategy leading to development of a transitway;
- d) Recreational pathways shall be provided to link Stittsville, Kanata and all areas of the park to facilitate walking and cycling and provide opportunity for outdoor recreation. Golf courses are not permitted within the area;
- e) Development shall be guided by the Carp River subwatershed study and the concept plan, plans of subdivision and site plans in the area shall include measures to maintain and enhance environmental features;
- f) Development shall only proceed through plan of subdivision which implements the concept plan;
- g) Subject to the concept plan referred to below and notwithstanding policy 4.4.2, retail and commercial services throughout the park shall be scaled to support the role of the Kanata Town Centre as the retail and commercial service core of the West Urban Centre by:
  - i) Permitting development of a retail, entertainment and commercial service core on the north side of Highway 417 at Huntmar Drive primarily to serve as a focal point for the park serving area employees; and
  - ii) Within the park, generally permit only those retail and commercial services and other non-residential uses required to meet the daily needs of employees.

7. The costs of infrastructure required to support development in the Kanata West Business Park (exclusive of infrastructure on Table 6 of the Plan) will be funded primarily by the development through such means as the *Municipal Act* Section 221, a special area development charge levied within the area and in the southwest quadrant of Highway 417 and Palladium Drive, defined as Part of Front half of Lot 2, Concession I, being part 3 on Plan 5R-14184, save and except parts 2, 3, and 4, 4R-10222, Township of West Carleton, or by other means exclusive of the property tax.

8. Notwithstanding section 3.2.10, which requires that a Local Official Plan amendment be prepared to guide development in areas with a substantial amount of vacant land, permit development in the Kanata West Business Park following approval by the City of Ottawa Council, or its designate, of a concept plan to guide zoning, subdivision and public expenditures in the area. The concept plan, developed in consultation with area landowners, other interested parties, and the public shall implement policy 4.4.6 and other policies of this Plan and determine:
- a) An overall pattern of development defined by major and minor roadways, natural features, and recreational corridors, which distributes development density and employment so as to achieve a total of 21,000 to 24,000 jobs;
  - b) Appropriate uses reflecting the needs of the high technology industry and its research, manufacturing and administration functions;
  - c) A strategy for providing transit to the area which may develop in phases beginning with transit priority measures and leading to construction of a transitway, and which will allow for connections to other portions of the urban area;
  - d) Detailed plans for the provision of piped services, transit and transportation infrastructure, a schedule for phasing development and infrastructure, and agreement regarding the apportionment of the cost of such facilities;
  - e) Design guidelines for lands adjacent to Highway 417 to ensure an attractive gateway is created between the rural and urban area;
  - f) For land within 450 m of the Limestone Resource Area in the northeast quadrant of Highway 417 and Carp Road, measures to ensure that the opportunity to extract aggregates will not be restricted by the proposed development;
  - g) An appropriate separation of established residential uses and new employment uses through such means as lot patterns and the location of roads and open spaces and measures to ensure that Stittsville neighbourhoods are protected from cut-through traffic in the short term and the long term;
  - h) Provisions for continuous, publicly-accessible open space and recreational pathways adjacent to the Carp River on the east and west banks, in keeping with policies elsewhere in this Plan;
  - i) Other studies as required in this Plan.”
2. Schedule A Rural Policy Plan is hereby amended by changing to urban area Lot 1, lot 2, lot 3, and the south half of lot 4 Concession 1 in West Carleton (formerly the Township of Huntley) and part of lot 1, part of lot 2, lot 3, and part of lot 4 Concession 1 in Kanata (formerly the Township of March) as shown on Schedule 1 attached.
3. Schedule B Urban Policy Plan is hereby amended by the addition of lands designated Business Park, as shown on Schedule 2 attached.
4. Schedule C1 Future Urban Regional Roads Plan is hereby amended by the addition of four proposed Regional Roads, as shown on Schedule 3 attached, namely an extension of Campeau Drive to the Palladium Drive interchange north of Highway 417; an extension of Huntmar Drive to Hazeldean

Road; an new road from the westerly ramps of the Palladium Drive Interchange south to Maple Grove Road; and a regional road generally in the right of way of Maple Grove Road.

5. Schedule C2 Urban Regional Roads Rights-of-Way Protection Policy Plan is hereby amended by the addition of a 40 m right of way protection for the Palladium Drive interchange, as shown on Schedule 4 attached. Schedule C2 is further amended with the addition of a 37.5 m right of way protection to Huntmar Drive and Maple Grove Road.

6. Schedule I Regional Open Space Network is hereby amended by the extension of a Recreational Pathway between the Carp River and Huntmar Road, as shown on Schedule 5 attached, and extension of a pathway from Maple Grove north along the west side of the Carp River Schedule I is further amended by the extension of the Entry Route designation west of the proposed expansion area to Regional Road 5, as shown on Schedule 5.

7. Schedule K Natural Environment System (Rural) is hereby amended by the deletion of a portion of an Environmental Feature east of the Second Line road allowance south of Highway 417, as shown on Schedule 6 attached.

**NOTE: SCHEDULES 1 TO 6 AND ANNEX B, HELD ON FILE WITH THE REGIONAL CLERK**

**Non-Residential  
Development Charges for  
Selected Municipalities in  
Ontario**

<b>Region/Municipality</b>	<b>Effective Date</b>	<b>Expiry Date</b>	<b>Charge per Square Foot</b>
<b>Halton</b>	1-Apr-00	31-Mar-01	
Retail			\$3.62
Other Non-Residential			\$2.41
<b>Sudbury</b>	1-Sep-99		No Charge
<b>York</b>	10-Jan-00	10-Jan-01	
Industrial/Office/ Institutional			\$1.75
Retail			\$2.80
<b>Haldimand-Norfolk</b>	1-Sep-99		No Charge
<b>Peel</b>	1-Aug-00	31-Jan-01	\$2.46
<b>Waterloo</b>	1-Jan-00		
City			\$2.12
Township			\$2.02
<b>Niagara</b>	1-Sep-00		\$1.30
<b>Hamilton-Wentworth</b>			
Hamilton			\$3.83
Dundas			\$5.78
Rest			\$3.52
<b>Durham</b>	1-Jul-00	1-Jul-01	\$1.00
<b>Markham</b>			
Industrial/Office/ Institutional			\$2.15
Retail			\$3.20
<b>Region of Ottawa-Carleton</b>			
Commercial/Institutional			\$1.90
Industrial			\$0.95
<b>Mississauga</b>			\$2.18
<b>Toronto</b>			No Charge

Note:

- 1) Halton's charge does not include Milton; this area has higher charges.
- 2) Markham charges listed are exclusive of area specific charges
- 3) Charges listed above for the various Regions represent upper tier charges only and do not include local municipal charges.



