

## Staff Report 2019-0131

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Meeting Date: September 17, 2019

Subject: Proposed Official Plan and Zoning By-law Amendment Applications, Millcroft Inn, 55 John Street North, Alton, Ward 1

Submitted By: Stephanie McVittie, Senior Development Planner, Development - West

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### RECOMMENDATION

That the By-law attached as Schedule “D” to Staff Report 2019-0131 be enacted to adopt Official Plan Amendment No. 254 to redesignate a portion of the subject lands from Environmental Policy Area and Rural Lands to Rural Economic Development Area to permit a hotel, conference centre and restaurant on the lands; and,

That, in accordance with Section 34(17) of the *Planning Act*, no further notice is required to be provided on the proposed Zoning By-law Amendment; and,

That the By-law attached as Schedule “E” to Staff Report 2019-0131 be enacted to amend Comprehensive Zoning By-law 2006-50, as amended, as per Table 1 of Staff Report 2019-0131 to permit a hotel including spa, cabins, conference facilities, and associated accessory uses; and,

That applications for minor variances for the lands as identified in Schedule ‘A’ attached to Staff Report 2019-0131, be permitted prior to the second anniversary of the passing of any implementing Zoning By-law Amendment, pursuant to Section 45(1.4) of the *Planning Act*.

### REPORT HIGHLIGHTS

- Official Plan Amendment (POPA 17-03) and Zoning By-law Amendment (RZ 17-14) applications were submitted by Glen Schnarr & Associates Inc. on behalf of Lais Hotel Properties Limited on December 21, 2017 and were deemed ‘complete’ by staff on February 7, 2018.
- The applications were submitted to support an expansion to the existing Millcroft Inn and Conference Centre to include an additional 68 guest suites (increasing the total number of guest suites to 121), approximately 673 m<sup>2</sup> (7,248 ft<sup>2</sup>) of additional floor area dedicated to meeting, dining and banquet facilities associated with the conference centre (total addition size is 3,135 m<sup>2</sup> (33,748 ft<sup>2</sup>)), a reconfigured internal driveway/circulation system as well as a new visitor parking area and upgrades to the existing wastewater disposal system.
- The Official Plan Amendment application proposes to re-designate a portion of the subject property from Environmental Policy Area and Rural Lands to a site-specific Rural Economic Development Area to permit a hotel, conference centre and restaurant.
- The Zoning By-law Amendment application proposes to rezone a portion of the lands to Rural (A2), Environmental Policy Area 2 (EPA2), Rural Exception 620 (A2-

620), Village Commercial Exception 619 – Environmental Policy Area (CV-619-E) and Village Commercial Exception 619 (CV-619) in Zoning By-law 2006-50, as amended, and includes site-specific permitted uses and zone standards to permit the proposed development, consistent with the Official Plan.

- A statutory Public Meeting was held on May 1, 2018 in accordance with the requirements of the *Planning Act*.
- The proposed amendments are consistent with Provincial policies and conform to Provincial, Regional and local planning policy documents.
- Planning staff recommends that Council approve the draft Official Plan Amendment and enact the draft Zoning By-law Amendment, attached as Schedules “D” and “E”, of this report.

## **DISCUSSION**

The purpose of this Report is to recommend that Council approve the proposed Official Plan Amendment and enact the proposed Zoning By-law amendment to allow for an expansion to the Millcroft Inn in the Village of Alton.

### **Subject Lands**

The subject property is located in the northwest corner of the Village of Alton, north of John Street North, Bridge Street and Credit Street, west of Main Street (Regional Road 136). See Schedule ‘A’ – Location Map. The subject property is approximately 36 hectares (89 acres) in area and has frontage on John Street North, with a municipal address of 55 John Street North, Alton. The property also has access onto Bridge Street and Credit Street which provide administrative and maintenance access to the site. There is a Regional water tower located on Regional lands, in the north-west corner of the property. The subject property contains a number of historic buildings which include the existing Millcroft Inn and conference centre uses, and associated administrative and maintenance functions. The facility specifically consists of 53 guest rooms (including cabins), a restaurant, café, conference/meeting rooms, a spa and fitness facilities. The northern portion of the subject property is outside of the existing developed area and contains a wooded area and cleared fields. Along the southern portion of the site, Shaws Creek crosses the property. Existing uses surrounding the subject property consist of detached residential and village commercial uses to the south and southeast and vacant woodland areas to the east, west and north (see Schedule ‘B’ – Aerial Photo).

### **Proposed Development**

On December 21, 2017, the Town received Official Plan Amendment (POPA 17-03) and Zoning By-law Amendment (RZ 17-14) applications from Glen Schnarr & Associates Inc. on behalf of Millcroft Inn and Spa (Vintage Hotels/Lais Hotel Properties Limited) for the subject lands. The applications were deemed complete on February 7, 2018.

The proposed development consists of an expansion to the existing Millcroft Inn and Conference Centre to include an additional 68 guest suites and approximately 673 m<sup>2</sup>

(7,248 ft<sup>2</sup>) of additional floor area dedicated to meeting, dining and banquet facilities associated with the conference centre. Upon completion of the addition, there will be 121 guest rooms available. The total gross floor area for the overall expansion area is 3,135 m<sup>2</sup> (33,748 ft<sup>2</sup>). In addition, the proposed development will include a reconfigured internal driveway/circulation system as well as a new visitor parking area and upgrades to the existing wastewater disposal system (see Schedule 'C' – Concept Plan).

The Official Plan Amendment application (POPA 17-03) proposes to re-designate a portion of the subject property from the existing Environmental Policy Area and Rural Lands designations to a Rural Economic Development Area designation to permit a hotel, conference centre and restaurant.

The Zoning By-law Amendment application (RZ 17-14) is proposing to rezone a portion of the lands as per Table 1 below. The By-law includes site-specific permitted uses and zone standards to permit the proposed development. Some existing zones on the property will remain unchanged.

*Table 1: Proposed Zones*

<b>Existing Zones (Zoning By-law 87-250 and Zoning By-law 2006-50, as amended)</b>	<b>Proposed Zones (Zoning By-law 2006-50, as amended)</b>
<ul style="list-style-type: none"> <li>• Rural (A2) in Zoning By-law 2006-50, as amended</li> <li>• Environmental Policy Area 2 (EPA2) in Zoning By-law 2006-50, as amended</li> <li>• Village Commercial Exception 262 (CV-262) in Zoning By-law 2006-50, as amended</li> <li>• Village Commercial Exception 262 – Environmental Policy Area (CV-262-E) in Zoning By-law 2006-50, as amended</li> <li>• Village Commercial Exception 277 (CV-277) in Zoning By-law 2006-50, as amended</li> <li>• Rural Residential (RR) in Zoning By-law 2006-50, as amended</li> <li>• Rural – Floodplain (A2-F) by Zoning By-law 87-250 as amended</li> </ul>	<ul style="list-style-type: none"> <li>• Rural (A2)</li> <li>• Environmental Policy Area 2 (EPA2)</li> <li>• Rural – Exception 620 (A2-620)</li> <li>• Village Commercial Exception 619 (CV-619)</li> <li>• Village Commercial Exception 619 – Environmental Policy Area (CV-619-E)</li> <li>• Rural Residential (RR)</li> </ul>

*Hotel vs. Country Inn*

The Official Plan Amendment application, as originally submitted, proposed to permit a 'Country Inn' (among other uses), while the related Zoning By-law Amendment, as originally submitted, proposed to permit a 'Hotel' (among other uses) and did not reference a 'Country Inn'.

Through a review of the application, staff has suggested that the use is more similar to that of a 'Hotel'. The applicant has provided information to support their opinion and the Town recognizes that there are no definitions for either 'Country Inn' or 'Hotel' within the Official Plan. Staff's opinion is that the use is best described as a 'Hotel'. When reviewing permitted uses in the Zoning By-law, the interpretation has been and continues to be "the term which most closely resembles" the use applies. The proposed Official Plan and Zoning By-law Amendment documents reflect this position.

The use of a portion of the property was first identified as a 'Resort Inn' (undefined term) in 1976, with standards that permitted no less than 16 rooms and no more than 20 rooms. In a separate area of the property, the by-law also permitted no more than 24 rooms in the existing stone mill (which did not form part of the "Resort Inn"). The total number of guest rooms for the property was limited to 44 rooms.

In Zoning By-law 87-250, the term 'Resort Inn' ceased to exist and that portion of the property was identified as a 'Lodge', defined as a "premises with at least five guest rooms or cabins, that caters to the public and may include accessory services such as restaurants, meeting facilities, recreation facilities, banquet facilities and accommodation for staff." The zoning also restricted the number of rooms for the 'Lodge' lands with a minimum of 16 and a maximum of 20 rooms. Again, in a separate area of the property, the by-law permitted no more than 24 rooms in the existing stone mill (which did not form part of the 'Lodge'). Finally, the By-law also permitted no more than 10 rooms in the zone that applied to the Wards-Dods-Millcroft House. The total number of guest rooms for the property was limited to 54 rooms.

There are no definitions of 'Resort Inn', 'Lodge' or 'Country Inn' in Zoning By-law 2006-50, as amended. There is an existing definition for a 'Hotel' which is described as "a premises in which temporary lodging or sleeping accommodation are provided to the public and may include accessory services such as restaurants, meeting facilities, recreation facilities, convention, banquet facilities and staff accommodations." The difference between the definition of 'Lodge' in By-law 87-250 and 'Hotel' in Zoning By-law 2006-50, as amended, is that the definition of 'Lodge' requires at least 5 guest rooms and may include cabins, whereas a 'Hotel' does not specify a minimum number of rooms, or cabins, but permits convention activities. It is important to note that neither definition identifies a special land area where the use may be permitted.

As the Town's Official Plan recognizes a 'Country Inn' and 'Hotel' separately, the intent is that the uses are distinct. If the Town were to support the Official Plan Amendment application as originally submitted, the Zoning By-law Amendment would also need to identify a use of a 'Country Inn', and the Town would need to create a definition of a 'Country Inn' as one does not currently exist.

In creating definitions, the Town looks to other documents and also by-laws from other municipalities. In doing so, the Town's definition of 'Country Inn' in the Development Charges By-law contains a range of rooms: a minimum of 4 rooms and maximum of 29 rooms. Zoning By-laws in other municipalities generally define 'Country Inn' with a range of rooms (generally between 3 and 10 rooms in size), and in some cases the definition required the operator to live in the same building (similar to a Bed and Breakfast). Definitions do not necessarily specify whether the use is an urban or rural use. Due to the definitions of 'Country Inn', staff remains of the opinion that the use, as proposed with a total of 121 rooms does not qualify as a 'Country Inn' and that in creating a definition of a 'Country Inn', recognizing the scale of the use as a defined term would potentially be too broad and would set a precedent for the scale of future Country Inn's. An in-depth review is required to determine an appropriate definition and standards for a 'Country Inn'.

This report, its recommendations and all associated appendices are made on the basis that the Millcroft Inn is recognized as a 'Hotel' in the configuration, scale and functionality as proposed in the supporting documents.

### **Planning Review**

Documents that have been considered by the Town in its review of the proposed applications include the Provincial Policy Statement, 2014, the Growth Plan for the Greater Golden Horseshoe, 2017, the Greenbelt Plan, 2017, the Region of Peel Official Plan, the Town of Caledon Official Plan, Comprehensive Zoning By-law 2006-50 and Comprehensive Zoning By-law 87-250. Supporting technical studies and reports as well as comments and recommendations provided by internal departments, external review agencies and the public also informed the review of these applications.

#### Provincial Policy Statement, 2014 (PPS, 2014)

The PPS, 2014 contains policy direction for the efficient use of land to support sustainable, strong, livable, healthy and resilient communities while protecting the environment, public health and safety and facilitating growth.

The historic Millcroft Inn is situated on a property which is partially within a settlement area (Village of Alton) and partially within the rural area of Caledon. Although the PPS, 2014 directs growth to settlement areas as per Section 1.1.3.1, Sections 1.1.5.3 and 1.1.5.4 also provides for recreational, tourism and other economic development opportunities within the rural area provided that the development is compatible with the rural landscape. The proposed amendments seek to promote the existing use while also permitting an

expansion of the development and modernizing the applicable zoning for the property. The proposed development will be located in an underutilized area of the property, benefiting from existing municipal servicing and upgrading the private servicing on site (Section 1.6.6). The development seeks to encourage a sense of place, leveraging the existing historic, cultural and natural assets of the area (Section 1.7). The applicant has completed the required Archaeological Assessments which have been accepted by Town staff. In accordance with Section 2.1, the development is also sited to respect the appropriate buffers of the Natural Heritage System and environmental features on site, as supported by the environmental work submitted with the applications. A satisfactory high-level hydrogeological study was submitted to support the water quality and quantity policies contained in Section 2.2. The proposed development will contribute economically through additional tourism revenue and increased local employment opportunities. The proposed amendments are consistent with the Provincial Policy Statement, 2014.

### Provincial Plans

#### *Growth Plan for the Greater Golden Horseshoe, 2017*

The Growth Plan, in conforming to the PPS, 2014, contains similar, although refined, policy direction to the PPS, 2014. The Growth Plan also directs development to settlement areas (Section 2.2.1) and through Section 2.2.9.1, encourages municipalities to plan for a variety of cultural and economic opportunities within rural settlement areas. Sections 2.2.9.3 and 2.2.9.4 provide further direction on development outside of settlement areas and states that it may be permitted on rural lands for, among other items, resource-based recreational uses. This should be limited to tourism-related and recreational uses which are compatible with the scale, character and capacity of the resource and the surrounding rural landscape, and may include: commercial uses to serve the needs of visitors; and where appropriate, resource-based recreational dwellings for seasonal accommodation. The plan contains policy direction on preserving water quality and quantity (Section 3.2.6) as well as hydrologic features (Section 4.2.2).

Section 4.2.3 of the Growth Plan states that outside of settlement areas, development or site alteration is not permitted in key natural heritage features that are part of the Natural Heritage System or in key hydrologic features. The same section contains an exception for expansions to existing buildings and structures, accessory structures and uses, subject to the demonstration that the use does not expand into the key hydrologic feature or key natural heritage feature or vegetative protection zone unless there is no other alternative, in which case any expansion will be limited in scope and kept within close geographical proximity to the existing structure.

#### *Greenbelt Plan, 2017*

The Greenbelt Plan, in conforming to the PPS, 2014, contains similar, although refined, policy direction to the PPS, 2014 and, for the purpose of review of these applications, almost identical policies to the Growth Plan. The portion of the property outside of the

settlement area is located within the Protected Countryside area and some of those lands are also within the Natural Heritage system of the Plan. The Greenbelt Plan contains policies which supports agriculture, protects natural heritage and water resource systems and provides for a diverse range of economic and social activities associated with rural communities, agriculture, tourism and recreation uses (Section 1.2.1). Section 3.1.4.1 of the Plan states that rural lands are to support and provide the primary locations for a range of recreational, tourism, and resource-based commercial/industrial uses. They may also contain other uses which, in recent times, would be directed to settlements areas but are recognized as existing uses and allowed to continue and expand. Furthermore, Section 4.1.1 states that proposals for non-agricultural uses must demonstrate that the use and type of servicing proposed is appropriate, and that there are no negative impacts to the key natural heritage features or key hydrologic features or their functions, biodiversity or connectivity.

Section 3.2 of the Greenbelt Plan contains policies related to the natural system. Section 3.2.2.3 applies to lands within the Natural Heritage System and indicates that new development or site alteration shall demonstrate that there are no negative impacts on features or their functions, that connectivity shall be maintained or enhanced, that removal of features should be avoided, and provides specific maximum areas permitted for developable area and impervious surfaces. The Plan also requires that where new development or site alteration is proposed within 120 metres of a key natural heritage feature, a natural heritage evaluation to identify a vegetation protection zone of a sufficient size (in accordance with the policy) is required, which is to be maintained as natural self-sustaining vegetation.

Section 4.5.1 of the Greenbelt Plan states that expansions are permitted to existing buildings and structures, accessory structures and uses, and conversions of legally existing uses which bring the use more into conformity with the Plan. These expansions are permitted subject to the demonstration that new municipal services are not required and that the use does not expand into the key hydrologic feature or key natural heritage feature or vegetative protection zone unless there is no other alternative, in which case any expansion will be limited in scope and kept within close geographical proximity to the existing structure.

*Growth Plan and Greenbelt Plan Conformity Analysis*

As described above, the Millcroft Inn is situated on a property which is partially within a settlement area (Village of Alton) and partially within the rural area of Caledon. The existing tourism use seeks to encourage a sense of place, leveraging the existing historic, cultural and natural assets of the area, while continuing to recognize the scale, character and capacity of the surrounding rural and environmental landscape.

The proposed development is considered to be an expansion of an existing use occurring on the property. There are existing uses/buildings/facilities on the site today which extend

outside of the settlement boundary (spa building, septic fields, etc.). The proposed development will be adjacent to a natural heritage feature and the proposed parking area will be located within the vegetation protection zone of that feature. The proposal will leverage existing municipal services. In support of the amendments, an initial hydrogeological study was submitted to support conformity with the water quality and quantity policies, to demonstrate that there will be no negative impacts. The results of the study are satisfactory. A more detailed hydrogeological study and additional supporting documentation will be required through the Site Plan Application process.

In support of the application, the applicant submitted an Environmental Impact Assessment which demonstrates that the proposed development will not expand into key natural heritage or hydrologic features and that the proposed rehabilitation for the encroachment into the vegetation protection zone will create a more favourable buffer environment than what currently exists. The applicant has indicated that given the confined nature of the development site resulting from the presence of the natural heritage system and also in an attempt to minimize site impacts, an encroachment into the vegetation protection zone of some required parking and access is required. The applicant has demonstrated, through the supporting material, that the maximum impervious and developable area policies of the Greenbelt Plan are satisfied. Furthermore, as technical advisors, the Credit Valley Conservation authority has indicated that they have no concerns with the proposed encroachments.

The proposed amendments conform to and are consistent with the Growth Plan and Greenbelt Plan.

#### Region of Peel Official Plan

The Region of Peel Official Plan designates the subject property within the Rural System on Schedule “D”, Regional Structure. In addition to containing policies related to the Greenbelt Plan (Section 2.2.10), water quality and quantity (Section 3.4) and the Growth Plan (Section 5.3), through Section 5.4.2.5, the Region’s Official Plan also provides for specific policies directing area municipalities to include more detailed objectives and policies for the Rural System in the local municipal official plans. Section 5.4.2.6 of the Regional Official Plan is to ensure that development is consistent with the Provincial plans, Regional Official Plan and local municipal official plans. The Rural Settlement policies (Sections 5.4.5 and 5.4.6) look to preserve and enhance the distinct character, cultural attributes and historical heritage of the rural area and provide for opportunities for economic development in the rural area. The Region has confirmed that there is sufficient Regional water services to support the proposed development and has also advised that there are no concerns with the proposed applications. Accordingly, the amendments conform to the Regional Official Plan.

### Town of Caledon Official Plan

The Town of Caledon Official Plan designates the southern portion of the subject property within the Alton Village settlement area and designates the lands along with the river as Environmental Policy Area (within the settlement area). The northern portion of the site is outside of this boundary and designated as Rural Lands and Environmental Policy Area on Schedule 'A', Town of Caledon Land Use Plan.

A portion of the lands are also designated as Greenbelt Plan, Natural Heritage System on Schedule 'S' (The Greenbelt in Caledon). As per the Environmental Impact Assessment submitted in support of the application, the proposed development does not seek to expand the existing use into lands within this designation. The Town's Official Plan contains policies for lands within the Greenbelt Plan. The applicable policies have been reviewed and are discussed above in the Greenbelt Plan section of this report.

### *Settlement Area (Village of Alton)*

Section 5.10.5.2.3 of the Town's Official Plan indicates that within Villages, residential uses are the predominant land use, but also recognizes that Village Commercial uses may be permitted in accordance with the policies of the Plan. Permitted Village Commercial uses include a limited range of services to the travelling public and also include, on a limited scale, general and highway commercial uses, including tourist accommodations (Sections 5.4.8.1, 5.4.8.2 and 5.4.5.1).

The Official Plan Amendment does not apply to lands within the Settlement Area. The proposed Zoning By-law looks to consolidate zones, accurately define uses and recognize previously approved zone standards and minor variances. The uses proposed within the Settlement Area reflect the existing use of the site within this portion of the property and include uses such as a hotel, restaurant, spa, etc. which are permitted within the Settlement Area.

### *Rural Lands*

As per Section 5.2.4 of the Official Plan, permitted uses are generally agricultural and rural residential uses, among others. Rural Economic Development uses may be permitted subject to an Official Plan Amendment and Zoning By-law Amendment. Permitted uses are to be compatible with surrounding land uses, the natural environment and the open landscape characteristics of the rural area.

Section 5.2.5 of the Town's Official Plan contains policy direction on the Rural Economic Development Area. This designation applies where the predominant use of land shall be for a limited range of uses that depend on the character of the rural area, are complimentary to and compatible with rural area uses and provide tourism opportunities (Section 5.2.5.1). In accordance with Sections 5.2.5.2 and 5.2.5.3, these uses must be of an appropriate scale and in an appropriate location so as to:

- Be compatible with existing uses;

- Maintain the natural topography and open landscape character to the extent possible;
- Have no adverse effects;
- Have minimal impact on surrounding farm operations and ensure adequate separation distance;
- Have adequate servicing, on-site parking, setbacks, landscaping and access; and,
- Consider any transportation impacts and whether facilities should be located on a type of arterial road as described in this Official Plan.

Stated examples include spas, country inns, wellness centres, retreats, culinary institutes and limited restaurant development, whereas uses such as hotels are prohibited (Sections 5.2.5.1 and 5.2.5.5).

As per Sections 5.2.5.2 and 5.2.5.4, these uses are required to obtain approval of an Official Plan Amendment to redesignate the land to Rural Economic Development Area, approval of a Zoning By-law Amendment and approval of a Site Plan application.

The applicant is looking to permit the continued use of and expansion to the Millcroft Inn for rooms/overnight accommodation, conference centre, parking and servicing. The applicant is proposing an Official Plan Amendment to redesignate a portion of the lands from Environmental Policy Area and Rural Lands to Rural Economic Development Area, with a site specific notwithstanding clause to permit a hotel. Similarly, the Zoning By-law Amendment is looking to rezone the same area of land to a Rural Exception zone to permit a hotel, restaurant, spa, accessory retail store as well as an accessory dwelling and an accessory dwelling unit. The Rural Exception zone largely aligns with the Village Commercial Exception zone which would apply to the lands within the settlement area with the exception that the retail store in the Village Commercial Exception zone is not accessory, and also some specific zone standards.

Staff is of the opinion that while the use is best described as a 'Hotel' due to the number of guest rooms and uses available on site, staff also recognize that the Millcroft Inn is unique, limited in scale, compatible with and complimentary to rural area. Although noted as a prohibited use in the Official Plan, staff is of the opinion that a 'Hotel' as documented through the proposed development and continued use of the site, meets the other policies of the Rural Economic Development Area. The proposed site-specific amendment and by-law permit cabins to form part of the hotel and will introduce a maximum number of guest rooms (to be provided in either the form of a traditional guest room or cabin). The proposed by-law also includes a minimum lot size. With the introduction of these standards, the implementing planning documents will reinforce the more rural use of the property, thereby limiting the scope and of development to ensure compatibility.

The applicant has provided studies, reports and plans to demonstrate that at a high-level the use is compatible and maintains the landscape and environmental character of the rural area. Supporting documentation that the proposal will have no negative adverse

impacts, ensures adequate separation distance from agricultural operations, and has adequately addressed servicing, traffic, parking, setbacks and landscaping. Detailed design and technical review will be fully evaluated through a Site Plan application.

*Environmental Policy Area*

The proposed Official Plan Amendment and Zoning By-law Amendment applies to a portion of lands currently designated Environmental Policy Area, by refining the boundary of the Environmental Policy Area designation. In support of the application, the applicant submitted an Environmental Impact Assessment which demonstrates that the proposed development will not expand into key natural heritage or hydrologic features and that the proposed rehabilitation for the encroachment into the vegetation protection zone will create a more favourable buffer environment than what currently exists. The applicant has indicated that given the confined nature of the development site resulting from the presence of the natural heritage system and also in an attempt to minimize site impacts, an encroachment into the vegetation protection zone of some required parking and access is required. The applicant has demonstrated, through the supporting material, that the maximum impervious and developable area policies of the Greenbelt Plan are satisfied. Furthermore, as technical advisors, the Credit Valley Conservation authority has indicated that they have no concerns with the proposed encroachments.

The proposed Zoning By-law Amendment applies to further portions of lands designated Environmental Policy Area as follows:

- A northern portion of the property, currently subject to Zoning By-law 87-250; and,
- The portion of lands within the Settlement Area, which are also designated Environmental Policy Area, associated with Shaw's Creek and the Mill pond.

Development is not proposed on lands containing key natural heritage or hydrologic features and the applicant has demonstrated that the proposed rehabilitation for the encroachment into the vegetation protection zone will create a more favourable buffer environment than what currently exists. As technical advisors to the Town, the Credit Valley Conservation authority has no concerns with the amendments. Staff is of the opinion that the proposed amendments conform to and are in keeping with the intent of the Town's Official Plan.

Town of Caledon Zoning By-laws 2006-50 and 87-250

The subject property is zoned Rural (A2), Environmental Policy Area 2 (EPA2), Village Commercial Exception 262 (CV-262), Village Commercial Exception 262 – Environmental Policy Area (CV-262-E), Village Commercial Exception 277 (CV-277), Rural Residential (RR), by By-law 2006-50, as amended. The property is also zoned Rural-Floodplain (A2-F) by By-law 87-250, as amended, outstanding from By-law 2007-042 being an amendment to Environmental and Open Space lands. There is a record of a Minor Variance application ('A' 030-02) on the property which approved 10 variances.

With the first submission of the application, the applicant was proposing to rezone only a portion of the site from Rural (A2) to a Rural Economic Development Exception zone. Through the review of the first submission, staff noted that the existing zoning was overly complicated and restrictive due to the application of two Zoning By-laws, the number of zone categories, approved variances, and permitted uses not being defined and not representing the current function of the site. Staff recommended that this application be leveraged to fix these largely administrative issues, to recognize the minor variances, define uses appropriately and reduce the number of zones and Zoning By-laws which apply to the site. The applicant concurred, and as a result, in the second submission amended their draft Zoning By-law Amendment to rezone the lands to Rural (A2), Environmental Policy Area 2 (EPA2), Rural Exception 620 (A2-620), Village Commercial Exception 619 – Environmental Policy Area (CV-619-E) and Village Commercial Exception 619 (CV-619) in Zoning By-law 2006-50, as amended. The revised by-law also resolves issues relating to undefined terms and ensures that all variances are captured. There is also similarity between the exception zones which assists with ease of understanding and interpreting the By-law.

The proposed By-law amendment proposes to rezone the lands currently zoned Rural – Floodplain (A2-F) in Zoning By-law 87-250, to Environmental Policy Area 2 (EPA2) in Zoning By-law 2006-50. The proposed zone is in keeping with the surrounding lands and is meant to protect the environmental features.

The proposed By-law amendment applying to the Environmental Policy Area lands within the Settlement Area is to rezone the lands from Village Commercial Exception 262 – Environmental Policy Area (CV-262-E) to Village Commercial Exception 619 – Environmental Policy Area (CV-619-E). The purpose of the amendment is to assist in the housekeeping or ‘clean-up’ of the By-law to consolidate zones. The zone will continue to protect the Environmental Policy Area through the ‘E’ suffix which requires that any approval required under the *Planning Act* must ensure that environmental matters are addressed.

The table below identifies the proposed zoning changes by identifying the zone and summarizing the applicability of the zone, uses and standards as they relate to the site. For detailed information on the by-law, please refer to Schedule “E” – Draft Zoning By-law Amendment, attached.

<b>Zone</b>	<b>Summary of Applicability, Uses and Standards</b>
Rural (A2)	<ul style="list-style-type: none"><li>• Will continue to apply to lands which are located outside of the Alton settlement boundary, but remain rural in nature.</li><li>• There are no site specific permitted uses or standards which apply.</li></ul>

Environmental Policy Area 2 (EPA2)	<ul style="list-style-type: none"> <li>• Will apply to areas which contain features and do not contain areas of the existing or proposed development.</li> <li>• There are no site specific permitted uses or standards which apply.</li> </ul>
Rural Exception 620 (A2-620)	<ul style="list-style-type: none"> <li>• Will apply to the proposed area for development, located outside of the Alton settlement boundary and to be designated as a Rural Economic Development Area.</li> <li>• Includes site specific uses: a Hotel (including cabins), Restaurant, Accessory Retail Store, Accessory Dwelling and Accessory Dwelling Unit.</li> <li>• Includes site specific standards relating to the composition of a hotel, the maximum size and number of retail stores, the maximum number of dwelling units, building area, separation and height, as well as parking requirements.</li> </ul>
Village Commercial Exception 619 (CV-619)	<ul style="list-style-type: none"> <li>• Will apply to the proposed area for development, located within the Alton settlement boundary.</li> <li>• Includes site specific uses: a Hotel (including cabins), Restaurant, Retail Store, Accessory Dwelling and Accessory Dwelling Unit.</li> <li>• Includes site specific standards relating to the composition and number of rooms/cabins within a hotel, the maximum size and number of retail stores, the maximum number of dwelling units, building setbacks, area, separation and height, as well as driveway setback and parking requirements.</li> </ul>
Village Commercial Exception 619 – Environmental Policy Area (CV-619-E)	<ul style="list-style-type: none"> <li>• The zone, uses and standards are the same as noted above in the CV-619 zone; however, the ‘E’ identifies that the lands are designated Environmental Policy Area and requires that any approval required under the <i>Planning Act</i> must ensure that environmental matters are addressed.</li> </ul>

**Consultation**

Notice of Application

In accordance with the *Planning Act*, a Notice of Application was mailed to all landowners within 120 m (393.7 ft) of the subject property. In addition, a notice sign has been posted on the subject lands and this Notice was posted on the Town’s website and advertised in the Caledon Citizen and Caledon Enterprise newspapers on Thursday February 15, 2018.

Agency and Department Review

The proposed amendments were circulated to external agencies and internal departments for review and comment. Comments are attached to this report as Appendix ‘F’ – Agency



and Department Comment Sheet. No objections to the proposed Official Plan Amendment and Zoning By-law Amendment were received.

Public Meeting

In accordance with the *Planning Act*, the Notice of Public Meeting was mailed to all landowners within 120 m (393.7 ft) of the subject property and was advertised in the Caledon Citizen and Caledon Enterprise newspapers on Thursday April 5, 2018.

A statutory Public Meeting was held on May 1, 2018 in accordance with the requirements of the *Planning Act*. In addition to comments noting that this is a tourism opportunity for Caledon by several participants, the following questions and comments were raised at the Public Meeting and/or received during the processing of this proposed amendments:

Question/Comment	Response
<p><b>Recreation:</b> Will there be any low impact recreational opportunities provided on site to either the guests or the public?</p>	<p>There are existing passive recreational opportunities to be preserved for the guests and the public through the wooded area (i.e. trails). There is also a tennis court on site which is used by guests.</p>
<p><b>Noise:</b> There is a concern regarding noise from events and parties. A local landowner expressed concern that at times the noise can be difficult to handle. There is an existing agreement between the Millcroft Inn and the Town which includes clauses that speak to noise, requires that there is to be no outdoor music, and requires that indoor music be controlled. This is not always what is happening.</p>	<p>The applicant has explained that part of the intent with the application is to address noise complaints. The idea is to bring many of the outdoor events indoors into a suitable space. The design of the building is such that it deliberately creates a wall to assist in buffering the noise to neighbouring residential lands.</p> <p>A Noise Report was submitted in support of the application. The Report has made recommendations to mitigate sound levels from the outdoor patio areas which will be implemented on site through the Site Plan application process.</p> <p>The Site Plan Agreement from 1972 contains clauses which speak to these noise matters raised by the resident is still applicable to the site. The new Site Plan Agreement resulting from a Site Plan application will contain similar clauses. In addition, the Town's Noise Control By-law also applies to the lands.</p>
<p><b>Wastewater Servicing:</b> How is the proposal being serviced and will there be an impact on Shaws Creek? Are</p>	<p>There is an existing wastewater facility on site which includes a pumping station, holding tank and leaching bed. The system will be upgraded as part of the development which will include a new treatment system and leaching bed. The leaching bed is</p>

<p>there back-up generators for the wastewater facility?</p>	<p>approximately 600 metres (1,968 feet) from Shaws Creek. The applicant has indicated that when the effluent leaves the treatment plant and is discharged, it is at an acceptable level. Detailed review of these matters will occur through the Site Plan application process to ensure that there are no negative impacts. There are back-up generators for the wastewater facility.</p>
<p><b>Water Quality:</b> There is a concern on how the Millcroft Inn has and may continue to impact water quality within the area.</p>	<p>A Hydrogeological Assessment was submitted in support of the applications. This assessment has been reviewed by the Region of Peel, Credit Valley Conservation and Town of Caledon (through a peer review). The agencies have found that the Assessment findings are satisfactory for the purposes of Official Plan and Zoning By-law Amendment applications. Further detailed review will occur through the Site Plan application process to ensure that the proposed development has no negative impacts.</p>
<p><b>Stormwater Management:</b> How is stormwater management being managed on site?</p>	<p>A Functional Servicing and Stormwater Management Report was submitted in support of the applications. The proposal does not include a typical stormwater management pond, but a dry pond will be implemented along with permeable pavers in parking areas. Through the required Site Plan application, further details on stormwater management will be reviewed and implemented.</p>
<p><b>Firefighting:</b> How is the site serviced for firefighting?</p>	<p>There are two bridges over Shaws Creek which access the Millcroft Inn: one being on the owners lands and the other being a Town bridge on Credit Street. Fire and Emergency Services staff have indicated that for purposes of emergency response, Fire staff will utilize the bridge on Credit Street and therefore through the Site Plan application process, the fire route will be appropriately identified.</p> <p>There are a number of fire hydrants existing on the property, serviced by Regional water along Credit Street. High-level pumping tests have demonstrated that water service is satisfactory. Through the Site Plan application process, staff will ensure that details regarding sufficient hydrant flows and water capacity is accommodated.</p>

<p><b>Traffic:</b> There are concerns from a traffic and access perspective. To enter the property, users will pass through a residential area with narrow roads. How frequently will trucks access the site? Where will the construction/haul route be?</p>	<p>The primary access to the site is currently provided by John Street North (main entrance) and James Street North (secondary entrance) via Queen Street West. Both of these accesses will be maintained. There is an existing sign to direct guests to enter and exit via John Street North. There is a secondary access for delivery from Credit Street.</p> <p>A Traffic Impact Study and Traffic Management Plan were submitted in support of the applications. The Plan indicates that the current roadway infrastructure supports the use of the property and there are no improvements required as a result of the development proposal. Through the required Site Plan application, further details on the Traffic Management Plan will be reviewed and implemented.</p> <p>As advised by the Owner, delivery trucks generally travel northbound on Main Street then westbound on Queen Street West, and access the site via John Street North. Trucks will exit the site via Bridge Street to James Street North and onto Queen Street West. Larger trucks enter the site via James Street North to Credit Street and exit using the same route.</p> <p>After development, the majority of the loading activities including deliveries will be relocated to the proposed loading area located at the new conference centre. Small to medium size trucks will access the new loading area via the existing bridge on John Street North and large size trucks will be directed to Credit Street via James Street North to access the new loading area.</p> <p>The existing and future delivery schedule ranges from 2 to 6 trucks per day during weekday with occasional Saturday delivery.</p> <p>The applicant has informed staff that their preferred construction/haul route will be: John Street North, westerly along Queen Street West and then south on Mississauga Road. Having said that, staff notes construction occurring in the area and questions</p>
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	<p>weight restrictions on the bridge on John Street North. The alternate route would be Credit Street to James Street North, easterly along Queen Street West and then south on Main Street (Regional Road 136). Through the Site Plan application, Engineering staff will be requesting a Construction Management Plan to be reviewed and approved, due to the residential area in close proximity to the lands. This Plan will address haul routes, erosion and sedimentation control measures, construction staging and timing etc.</p>
<p><b>Alton Secondary Plan:</b> What is the status of the Alton Secondary Plan and how does this proposal fit within it?</p>	<p>The property is partially within the settlement boundary of Alton. The Alton Village Study began in August 2000 to set out a community-based process known as a Servicing and Settlement Master Plan. On November 28, 2017, staff brought forward a Memo to the Planning and Development Committee providing an update on the Study and explaining that due to the servicing constraints, the Town cannot complete the Study. Accordingly, the Study is now closed and no additional work will take place.</p> <p>The proposal is not seeking an expansion to the Settlement Area, but is recognizing uses on the property as they exist both within and outside of the Settlement Area. The application proposes to redesignate a portion of the lands outside of the Settlement Area to a Rural Economic Development Area, in keeping with Official Plan policies.</p>

Minor Variances

Section 45 (1.3) of the *Planning Act* prohibits any owner or applicant to apply for a Minor Variance application within two years of the approval of a Zoning By-law Amendment. Normally, variances would proceed to the Committee of Adjustment, however prior to the expiration of that two year period, any request for a variance would need to appear before Council to allow a land owner to make an application to the Committee. This step may cause significant delay in processing of related Site Plan and Building Permit applications if a Minor Variance is required.

Section 45 (1.4) of the *Planning Act* allows Council to declare by resolution that such application is permitted within the two years. Staff is therefore recommending that Council, pursuant to the above *Planning Act* reference, permit Minor Variance applications to be applied as a precautionary measure to ensure development can proceed in a timely

manner. Any variance application submitted would still require consideration and approval by the Committee of Adjustment.

No Further Notice (Section 34(17) of the *Planning Act*)

As explained in detail in the report above, since the Public Meeting, staff has worked with the applicant to:

- Change the zone category of the area subject to the Rural Economic Development Area from Rural Economic Development Exception XXX (RED-XXX) and Open Space Exception XXX (OS-XXX) to a Rural Exception 620 (A2-620), which greater aligns with the intent of the Rural Economic Development Area.
- “Clean-up” the existing zoning by consolidating zones, correctly defining permitted uses and adding clarity to the By-law for administrative purposes.
- Define the use as a ‘Hotel’ instead of a ‘Country Inn’
- Ensure that all minor variances as approved through Minor Variance application ‘A’ 030-02 are captured.

Staff is of the opinion that the clarifications are minor and maintain the intent of the application and therefore request that Council confirm that no further notice or a Public Meeting is required as per Section 34(17) of the *Planning Act*.

**FINANCIAL IMPLICATIONS**

For property tax purposes, this property (55 John Street North) is currently assessed as mostly Commercial (\$5.43 million CVA). The Town’s share of taxes levied, based on current value assessment is approximately \$35,520. As of September 3, 2019, the property tax account in the name of Lais Hotel Properties Limited is determined to be current.

The proposed development is classified as the expansion of an existing hotel property. If the proposed development were to proceed as planned, the property’s taxable assessment value would change to reflect the developments that would have taken place.

Current rates for the Town of Caledon’s Development Charges are \$56.16 per m<sup>2</sup> of added space. The proposed development would also be subject to Region of Peel’s Development Charges, currently \$226.30 per m<sup>2</sup> of added space (Non-residential, Other rate). Also applicable would be Development Charges for Education, currently \$9.69 per m<sup>2</sup> of added space. The Development Charges comments and estimates above are as at September 3, 2019, and are based upon information provided to the Town by the applicant, current By-laws in effect and current rates, which are indexed twice a year. Development Charges are calculated and payable at the time of building permit issuance. Development Charge By-laws and rates are subject to change.

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Further, proposed developments may change from the current proposal to the building permit stage. Any estimates provided will be updated based on the Development Charges By-law and rates in effect at the time of building permit, and actual information related to the construction as provided in the building permit application.

### **COUNCIL WORK PLAN**

**Connected Community:** Actively promote tourism offerings including cultural and village main street assets, and preserve heritage and natural areas.

### **ATTACHMENTS**

Schedule A: Location Map

Schedule B: Aerial Photo Map

Schedule C: Concept Plan

Schedule D: Draft Official Plan Amendment with Schedule

Schedule E: Draft Zoning By-law Amendment with Schedule

Schedule F: Agency and Department Comment Sheet