



Staff Report

Planning & Building Services – Planning Division

Report To: COW - Operations, Planning and Building Services
Meeting Date: January 14, 2025
Report Number: PBS.25.001
Title: Information Report – Proposed Official Plan Amendment, Zoning By-Law Amendment, Draft Plan of Subdivision and Draft Plan of Condominium – 496857 Grey Road 2 (Hindsbrook)
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A. Recommendations

THAT Council receive Staff Report PBS.25.001, entitled “Information Report – Proposed Official Plan Amendment, Zoning By-Law Amendment, Draft Plan of Subdivision and Draft Plan of Condominium – 496857 Grey Road 2 (Hindsbrook)”.

B. Overview

This report provides a status summary of the review of applications filed by Homefield Communities to facilitate a proposed 376 unit residential development at 496857 Grey Road 2 in Thornbury/Clarksburg.

The related Official Plan Amendment, Zoning By-law Amendment, Draft Plan of Subdivision and Draft Plan of Condominium applications along with various proposal details and requests by the applicant of the Town are actively under review and, based on the issues identified to date, staff are not in a position to issue a recommendation at this time. The applicant has also requested additional time to address and respond to questions and issues raised through the Public Meeting and from circulation of the applications to the Town, County and commenting agencies.

Pursuant to the Planning Act, the applicant will be in a legal position to appeal lack of a decision on these applications after February 13, 2025. Town staff intend to seek resolution and or scoping of issues in advance of a future recommendation report. to Council.

C. Background

The subject development proposal seeks various approvals (Official Plan Amendment, Zoning By-law Amendment, Draft Plan of Subdivision, Draft Plan of Common Element Condominium) in support of a proposed 376 unit residential development at 496857 Grey Rd 2 in

Thornbury/Clarksburg. A more detailed summary of the proposal is included in Section 2 of the Background section below.

The background comments section is structured as follows:

- 1.0 Site and Surrounding Area.
- 2.0 General Proposal Summary
- 3.0 Applications
- 4.0 Public meeting summary

1.0 Site and Surrounding Area

This 37.7 HA property is generally located south and east of the intersection of Grey Rd 2 and Highway 26 at the edge of and inside the Thornbury Clarksburg primary settlement area. The property contains a single residential structure and outbuildings and is otherwise vacant.

Figure 1 Air Photo



The property is currently designated as Primary Settlement Area in the County Plan and is designated and zoned as Rural (RU) Hazard (H) and Special Agriculture in the Town Official Plan and Zoning By-law 2018-65. The bulk of the property sits directly adjacent to and inside the south-eastern boundary of the Thornbury Clarksburg primary settlement area. A small portion, designated and zoned Hazard and carrying a Niagara Escarpment Plan designation lies just outside the boundary.

Figure 2 Official Plan designation

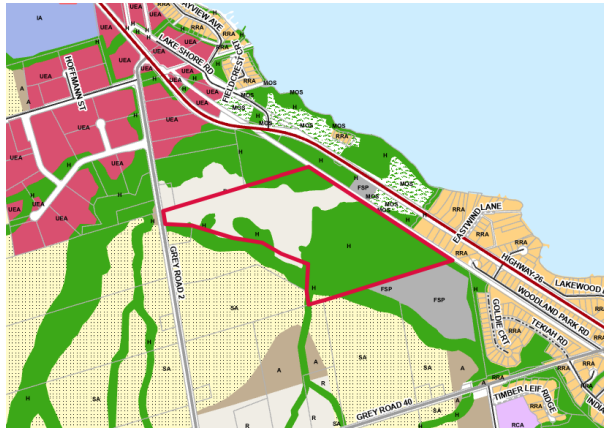
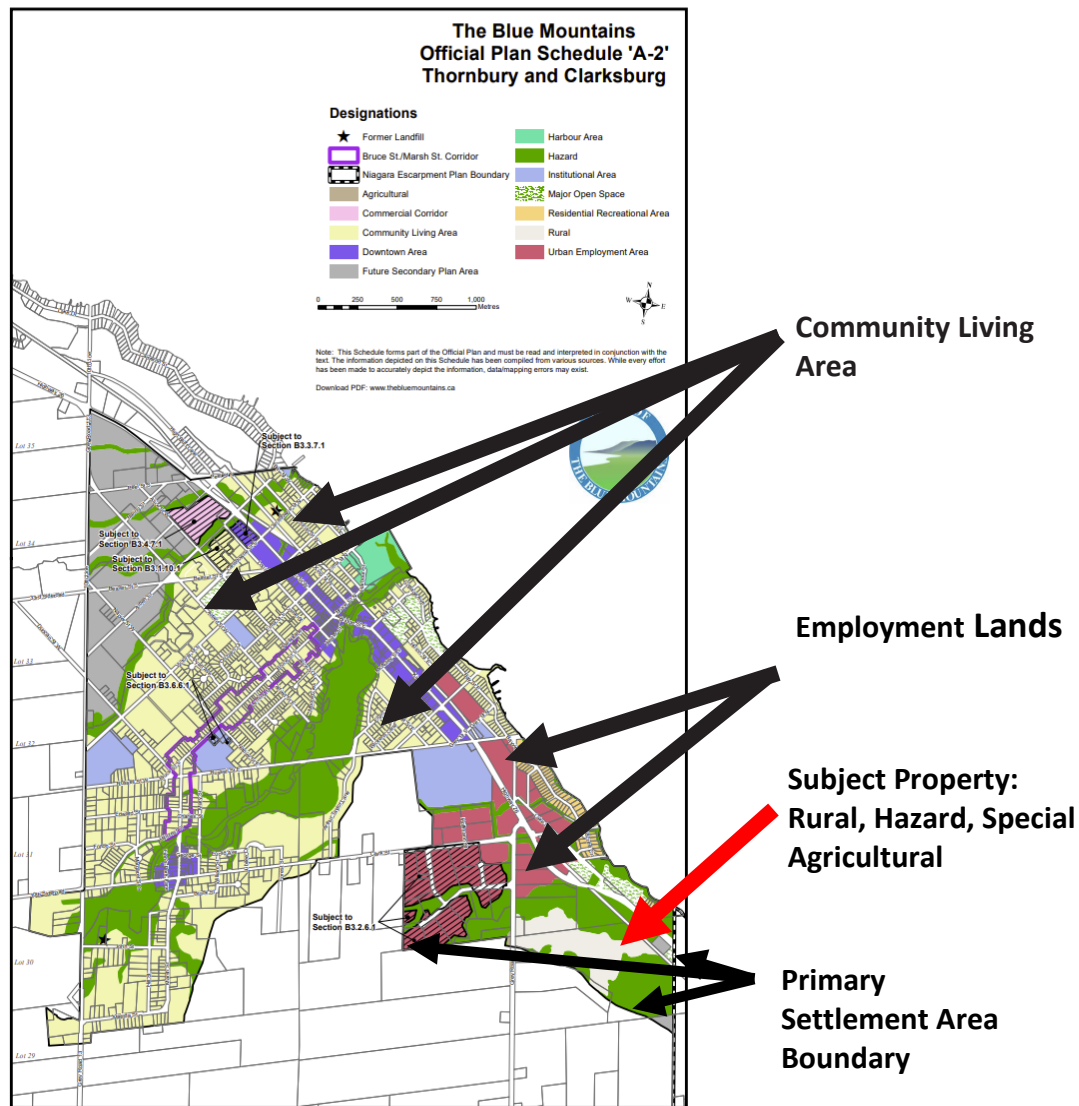


Figure 3 Zoning



Figure 4 Thornbury & Clarksburg Settlement Area



There are various environmental and site constraints that frame the immediate development potential of the subject lands including, but not limited to:

- A significant portion of the site is designated hazard due to flood plain and wetland areas.
- Wetlands and Woodlands including significant woodlands cover much of the site.
- A small section of Indian Brook, a cold water fishery, traverses the property in the north.
- A portion of the Georgian Trail owned by the Town abuts the full extent of the north/northeastern property boundary.
- A significant portion of the site is regulated by the Grey Sauble Conservation Authority.
- The property has a high water table.
- The property has access to only one relatively narrow public street frontage at Grey Rd 2 and is otherwise bound by the constraints noted above and also by private and public lands.
- Directly adjacent surrounding lands include properties owned by the Town of The Blue Mountains, Grey Sauble Conservation Authority and properties owned by 9 respective private land owners.

This property is not contiguous to the remainder of the residential primary settlement area and is physically and functionally isolated (see Figure 4) by Employment, Hazard, Recreation lands and non-urban lands. The lands are not currently serviced with existing infrastructure and are not fully included within the Town's water and wastewater master plans. Transit does not service these lands. The subject lands are the only lands in the settlement area that do not carry a development or future secondary plan designation. Instead, they retain a non-development Rural designation that only permits one single detached dwelling and a range of other non-urban uses.

Figure 5 Surrounding lands owned by Grey Sauble Conservation Authority



Surrounding land uses are as follows:

To the north:

- vacant lands owned by GSCA and designated in the Official Plan and zoned Hazard (H);
- a recreation vehicle and trailer campground designated in the Official Plan as Rural (R) and zoned Recreation (REC); and
- Georgian Trail.

Beyond to the north lies Highway 26, to the northwest a number of businesses on lands designated in the Official Plan as Employment and zoned Industrial (M1) and to the north and north east are lands designated Major Open Space, Hazard, Future Secondary Plan and Residential Recreation Area that are alternately vacant or contain single detached dwellings.

To the east:

- Georgian Trail;
- Privately owned vacant lands bound by Conservation Authority owned lands, HWY 26 and Town owned Georgian Trail and designated Future Secondary Plan and zoned Development (D) Zone;
- Single detached residential designated Residential Recreation Area and zoned Residential One (R1-1);
- Lands owned by the Conservation Authority;

Beyond to the east lies Highway 26 and lands that fall within the Residential Recreation designation.

To the south:

- Vacant lands outside the Thornbury/Clarksburg primary settlement area
- Designated Future Secondary Plan and Hazard lands and lands zoned Development (D) and Hazard.
- Farmed lands designated and zoned Special Agriculture.
- Acreages including single detached dwellings.

To the west:

- Farmed lands designated and zoned Special Agriculture and including Hazard lands and beyond lands outside of the primary settlement boundary.
- Vacant lands designated Employment lands and zoned with a site-specific recreational zone.

2.0 Applications

Town staff met the applicant and provided pre-consultation notes at two meetings on each of October 4, 2023 and June 12, 2024.

The following applications were deemed complete on October 16, 2024.

- Official Plan Amendment
- Zoning By-law Amendment
- Draft Plan of Subdivision
- Draft Plan of Condominium

These applications include draft plans of subdivision and condominium that fall under the jurisdiction of and require approval from Grey County.

The following materials were provided with the applications:

- | | |
|---|------------------------------|
| • Official Plan Amendment Application | • Natural Hazard Assessment |
| • Zoning By-law Amendment Application | • Environmental Impact Study |
| • Draft Plan of Subdivision Application | • Housing Needs Report |
| • Draft Plan of Condominium Application | • Urban Design Report |
| • Functional Servicing Report | • Landscape Analysis |

- Stage 1 and 2 Archaeological Assessments
- Transportation Impact Study
- Updated Geotech Report
- Hydrogeological Report
- Preliminary Stormwater Management Report
- Hydrogeological report
- Landscape Analysis
- Tree Inventory and Interim Protection Plan
- Planning Justification Report (contains concept plan, draft OPA, ZBA, condo and subdivision plans)
- Condominium Plan
- Subdivision Plan

Official Plan Amendment

The proposed Official Plan Amendment includes additional content setting out the applicants' proposed concept of public benefits and expectations as to how this development will be treated from a community housing, open space dedication and servicing perspective including the following:

In addition to the Policies of the Community Living Area Designation, these lands may be developed with a maximum density of 39 units per hectare resulting in a maximum number of 376 units.

Approval of this development is on the basis of providing of the following Public Benefits:

- Providing a minimum of 50% of the units meet the Attainable Housing accommodation criteria as defined by the Town's Community Improvement Plan dated January 2021*
- Dedication of Natural Heritage Features to a public body for the long term protection of Natural Heritage features as identified in the Environmental Impact Study.*
- Provisions of preferred service extensions to the site that will benefit the towns water and wastewater conveyance systems and accommodate future development.*

Based on providing the Public Benefit to the satisfaction of the Municipality, the subject lands shall be considered within Stage 4 of the Servicing Priorities with the approval of this Amendment.

The development of the lands subject to an Amendment to the Zoning By-law and execution of a Development Agreement.

Although the applicant has described their development as meeting the intent and direction of attainability as defined in the Housing within Reach Community Improvement Plan (CIP), the proposal does not meet the full set of criteria and they have advised that they are not seeking incentives through the CIP. However, as noted below, in Section 3, the applicant is targeting delivery of lower cost housing that references the required elements of the Town's definition of attainability.

The applicant has advised that:

Homefield Communities aims to deliver housing that will be attainable without the need for price control. Homes that meet the attainable housing cost thresholds through the use of land leases, unit size, and community density so they remain attainable indefinitely.

To further support the delivery of attainable housing the applicant has also requested various concessions described in further detail in Section 3 below.

Zoning By-law Amendment

The proposed Zoning By-law Amendment seeks creation of 6 new exception zones – 5 of which are set out below. The proposed Draft Plan of Subdivision seeks approval for the creation of 376 lots that coincide with the proposed units described in the development plan.

Table 1 – Applicant Proposed Site Specific Zoning

Standard	R2 provision	Standard Rowhouse			Back-to-back Rowhouse
		Type 1 / 1A	Type 2	Type 4	Type 3
Minimum lot area (sq. m.)	190 sq. M.	140 / 128	140	94	80.
Minimum lot frontage	6 m.	6.1 m	7.4 m	4.95 m	6.7 m
Minimum front yard	6 m	5.5 to garage 6.25 to dwelling	5.5 to garage 4.75 to dwelling	5.5	5.5 to garage 4.75 to dwelling
Minimum side yard	1.2 m*	1.2 m for end unit 0m for interior unit	1.2 m for end unit. 0m for interior unit	1.2 m for end unit. 0m for interior unit	1.2 m for end unit 0m for interior unit
Minimum exterior side yard	4 m	4 m	4m	4 m	3.5 m
Minimum rear yard	7.5 m	8 m / 6m	6 m	3.5 m	0 m
Maximum height	3 stories	3 stories	3 stories	3 stories	3 stories
Balcony and Step encroachment	1.5 into required yard.	Balcony 2 m into rear and Steps 1.75 m into front.	Balcony 2 metre into rear.	1 metre	Balcony 2 metres into front.

Draft Plan of Subdivision and Draft Plan of Condominium

A common elements condominium is proposed that includes the roads, open space and parks within the development envelope and appears intended to function in tandem with either or both of the proposed land lease and/or freehold condominium land holding concepts. Hazard lands are proposed to be created as separate blocks and do not form parts within the common element condominium. Dedication of the hazard lands to the Town or a third party is proposed.

3.0 General Proposal Summary

The applicant has completed a range of studies and submitted applications seeking to demonstrate the viability of a portion of the subject lands for residential development. The proposal requires the removal of some significant and other woodlands and some wetlands that are proposed to be relocated on non-developable lands on the same property. The remainder of the development is constrained by hazard conditions and natural heritage features.

The applicant's stated intent is to operate a land lease development where the buyer owns the unit, the developer/operator owns the land, and the buyer leases the land from the developer.

The applicant has stated that their intent is to price a minimum of 50% of units in the development (unit types 3 & 4 - the smallest of the 6 types of units proposed) such that the carrying costs comprised of mortgage, mortgage insurance, taxes, utilities and land lease costs will not exceed 30% of gross income for households earning \$150,000/yr (just under \$4000/month). These carrying costs cover ownership of the building only while the developer retains ownership of the land and leases the land and common elements to the homeowner. There are no proposed price controls and future pricing will remain subject to market pricing.

Table 2: Comparison of CIP attainability criteria and development proposal characteristics

CIP Definition of Attainability	Development proposal characteristics*
Attainable shall mean below or near market housing that is offered and maintained to remain within reach of the following for a set time period, regardless of market pressures	<ul style="list-style-type: none">• Market housing that based on market value will be below market housing elsewhere in Thornbury/Clarksburg• No price controls• 50% of housing to meet criteria remainder of housing to exceed attainable housing definition thresholds, however still may be under average market value for Thornbury/Clarksburg

<p>In the case of home ownership,</p> <ul style="list-style-type: none"> housing for which the purchase price results in annual accommodation costs which do not exceed 30% of the gross annual income for households within the income range of 50 – 130% of median income for the Town of The Blue Mountains. 	<p>Home ownership includes physical structure only and land is leased from landowner.</p> <ul style="list-style-type: none"> Median household income circa 2021 was \$100,000 Increased by rate of inflation to 2024 to \$115,923 Multiplied by 130% (the high end of the range cited in the CIP) resulting in targeted household income of \$150,699 Proposed carrying cost at 30% of gross income equals \$3767.49 including mortgage expenses, mortgage insurance, property taxes, monthly fees (land lease, condominium or otherwise) and utilities
<p>Annual household income information will be based upon the most recent Census of Canada statistics for the Town of The Blue Mountains and is updated at least every five years and may be updated more frequently in consultation with the Blue Mountains Attainable Housing Corporation.</p>	<p>See above</p>
<p>In the case of rental housing, housing which is provided defined as at least 20% below area median rent. Area median rent information will be based on the most recent Census of Canada statistics for the Town of The Blue Mountains and is updated at least every five years and may be updated more frequently in consultation with the Blue Mountains Attainable Housing Corporation.</p>	<p>Rental Housing is not proposed, however units may be available on the secondary rental market depending on land lease agreements.</p>
<p>Any eligible community improvement works that are administered a financial incentive under this Plan shall satisfy the definition of attainable.</p>	<p>No CIP incentives are being requested.</p>
<p>Further, at the sole discretion of Town Council, an alternative definition of attainable housing may be applied to an eligible application, provided the definition contained within this Plan and/or a proposed development that meets the eligibility criteria of this Plan, have received formal endorsement from The Blue Mountains Attainable Housing Corporation.</p>	<p>Current proposal does not meet definition of attainable housing within the CIP. In lieu of the Attainable Housing Corporation, Council may approve a revised definition for attainable housing, however this is not being requested.</p> <p>Additional proposal details are required to further define housing mix, product, address proposed freehold condominium and other matters.</p>

* Awaiting additional information on housing mix, details, rationale

To support the applications, the applicant is actively pursuing opportunities to partner with a third party to provide housing units as follows:

Homefield Communities is open to discussing the potential to supply affordable housing within the proposed development subject to collaborating with a suitable non-profit entity that will purchase, own and operate the affordable units and enable the supply of much-needed affordable rental units to the community. The POTLs associated with these units could also be sold to the collaborating entity, so land lease fees would not apply to the affordable units.

The ability of Homefield Communities to deliver affordable housing and the quantity of affordable units that can be provided will depend on other development outcomes. Most notably:

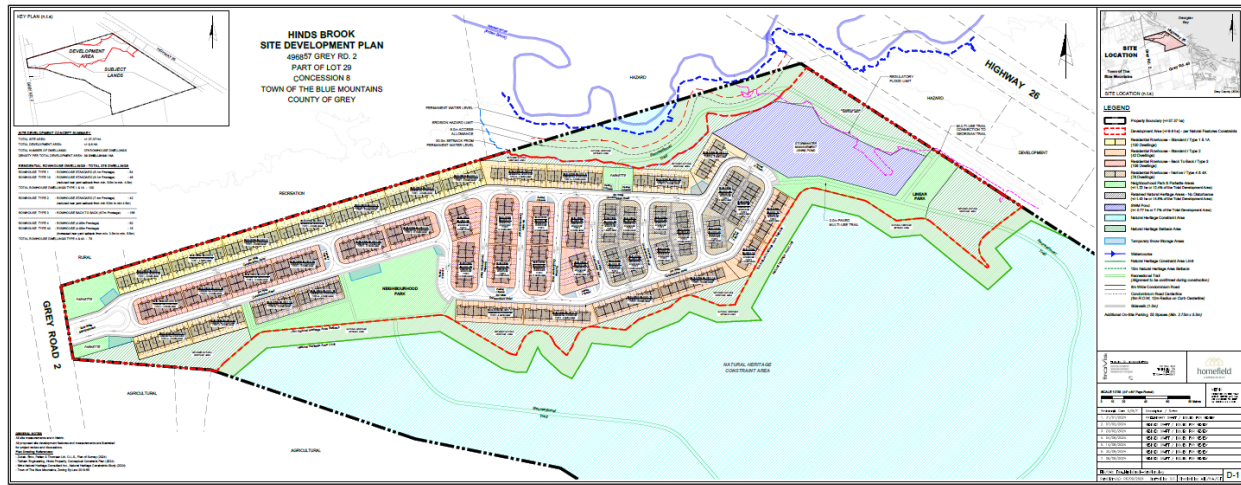
- 1) Project timelines, including approvals and servicing allocation.*
- 2) Servicing costs, which will vary widely depending on the servicing strategy employed by the development.*
- 3) Financial levers provided by TBM, Grey County, Province of Ontario and the federal government.*
- 4) Business structure with the collaborating entity.*

Town Staff continue to review the above requests against Town policy and Engineering Standards and will report back to Council on the above items, as well as the status of discussions on the third party affordable housing component.

The applications submitted generally seek approval to:

- Change the Official Plan designation of the subject lands from Rural, Hazard and Special Agriculture to Community Living Area, Hazard and Special Agriculture with site specific permissions for a maximum density of 39 units/HA resulting in a maximum of 376 rowhouse and back-to-back units and adopt “public benefits” and related implementation policies;
- Rezone the lands from Rural, Hazard and Special Agriculture to:
 - Introduce 6 sets of site specific and relaxed zoning standards to apply to the corresponding units depending on type;
 - Introduce brand new standards for back-to-back and rowhouse units;
 - Revise Hazard zone boundaries based on site specific study and confirmation; and
 - Assign Open Space zoning to the proposed park and amenity spaces;
- Subdivide and create lots for each of the proposed 376 rowhouse and back-to-back units and create private roads, a stormwater management facility, park or amenity areas and two hazard land blocks;
- Create a common elements condominium excluding hazard lands;
- Remove significant woodlands from the portion of the lands proposed for development.

Figure 6 Development Concept



The applicant has linked their development concept to a range of requests of the municipality which, among other things, include:

- Support the applicants' assessment of their conformity with the Town's Official Plan;
- Approve an Official Plan Amendment that applies the general provisions of the Community Living Designation with site specific provisions limited to the proposed 376 units and development density at 39 units/HA along with provisions that link the applicants' proposal to what they have termed "public benefits". The proposed "public benefits" state that a minimum 50% of the proposed housing mix is "attainable housing" defined by selected criteria within the Housing Within Reach Community Improvement Plan, dedicating hazard lands to the Town, provide servicing in accordance with the applicant's preferred servicing approach and reference to related implementation provisions.
- Approve relaxed zoning standards for all unit types including both targeted "attainable" units and all other units allowing smaller lots, smaller units, reduced unit widths, setbacks and related provisions that would allow more units on the subject site at a higher density than what would otherwise be permitted under standard zoning;
- Introduce back-to-back units into the Thornbury/ Clarksburg settlement area within the R2 rowhouse zoning category with additional relaxations whereas the Town does not currently identify them as a separate built form category and they are not a built form in the primary settlement area;
- Assign a definition of "attainable housing" based on the related criteria that appear in the Town's Housing Within Reach Community Improvement Program to a portion of the proposed development and create a link to this policy in the Official Plan Amendment whereas, as noted in Background Section 3, the applicant is not seeking incentives under the CIP but is seeking concessions from the Town and the proposed housing product does meet all of the criteria of the CIP definition of attainability;
- Approve a number of instruments for operation of a land lease (i.e. lot creation through draft plan of subdivision and holding amenities in a common element form) where this form of land ownership/controls does not appear to exist elsewhere in the province;

- Approve instruments that will provide flexibility to the developer by allowing them to either sell units as part of a land lease or sell units as a freehold condo where the scope of either land holding tenure is not defined and the applicant has otherwise stated an intent to operate the development as a land lease;
- All hazard, wetland and natural heritage lands are proposed to be dedicated to the Town or a third party and a private access recreational trail be constructed on these lands;
- Adopt the applicant's preferred servicing scenario which would require deviation from Engineering standards and Town practice and third party approvals to allow:
 - public ownership, maintenance and replacement of servicing within a private development;
 - non-standard construction of municipal infrastructure within an easement and without sufficient access and servicing standards rather than town owned blocks
 - tunneling under lands owned by the Conservation Authority by way of an easement, subject to compensation requirements, and increased maintenance and replacement costs;
- Request that a service easement across Conservation Authority lands be permitted to allow water and wastewater services in accordance with the applicants' preferred servicing scenario. GSCA staff have advised the following:

Preliminary consultation comments provided by GSCA Planning Division staff note that any easement would need to be discussed with the GSCA Board of Directors. These comments provided conditions under which GSCA would be open to a discussion regarding an easement including (in summary):

 1. *Directionally drilling with no trees disturbed or removed;*
 2. *A plan for addressing future maintenance/repair without disturbing GSCA property or removing trees;*
 3. *Services through GSCA property are owned and operated by the Town of the Blue Mountains, if the Town accepts the services;*
 4. *Acceptable compensation is provided.*

The applicant has made no formal request to the Board of Directors of GSCA to discuss any easement/block. It is further noted that proposing conditions for discussion is not any guarantee of acceptance of a proposal. The Board of Directors of GSCA would be the approval authority for any easement over GSCA lands.
 - Remove vegetation from 4.83 HA of the proposed development area woodlands and provide 3629 replacement stems on hazard lands which generally represents a 1:1 compensation rate as proposed by the applicant's ecologist; and
 - Reduce setbacks from Natural Heritage features from 30m to 15m in some areas as supported by an Environmental Impact Study.

4.0 Public Meeting

A public meeting was held on November 26, 2024. Town staff and the applicant provided presentations. The Town received 10 written submissions and 7 members of the public spoke during the proceedings. A summary list of comments includes the following:

This document can be made available in other accessible formats as soon as practicable and upon request

- Concerns with Official Plan policy conflicts
- Property isolation from main services and living area
- Traffic concerns including: entrance location, speed, sight line, distances, hill, conflicts with split access/egress location, TIS trip generation assumptions, suitability of existing infrastructure to accommodate traffic, requirement for left turn lane and other traffic controls
- Concerns regarding flooding, sewer back-ups, need for sump pumps, flooding or leaking basements and impacts on insurability
- Concerns regarding secondary access/egress
- Loss of tree canopy
- Density and character – seeking lower density, more green space
- Impacts on Indian Brook, water quality
- General concerns regarding impact on natural environment, wildlife, ecosystems
- Lack of local school capacity
- Conflicts with agricultural uses
- Conflict with Master Transportation Plan Thornbury By-pass Options
- Concerns regarding impact on adjacent campground
- Impact on Georgian Trail, connection to Georgian Trail, buffering of Georgian Trail, Enhancement plantings
- High water table conditions and impact on viability of development and insurability
- Slope conditions
- Build basement units and consider smaller units to appeal to wider range of need.
- Comments on how to control “attainability”, control lease costs
- Comments on targeted household income and expanding the range of household income targeted
- Comments on increasing the range of household incomes targeted in housing mix

5.0 Circulation

The applications were circulated for comment to Town departments, Grey County, Grey Sauble Conservation Authority, Ministry of Transportation, indigenous communities, utilities and others. Peer reviews have been completed by the Town for community design matters and the County is carrying out a legal review of the proposed form of the draft plan of subdivision and condominium applications. Detailed comments have been provided to the applicant on each of November 22, 2024, November 26, 2024 and December 10, 2024. There is an extensive list of issues under review at this time that is captured within Town and agency comments.

D. Analysis

The applicant has completed supporting studies that appear to prove viable development potential on a property that sits within the primary settlement area boundary but, unlike other properties in the Thornbury Clarksburg area, has not yet been designated for development/re-development. The property retains Rural, Hazard and Special Agriculture Official Plan and Zoning designations. The property is relatively isolated from the remainder of the residential primary settlement area and does not benefit from the efficiencies offered by existing infrastructure services, transit support or proximity to services and amenities. Further, the

property's various environmental and other constraints and characteristics and the applicant's various requests require a greater degree of planning than a conventional development proposal. Notably, a number of surrounding properties carry Future Secondary Plan requirements which is likely due, in part, to recognition of the complexity of related planning issues, many of which also impact the subject property.

The applicant's proposal provides potential for a greater variety of housing in the primary settlement area with a housing mix that offers a substantial number of the proposed units at lower cost for a targeted segment of the market. Further, the development requires the extension of services and inclusion of these lands within the Town's water and wastewater master plans which could present further development opportunities at this end of Thornbury/Clarksburg, in particular, on nearby existing employment lands. It is noted that the Town currently has limited serviced employment lands.

The applicant's proposal also triggers a number of issues across review agencies with respect to the community plan, infrastructure and servicing, environmental planning and management and the applicant has also sought concessions for which the direct or indirect financial costs to the Town, policy implications and required approvals for which additional information is required and have not yet been fully assessed.

The applications and the development continue to be in active review but a recommendation report cannot be advanced at this time. The applicant has also requested additional time to respond to issues raised by the Town and agencies.

If Council does not make a decision to either approve or refuse the applications within 120 days of the application being deemed complete the applicant then has a right to appeal to the Ontario Land Tribunal for a decision. The date after which an appeal may be filed for lack of decision is February 13, 2024. If Council refuses the applications then the applicant also has a right of appeal to the Ontario Land Tribunal. If an appeal is filed, the matter is removed from the decision-making authority of elected local Council and placed in the hands of a provincially appointed adjudicator and the disposition of the application occurs entirely within the jurisdiction of the Tribunal. The province has eliminated third party rights of appeal on Planning Act applications; however, in the event of an appeal by the applicant, third parties may seek standing in the appeal proceedings.

This report advises Council of staff intent to engage in further review of these applications with the applicant beyond the 120 day appeal deadline in order to continue to seek resolution and/or further scope the issues in concert with a future recommendation report and/or any appeal that may be filed. Staff and the applicant continue to work together to resolve the identified issues and to refine the project and submitted details as needed so that a more detailed recommendation report can be provided in the future for Council consideration.

This proposal includes both requested Planning Act approvals and a combination of other requests by the applicant for various concessions to support the proposed development that are set out in the Background Section 3. These additional requests generally relate to:

- Planning act approvals
- municipal and third party land owner approvals;
- municipal servicing standards;
- municipal water and wastewater allocation; and
- municipal policy with respect to local housing needs.

1.1 Issue Summary

A summary of the issues under review at this time include, among other things:

- Extension to services within Thornbury Clarksburg and impacts on existing water and wastewater master plans;
- Proposed servicing approach relative to public/private ownership, municipal costs, timing for allocation, consistency with Town policies and required further approvals;
- Review of Provincial Policy direction, County and Town Official Plan policy, The Blue Mountains Zoning By-law 2018-65, as well as other supporting documents such as Housing Needs Assessment, Community Improvement Plan, Town Engineering Standards, Water and Sewage Allocation Policy (pending);
- Proposed site specific Official Plan provisions including matters such as the proposed form of the OPA and contents, consideration of appropriate density, built form, location of property within the primary settlement area, community character, proposed development principles, site constraints and characteristics, related issues and mitigation;
- Land use compatibility relative to surrounding land uses and community character;
- Density of development relative to location, proposed community design, built form, land needs and urban structure;
- Community design, built form and other provisions as further supported by the Town's third party peer reviewer;
- Functional issues with respect to overall proposed development and unit design/lot parameters;
- Proposed zoning relaxations across all unit types and introduction of back-to-back units;
- Housing mix, applicant's use of attainability terminology, local housing needs, municipal interests, costs and ownership models;
- Parameters of proposed affordable housing component;
- Proposed dedication of hazard land and policy considerations, access, risk management, maintenance and other costs under municipal, third party, or condominium ownership;
- Proposed form of land division and common elements relative to land lease model;
- Proposed combination of land lease and freehold condominium in legal structure of approvals (currently under review through Grey County Peer Review) and implications for future land use controls and proposed outcomes;
- Further review of environmental issues with respect to site constraints and characteristics, hazards, natural heritage, ownership, impacts, land use, compensation and restoration, Indian Brook, geotechnical and hydrogeological conditions, stormwater management issues etc.
- Connections to Georgian Trail, design, buffering, management of impacts

- Proposed private recreational trail on hazard lands, ownership (public or private), maintenance, access
- Connectivity of the proposed development to the community and public access
- Water/wastewater availability, allocation, conveyance, design standards, proposed options and related matters and policy issues
- Landowner issues including proposal for municipal services to cross Conservation Authority owned lands rather than private lands, gain required approvals, address concerns regarding trespass on and impacts to adjacent properties
- Municipal servicing issues including applicant requests, municipal standards, policy issues, costs, maintenance requirements, technical and ownership issues
- Stormwater management design, high water table conditions, flood plain
- Required transportation improvements within County and MTO jurisdictions and consideration of the implications of the Town's Transportation Master Plan which includes preliminary design for an option for a Thornbury By-pass across the subject lands. While comments have been received from Grey County Transportation, we continue to wait for detailed Ministry of Transportation comments.
- School capacity limitations
- Public comments

1.2 Issue Discussion

The following provides some additional discussion on key issues.

1.2.1 Development context and detail: This proposal is for a higher density development and different housing mix compared to existing built form and community density in Thornbury/ Clarksburg on a property currently designated Rural and sits in an isolated location within and at the periphery of the primary settlement surrounded by numerous environmental constraints, employment lands and a rural/agricultural area. At the proposed development density and unit occupancy of 2.1 people per unit (2021 Canada Census) this development would, if approved and fully built out, result in an additional roughly 790 residents which translates into an 8% increase to the Town's overall 2021 census population and a 22% increase to the Thornbury Clarksburg 2021 census population. In order to appropriately consider the application, Staff continue to review the applications and considerations for a revised OPA to also include land use policies that reflect site characteristics and constraints, the measures proposed to address various issues and the principles and provisions that guide development details and design. This could also include matters such as those related to connectivity, community design, sustainability, environment, and housing mix. Staff are reviewing the public benefits and implementation policy from the site specific OPA and recommended that, where there is merit, these matters may be better addressed separately and/or secured through other approval requests, agreements, and processes.

1.2.2 Housing mix and local housing needs: The applicant has indicated that their proposed housing mix and lower cost housing options as meeting the criteria associated with the definition of attainability set out in the Town's housing related community improvement

program whereas the applicant has provided an alternate description of proposed outcomes. This is described in detail in the Background Section 3. In summary:

- Market value of 50% of the units will support the attainable definition in the CIP;
- no price controls are contemplated;
- the applicant is not seeking incentives offered by the CIP;
- the proposal targets lower cost housing with carrying costs of 30% of gross household income to the highest end of the household income range at 130% of 2021 median income adjusted to 2024 inflation or \$150,699 and seeks to provide 50% of the housing within this framework – specifically lot and unit controlled unit types 3 & 4.
- the applicant has made a number of requests and is seeking a range of concessions as noted in Background Section 3.

Further understanding of the relationship of requested concessions and provisions associated with this proposed

As further noted below, the proposal contemplates both a freehold condominium and a land lease where it is understood that the land lease underpins the lower housing costs for that portion of the development. It is unclear how the freehold condominium will be implemented in the context of any development approvals. Additional information on land ownership and controls has been requested to better understand the implications of housing costs on land lease/condo and freehold/condo lots and the impacts that may result from units that switch from one ownership model to the other, and if there are potential issues that may arise from the ratio of land lease to freehold units in the model.

1.2.3 Clarity on implementation, ownership and composition: The applicant has indicated their intent to operate a land lease model. Currently the applicant is seeking approvals that would allow for either or both of a freehold condominium and/or land lease without a clear indication of how this would impact the final product mix and legal structure of the proposed development. The applicant is also seeking an approach to land division for a land lease that does not appear to have been applied before in the province. Additional information has been requested on intent, details of implementation, details of why the proposed approach has been taken, how the development would be legally structured. There are various questions (legal, financial, engineering and planning) about the intended development outcome and ongoing management with respect to community design, targeted housing mix, and long term costs. The Town and County have an active legal peer review in process to further inform Council on this issue. Staff will review the results from that peer review will provide Council with a summary in a future report to Council.

1.2.4 Affordable housing proposal: The applicant has raised the potential to sell lots and units within the development to a third party to be offered as affordable housing as noted in Background Section 3 and again described below:

Homefield Communities is open to discussing the potential to supply affordable housing within the proposed development subject to collaborating with a suitable non-profit entity that will purchase, own and operate the affordable units and enable the supply of much-needed

affordable rental units to the community. The POTLs associated with these units could also be sold to the collaborating entity, so land lease fees would not apply to the affordable units.

The ability of Homefield Communities to deliver affordable housing and the quantity of affordable units that can be provided will depend on other development outcomes. Most notably:

- 1) Project timelines, including approvals and servicing allocation.*
- 2) Servicing costs, which will vary widely depending on the servicing strategy employed by the development.*
- 3) Financial levers provided by TBM, Grey County, Province of Ontario and the federal government.*
- 4) Business structure with the collaborating entity.*

This proposal assumes land use approvals which, as noted throughout this report, requires further review. Similarly, the applicants' proposal seeks other approvals including deviations from Town Engineering standards, changes to Town maintenance practices, Town and Conservation Authority land owner approvals. The costs of these requests and associated financial benefits to the applicant relative to the total benefit to the Town that may be reflected in this development remains under review. Staff will continue to seek to work with the applicant to better understand the cost/benefit of the final project form.

1.2.5 Density, zoning relaxations and built form: The proposed community design presents a higher housing density relative to the property location and characteristics and introduces smaller lots and units. The Town has been seeking a wider range of housing types and price points that appear to be supported by this development which includes smaller lots and units. Included in the proposal are requests for zoning relaxations across the development and new built form in the form of proposed back-to-back units. The requested zoning relaxations, the resultant density and design and proposed built form requires further technical, design and policy review to assess the functional viability of the development.

1.2.6 Third party permissions and land ownership issues: Included among the applicant's requests are Town support for a servicing scenario that includes a request for Conservation Authority approval for an easement for municipal services to cross Grey Sauble Conservation Authority owned lands. GSCA will not permit open trench excavation over their lands to facilitate such a proposal. Approval from the Conservation Authority board would be required and would only be advanced for consideration on the basis of tunneling, an acceptable servicing/maintenance plan, Town ownership of services, and compensation.

Tunneling presents additional costs and risks to the municipality because the related infrastructure (pipes etc.) cannot be accessed for repair and replacement under normal town practice and must otherwise be capped and new services installed in the event of failure or eventual replacement. At the same there are other servicing scenarios that are being explored for making servicing connections.

The Conservation Authority owns adjacent lands and has a number of concerns regarding potential impacts and mitigation to protect their property. Surrounding property owners have expressed similar concerns with respect to impacts on their properties.

1.2.7 Requested approval of applicant's preferred servicing concept: The applicant's preferred servicing scenario is referenced in their proposed OPA which includes a "public benefits" policy regarding servicing. The approach includes a number of components:

- Public water and wastewater servicing through the development including carriage of public services by way of an easement rather than by way of Town owned block.
- Direct connection of wastewater servicing to Highway 26 versus extension of services along Grey Road 2 that may also facilitate future development in the area
- Extension of municipally owned water and wastewater services under the Conservation Authority lands by way of tunneling to connect to water services and the Lakeshore Pump station.
- Provision of water services to eastern boundary of site (if services private) to maintain fire fighting flows.
- Required Lakeshore Pump Station improvements.

There are some additional financial costs to the municipality for delivering this proposed approach and the public servicing of a private development runs counter to Town Engineering Standards and policy. No costing of the applicant's preferred approach has been completed and measured against the Town's preferred approach which would see water services extended south down Grey Rd 2 from Clark St and wastewater travel north along Grey Rd 2 to HWY 26 where it would travel east and across HWY 26 to the Lakeshore Pump Station. In any case, improvement to the Lakeshore Pump Station would be required. The proposed servicing approach also requires third party, Conservation Authority, approval for an easement to allow tunneled installation of pipes across their land.

The applicant has also requested preferred servicing allocation to the subject lands. The Town is in the midst of adopting an allocation policy which will likely form the basis upon which water and wastewater servicing allocation is considered for this site. Current Town practice is that allocation is only obtained at time of execution of a Development Agreement (Subdivision and/or Site Plan / Condominium Agreement). At time of Draft Plan Approval servicing reservation must be confirmed and allocation only provided when a development will be imminently proceeding. The pending Water and Sewage Allocation Policy approval process is undertaken under the provisions of the Municipal Act and is separate from Planning Act approvals.

1.2.8 Land Dedication: The applicant has proposed dedication of hazard lands to the Town. The subject lands are significantly constrained by environmentally sensitive wetlands, floodplain, significant woodlands and are the location of proposed compensation for wetlands and woodlands in the area of the subject development. Their usability for recreation purposes is considered minimal at this time. The applicant has proposed a trail system through these lands that, would be owned by the Town or a third party and be accessible only from private

lands. The applicant is not agreeable at this time to public access easements to provide access through the development.

The Town is reviewing the potential usability of the subject lands for recreational and other purposes, cost estimates of maintenance requirements and risks associated with potential ownership. Alternately discussions are ongoing with the Conservation Authority or other non-profit groups that may have an interest in ownership of these lands for long term environmental protection. Any restoration plantings and wetlands that may occur on these lands would be subject to design, planting, monitoring and other related ongoing management and costs. Similarly, a trail on these lands would require confirmation of viability, design, construction and maintenance costs. Public or third party ownership of a trail system subject to related management, maintenance and other ownership costs and exclusively available to a private development raises concerns and would not be acceptable to the Town.

1.2.9 Environmental/Hazard: There are numerous environmental features on this property that need to be addressed through the further review of the assorted supporting technical studies. It is noted that Grey County provides the required expertise in Natural Heritage review and have indicated that they are generally satisfied with the proposed development, environmental protections and that the proposed compensation works meet minimum requirements.

Next Steps

Town staff will:

- continue to seek cooperative resolution of issues with the applicant;
- seek and provide further comment and clarification from/to the applicant,
- seek resolution of outstanding issues as generally summarized above,
- consider the merit and/or appropriate mechanisms for considering applicant requests,
- Identify options for Council consideration where resolution of issues has been unsuccessful; and
- timing for a final recommendation report.

The list of issues in 1.1 and 1.2 above provides a general tracking summary in addition to specific details addressed within Town, County and agency review.

E. Strategic Priorities

The content of this report is consistent with the following strategic priorities:

1. Communication and Engagement

We will enhance communications and engagement between Town Staff, Town residents and stakeholders

2. Organizational Excellence

We will continually seek out ways to improve the internal organization of Town Staff and the management of Town assets.

3. Community

We will protect and enhance the community feel and the character of the Town, while ensuring the responsible use of resources and restoration of nature.

4. Quality of Life

We will foster a high quality of life for full-time and part-time residents of all ages and stages, while welcoming visitors.

F. Environmental Impacts

There are no direct environmental impacts resulting from the preparation of this report.

The subject property carries a number of environmental constraints. The applicant seeks to establish development potential on the subject lands through various studies that are subject to expert review including an Environmental Impact Study, Tree Inventory and Protection Plan, Functional Servicing Report, Stormwater Management Plan, Hydrogeological and Geotechnical Studies. Some of the key elements of the proposal that require review to address potential impacts are:

- Removal of portions of woodland and wetlands areas and their restoration on the same property outside of the development area on designated hazard lands;
- Treatment of on-site stormwater and discharge into Indian Brook;
- Management of hazard lands and natural heritage areas by the proposed condominium corporation or conveyance to the Town or third party
- Management of flood plain and high water table conditions
- Management of potential off-site impacts resulting from the proposed residential use and density
- Consideration of the auto dependent character of the proposed development.

G. Financial Impacts

There are no direct financial impacts resulting from the preparation of this report.

The proposal as submitted by the applicant includes various financial elements that require further review and consideration. Where approved, matters related to Planning Act applications are typically addressed through the instruments of approval such as agreements, securities, transfers and cash payments. In this case, the applicant has requested acceptance by the Town of development scenarios and land dedications that carry additional financial costs to the Town that would otherwise be borne by the developer or future condominium corporation. The applicant has linked these and other requests as set out in this report to the proposed housing mix. The total value of these requests is unknown at this time and the impact of agreeing or not agreeing to these financial requests is unknown.

H. In Consultation With

Shawn Postma, Manager of Community Planning
Adam Smith, Director of Planning and Building Services

I. Public Engagement

The topic of this Staff Report has been the subject of a Public Meeting and/or Public Information Centre which took place on November 26 2024. Those who provided comments at the Public Meeting and/or Public Information Centre, including anyone who has asked to receive notice regarding this matter, has been provided notice of this Staff Report.

Any comments regarding this report should be submitted to Adam Farr,
planning@thebluemountains.ca

J. Attached

Respectfully submitted,

Adam Farr
Senior Planner

For more information, please contact:
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Report Approval Details

Document Title:	PBS.25.001 Information Report - Proposed OPA, ZBA, Draft Plan of Sub and Condo - 496857 Grey Road 2 (Hindsbrook).docx
Attachments:	
Final Approval Date:	Jan 8, 2025

This report and all of its attachments were approved and signed as outlined below:

Shawn Postma - Jan 8, 2025 - 10:46 AM

Adam Smith - Jan 8, 2025 - 11:09 AM