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Item No. 11.1.3

**Halifax Regional Council
December 8, 2009**

TO: Mayor Kelly and Members of Regional Council

SUBMITTED BY:

A handwritten signature in cursive script, appearing to read "Dan English".

Dan English, Chief Administrative Officer

A handwritten signature in cursive script, appearing to read "Wayne Anstey".

Wayne Anstey, Deputy Chief Administrative Officer - Operations

DATE: November 20, 2009

Subject: Case 01331 - Armco Lands, Hines Road, Eastern Passage

ORIGIN:

This report originates from a request by Terrain Group on behalf of Armco Capital Inc. to develop 66 acres of land on Hines Road in Eastern Passage.

RECOMMENDATION

It is recommended that Regional Council:

1. Authorize staff to initiate the process to consider amending the Municipal Planning Strategy and Land Use By-law for Eastern Passage/Cow Bay to redesignate and rezone approximately 66 acres of land of Armco Capital located on Hines Road from Industrial to Residential, and to review residential development policies for the serviced area, and
2. Direct staff to follow the public participation program approved by Council in February 1997.

BACKGROUND

Armco Capital owns approximately 66 acres of land on Hines Road in Eastern Passage, adjacent to the south end of Shearwater as shown on Map 1. The owner's intention is to develop the site for mixed residential purposes, including multiple unit dwellings.

The Site:

Land Use Policy: The Eastern Passage/Cow Bay MPS currently places an Industrial future land use designation on the lands, as shown on Map 1. This designation is intended to foster continued and expanded industrial activity. The designation does not provide any rezoning or development agreement options for residential uses. However, an R-1 zone was applied to part of the site which does allow as of right development for single unit housing.

Regional Plan

Context: The lands are designated as Urban Settlement under the Regional MPS.

Zoning: Three zones have been applied to the site, as shown on Map 2. The R-1 (Single Unit Dwelling) Zone is applied to the western portion of the site, and the I-1 (Light Industry) zone to the eastern section. An EC (Environmental Conservation) zone applies to about 50% of the site.

Extent of Wetland: The EC zone was applied in 1998, based on aerial photos and topographic mapping, and is intended to provide permanent protection. There is no mechanism to allow infilling and development of lands with this zone. However, Policy EP-2 allows Community Council to adjust the EC zone subject to a detailed site study showing that HRM has not fully delineated a wetland. In this case, a detailed evaluation of the site shows that the extent of the wetland was not fully delineated on the western side, therefore the EC zone should be extended. At the same time, some areas zoned as wetland on the eastern side are in fact wetland, and can be rezoned.

Servicing: The lands are located entirely within the municipal service boundary.

Road Access: The lands appear to have street frontage of over 1500' on Hines Road. However, the street as it runs along the northern boundary of Armco's lands is in fact owned by DND as part of Shearwater. As it is not technically a public road, subdivision cannot take place. HRM is in discussions with DND about the possibility of taking the road over. Otherwise, there is only frontage of about 70' on the HRM-owned section of Hines Road, with another 60 feet on the dead end of Howard Avenue.

Existing Land Use Policy:

Armco Capital intends to develop non-wetland areas of the site for residential use. This may include multiple unit dwellings. Policy UR-8 establishes that multi unit projects may only be considered through the development agreement process. This policy, included as Attachment 1, also limits the number of units within a building to 12.

DISCUSSION

Justification to Amend an MPS:

There are two matters for Council to consider in assessing a request to amend the MPS. These are whether there has been a change in circumstance since the Plan was adopted, or if there is a significantly different situation than what the Plan anticipated. The applicant has put forward two reasons:

Extent of Industrial Designation:

The industrial policies and designations currently in place date to the adoption of the first Eastern Passage MPS in 1982. At that time the expectation was that the demand for industrial land would grow, leading to the further acquisition and consolidation of smaller parcels. The industrial designation was applied to Armco's lands, and an industrial zone placed on a portion of the site. Residential zoning was also applied to some of the lands, as well as the surrounding neighbourhoods, but the assumption was that significant industrial growth would occur. These residential areas were seen to be in transition and it was anticipated they ultimately would be displaced. Although about 12 acres of Armco's lands are zoned R-1 which would permit as of right single unit housing, there is no ability in the industrial designation to allow other housing forms.

Another factor to consider is the wetland which has now been delineated on the Armco site. This 35+ acre stream-fed wetland, now protected by HRM, takes up over half the site. The effect is to essentially create isolated development parcels at the periphery of the protected area. Such parcels have little to no utility for industrial use.

Given both demand trends and the utility of the useable portions of the site, staff feel that circumstances have changed so as to warrant a review of the application of the industrial designation to Armco Capital's lands.

Limitations on Multiple Unit Dwellings:

Since adoption of the first community plan for the area in 1982, a 12 unit per building limit has been in place. Since that time, there has never been a formal proposal to build an apartment/condo building under Policy UR-8. There have been, however, numerous inquiries by property owners and developers. The feedback received is consistently to the effect that it is not economical to have only 12 units in one building.

Economically, the construction of new, small apartment buildings is seldom viable. They offer little return given the high per unit land, construction and operating costs. From a design perspective, the building form for so few units would be a walk up with external hallways, or a single storey motel-type structure. The marketability, and quality, of such projects would be questionable. From an urban design perspective such buildings would not serve to enhance an area.

At the time the plan was adopted, the demographics of Eastern Passage reflected a very young population. However, significant changes in the age structure are underway. The table shows how Eastern Passage has been aging on the whole. While there is still a strong market for homes for younger families, this data strongly indicates that demand for different housing forms will increase. This will be driven in large part by those 55 years of age and over, who less frequently want a single unit home. At this time, there are no condominium or apartment projects available in the local market. The sole exception is a condominium townhouse development near Quigley's Corner.

Table 1 - Population and Ageing, Eastern Passage

Year	Total Population	Population 50 and Older
1991	8,863	15.2%
1996	9,572	15.7%
2001	10,338	18.7%
2006	11,017	22.1%
2011 Estimate	11,700	25%

One goal of the MPS is to provide a range of housing forms to accommodate various groups. Based on current demographic trends, the current policy regarding multiple unit dwellings has had the effect of excluding a large and growing segment of the population from the community. Therefore, a review of the multiple unit policy is warranted as it applies to all of the plan area.

Other Residential Policies:

Should the site be redesignated to Residential, Council will be required to rezone the site. Council's options in considering zones are varied and range from the R-1 to the CDD zones. Or, Council could create a new land use policy and development framework that is specific to this site. As the relevant policies for these options have all been in place since 1992, amendments to update these MPS provisions may be warranted as well.

Conclusion:

Staff supports the applicant's rationale that both the extent of the industrial designation and the multiple unit dwelling policy are in need of review. Circumstances relative to the demand for industrial land and a changing population structure have changed since 1992. In addition, other MPS policies which may be relevant to development of this site should be considered.

BUDGET IMPLICATIONS

The HRM costs associated with processing this planning application can be accommodated within the operating budget for C310.

FINANCIAL MANAGEMENT POLICIES/BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating Reserves, as well as any relevant legislation.

ALTERNATIVES

1. Council may choose to initiate the MPS amendment process as stated in this report. This is the recommended course of action.
2. Council may choose not to initiate the MPS amendment process. A decision not to amend the MPS cannot be appealed. This alternative is not recommended, as staff feels that there is merit in considering the requested amendments to the MPS.

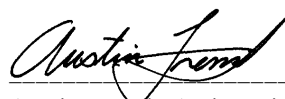
ATTACHMENTS

- Map 1: Generalized Future Land Use
Map 2: Zoning
Attachment 1 Policy UR-8 Regarding Multiple Unit Dwellings

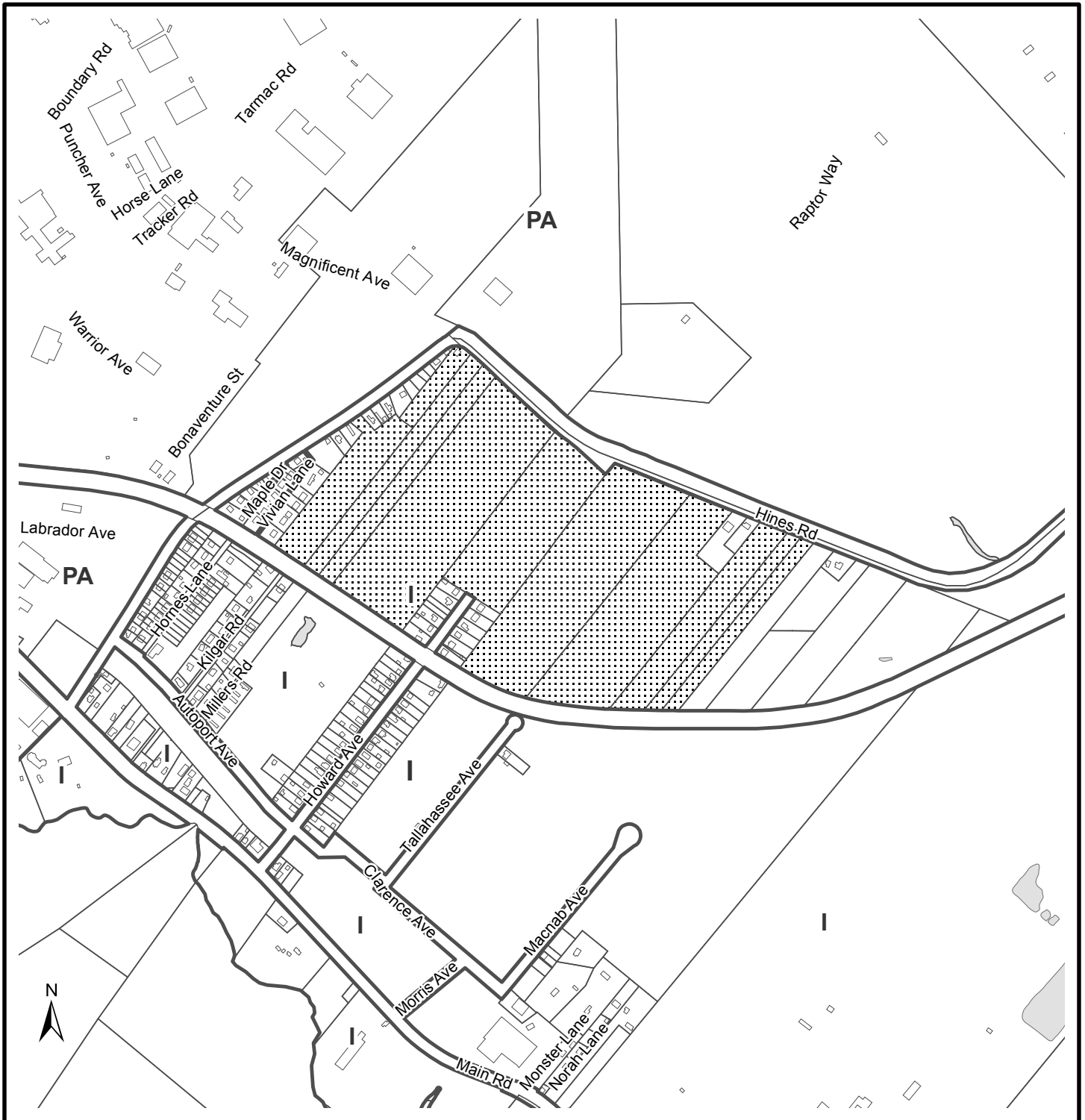
Additional copies of this report, and information on its status, can be obtained by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Mitch Dickey, Planner, Community Development, 490-5719

Report Approved by:




Austin French, Acting Director of Community Development



Map 1 - Generalized Future Land Use



 Subject Lands

Designation

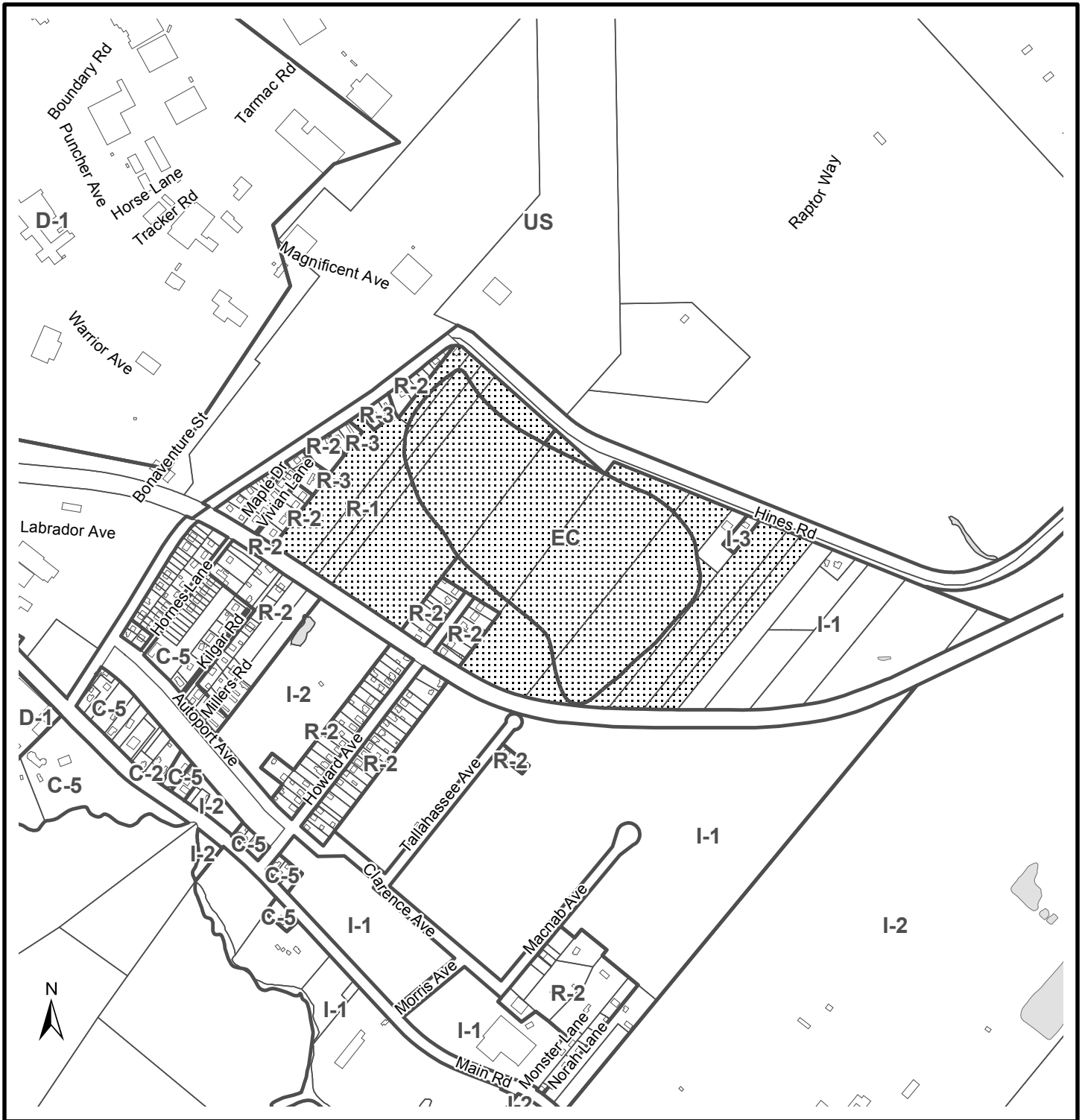
I Industrial
PA Plan Amendment




This map is an unofficial reproduction of a portion of the Generalized Future Land Use Map for the Eastern Passage/ Cow Bay Plan Area.

HRM does not guarantee the accuracy of any representation on this plan.

Eastern Passage/Cow Bay Plan Area



Map 2 - Location and Zoning

 Subject Lands

 Notification Area

Eastern Passage/Cow Bay Plan Area

Zone

- R-1 Single Unit Dwelling
- R-2 Two Unit Dwelling
- R-3 Mobile Dwelling
- C-2 General Business
- C-5 Mixed Use
- I-1 Light Industry
- I-2 General Industry
- I-3 Local Service
- D-1 DND
- EC Environmental Conservation
- US Urban Settlement



This map is an unofficial reproduction of a portion of the Zoning Map for the Eastern Passage/Cow Bay Plan Area.

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Attachment 1
Existing Policy Regarding Multiple Unit Dwellings

UR-8 Notwithstanding Policy UR-2, it shall be the intention of Council to consider permitting multiple unit dwellings within the Urban Residential Designation which are of a small scale and in keeping with the low density character of the surrounding area, according to the development agreement provisions of the Planning Act. In considering such agreements, Council shall have regard to the following:

- (a) that the maximum number of dwelling units shall not exceed twelve (12);
- (b) the adequacy of separation distances from low density residential developments;
- (c) that the height, bulk, lot coverage and appearance of any building is compatible with adjacent land uses;
- (d) that site design features, including landscaping, amenity areas, parking areas and driveways are of an adequate size and design to address potential impacts on adjacent development and to provide for the needs of residents of the development;
- (e) that municipal central services are available and capable of supporting the development;
- (f) that appropriate controls are established to address environmental concerns, including stormwater controls based on a report from the appropriate municipal, provincial or federal government authority;
- (g) that the development has direct access to a minor or major collector road as defined on Map 3 - Transportation;
- (h) the impact on traffic circulation and, in particular, the adequacy of sighting distances and entrances and exits to the site;
- (i) the general maintenance of the development; and
- (j) the provisions of Policy IM-11.