

The Regional Municipality of York

Committee of the Whole
Planning and Economic Development
February 21, 2019

Report of the Commissioner of Corporate Services and Chief Planner

Comments on Proposed Amendment 1 to the Growth Plan

1. Recommendations

1. Council endorse this report and Attachments 1 and 2 as the Region's submission to the Province in response to the Environmental Registry of Ontario (ERO) postings: Proposed Amendment to the Growth Plan for the Greater Golden Horseshoe, 2017 (ERO # 013-4504), Proposed Framework for Provincially Significant Employment Zones (ERO # 013-4506), Proposed Modifications to O.Reg. 311/06 (Transitional Matters – Growth Plans) (ERO # 013-4505) and Proposed Modifications to O.Reg. 525/97 (Exemption from Approval – Official Plan Amendments) (ERO 013-4507).
2. The Regional Clerk forward this report and attachments to the Ministry of Municipal Affairs and Housing, the Clerks of the local municipalities and the Clerks of the other upper and single-tier municipalities in the GTHA.

2. Summary

This report provides Council with proposed comments on the Province's proposed Amendment 1 to the Growth Plan, associated regulation changes and a framework for provincially significant employment zones for endorsement.

Key Points:

- Overall, staff generally support the direction of the proposed changes to the Growth Plan.
- Staff support proposed changes to intensification and density targets that apply to York Region and provincially significant employment zones, subject to modifications recommended in this report.
- Staff recommend that all employment land conversions and settlement area boundary expansions continue to be considered only at the time of a Regional municipal comprehensive review.

3. Background

Province is soliciting comments on proposed Amendment 1 to the 2017 Growth Plan

The Provincial Growth Plan for the Greater Golden Horseshoe, 2017 (Growth Plan) provides a long-term framework for managing growth and sets out where and how to grow. Policy direction on infrastructure planning and protecting resources is incorporated in the Plan as part of an integrated approach to growth management. The current Growth Plan came into effect in July 2017 and replaced the original 2006 Growth Plan. York Region's Official Plan and all land use planning decisions must conform with the Growth Plan.

In the fall of 2018, the Ministry of Municipal Affairs and Housing held a number of working group sessions and a stakeholder forum with representatives from the municipal sector, development industry and other stakeholder groups to discuss Growth Plan implementation issues, challenges and potential solutions.

The deadline for comments is February 28, 2019

On January 15, 2019, the Province released proposed Amendment 1 to the Growth Plan for comment. According to the Province, proposed changes are intended to address potential barriers to increasing the supply of housing, creating jobs and attracting investments. Comments are to be made through the Environmental Registry of Ontario (ERO) and are due by February 28, 2019. In addition to Amendment 1, there are associated postings for comment dealing with a Proposed Framework for Provincially Significant Employment Zones and modifications to two regulations related to Growth Plan implementation.

4. Analysis

Staff comments on Amendment 1 to the Growth Plan are organized under the following themes: Intensification and Density Targets, Employment Planning, Settlement Area Boundary Expansion, Small Rural Settlements, Major Transit Station Areas and Agricultural and Natural Heritage Systems. Attachment 1 provides detailed comments.

Overall, the proposed changes to the Growth Plan are generally supported

Subject to the recommended modifications in this report and the attachment, overall, staff are generally supportive of the changes proposed for the Growth Plan. The proposed amendment maintains many of the key guiding principles of the current Growth Plan for York Region. These include prioritizing growth through intensification and higher densities for greenfield areas while providing increased flexibility for municipalities.

INTENSIFICATION AND DENSITY TARGETS

Proposed intensification targets reflect “one size does not fit all”

Throughout the consultation process, Greater Golden Horseshoe (GGH) municipalities highlighted the need for a “one size does not fit all” approach with respect to intensification targets. In response, Amendment 1 proposes application of different intensification targets for three geographic zones of upper and single-tier municipalities in the GGH. York Region is grouped with the City of Hamilton and the Regions of Peel and Waterloo, all with a minimum intensification target of 60 percent, the highest among the three zones. This means that 60 percent of residential growth is to occur within the Provincially delineated built-up area on an annual basis. This accelerates intensification from what is in the 2017 Growth Plan which phases in intensification from 50 percent to 2031 and then 60 percent from 2031 to 2041.

The second group of municipalities has an intensification target of 50 percent which includes the Regions of Durham and Halton, while the third group is to establish an intensification target based on maintaining or improving their current minimum intensification target. This multi-zoned approach recognizes varying abilities of different regions within the GGH to accommodate intensification. Table 1 below summarizes both intensification and Designated Greenfield Area density targets for the three zones.

Table 1
Intensification and Density Targets in Amendment 1

| Municipalities by Geographic Zone | Intensification Target (Built-up area) | Designated Greenfield Area Density Target |
|--|---|--|
| Inner Zone | | |
| Regions of York, Peel, Waterloo and City of Hamilton | 60% | 60 residents and jobs per hectare |
| Middle Zone | | |
| Cities of Barrie, Brantford, Guelph, Orillia and Peterborough and Regions of Durham, Halton and Niagara | 50% | 50 residents and jobs per hectare |
| Outer Zone | | |
| City of Kawartha Lakes and the Counties of Brant, Dufferin, Haldimand, Northumberland, Peterborough, Simcoe and Wellington | To establish a target based on maintaining or improving on their current minimum intensification target | 40 residents and jobs per hectare |

York Region is well-positioned to achieve increased intensification

Staff support the placement of York Region within the Inner Zone and the associated intensification target. From 2006 to 2017, York Region has averaged 48 percent of annual housing growth occurring within the built-up area (i.e. 48% intensification rate). Significant investment in transit and other infrastructure combined with comprehensive planning for intensification allows York Region to accommodate the proposed intensification target. Over \$3 billion has been invested by all three levels of government in transit infrastructure in York Region including the Spadina subway extension and Bus Rapid Transit corridors along Highway 7, Yonge Street and Davis Drive, with additional transit expansions and improvement planned.

York Region's Centres and Corridors strategy has been in place since 1994 and local municipalities have been implementing the Regional structure by developing secondary plans for Regional and local centres and corridor intensification areas. In addition, there are opportunities for a range of more modest forms of intensification including smaller scale infill projects and second suites which will contribute to meeting the Region's intensification target.

Designated Greenfield Area density target is proposed to be maintained at 60 residents and jobs per hectare

The current Growth Plan requires an overall minimum density of 60 residents and jobs per hectare for the existing Designated Greenfield Area and a minimum density of 80 residents and jobs per hectare for future urban expansion areas, if required. The proposed amendment would remove the requirement for a higher density for future urban expansion areas while maintaining the overall minimum 60 residents and jobs per hectare density target. This means that across the Designated Greenfield Area (excluding employment lands), both existing built and unbuilt areas together must reach a density of 60 residents and jobs per hectare.

Similar to the intensification target, the Province has taken an approach of customizing density targets by geographic zones of municipalities (see Table 1). York is grouped with the City of Hamilton and the Regions of Peel and Waterloo with a minimum density target of 60 residents and jobs per hectare. The second grouping of municipalities has a proposed minimum density target of 50 residents and jobs per hectare and third group, 40 residents and jobs per hectare.

Staff support the proposed minimum target of 60 residents and jobs per hectare across the Designated Greenfield Area. This is appropriate for York Region and also allows for the continued planning of the Region's New Community Areas at 70 residents and jobs per hectare, as set out in the Regional Official Plan. This density is intended to encourage the development of more complete communities.

Criteria for alternative intensification and Designated Greenfield Area density targets has been simplified

Amendment 1 also proposes simplified criteria for establishing alternative intensification and Designated Greenfield Area targets. In considering alternative target requests, staff expect the Province will maintain the key principles and purpose of the Growth Plan. To do so, staff recommend that additional criteria be included when considering an alternative intensification target which would require improving upon the historic level of intensification being achieved in the upper or single-tier municipality. Consideration of alternative targets should only occur at the time of a municipal comprehensive review and not at any time as suggested by the proposed new policy.

Designated Greenfield Area minimum density targets proposed for other upper and single-tier municipalities is below transit supportive densities

Although not directly applicable to York Region, a minimum Designated Greenfield Area density target of 40 or 50 residents and jobs per hectare is not considered to be transit supportive and does not generally promote walkable, compact and complete communities. The Designated Greenfield Area target of 50 residents and jobs per hectare as proposed is not equivalent to the 2006 Growth Plan 50 residents and jobs per hectare density policy since the latter included employment lands in the calculation which tend to be at a lower density than community lands. A Designated Greenfield Area density target at 40 or 50 for community lands is well below the minimum density target in the 2006 Growth Plan and could result in very low density and inefficient greenfield growth. Staff suggest that the Designated Greenfield Area target be set at 60 residents and jobs per hectare for all upper and single-tier municipalities in the Greater Golden Horseshoe in order to promote transit supportive and complete communities.

EMPLOYMENT PLANNING

Consideration of employment land conversions should remain at the time of a municipal comprehensive review

Under the current Growth Plan, conversions of employment lands to non-employment uses are only permitted through a municipal comprehensive review. Amendment 1 is proposing a one-time window for municipalities to undertake employment land conversions between the effective date of Amendment 1 and the next municipal comprehensive review, subject to criteria. Included in the criteria is a requirement to maintain a significant number of jobs on lands being proposed for conversion.

In staff's view, employment land conversions should continue to be considered only at the time of a municipal comprehensive review. In addition to other criteria, conversion of employment lands need to be assessed in the context of the Region's employment land base, regional employment trends and employment forecast for the local municipality and the Region. The proposed requirement to maintain "a significant number of jobs" on the lands

being considered for conversion is vague and open to a wide range of interpretation. If the Province decides to maintain this proposed policy, it is staff's recommendation that only municipally initiated employment land conversions be considered as part of the one-time window. In addition, the Province should clarify the wording in Amendment 1 to indicate that only a one-time window is being proposed.

Since York Region's Municipal Comprehensive Review process is currently well underway, it is not clear whether this new provision in the Growth Plan would apply to York Region. To date, York Region has received over 30 requests for employment land conversions. To evaluate these areas comprehensively, it is recommended that York Region continue with the current process of assessing employment land conversions only as part of the municipal comprehensive review.

Province is proposing provincially significant employment zones

Associated with Amendment 1 is a proposed framework for provincially significant employment zones identified by the Minister of Municipal Affairs and Housing. Areas within these zones are deemed to be crucial to the province's economy and would not be able to be converted outside of a municipal comprehensive review. The proposed provincially significant employment zones mapping is shown in Attachment 2 (page 1). Twenty-nine zones across the Greater Golden Horseshoe are identified. Four zones include lands within York Region. Collectively, these zones cover a significant portion of the Region's employment land base in southern York Region (see page 2 of Attachment 2). The ability to designate prime employment areas as set out in the current Growth Plan would be removed under Amendment 1. Prime employment areas are defined as land extensive and low density employment uses that require locations near major good movement facilities and corridors.

Staff support identifying provincially significant employment zones to protect the Region's employment land base. It is recommended that the Province add designated employment lands along 400 series highways in the Region as shown on pages 3, 4 and 5 of Attachment 2. These areas all have potential to be significant concentrations of employment and economic output when they are developed and need to be protected for employment land uses. Any potential conversions should be considered comprehensively through the municipal comprehensive review. In addition to including these areas, staff recommend minor modifications to the boundaries of the zones proposed by the Province to include the full extent of the employment areas.

Province should clarify the intent of the change in definition of Office Parks

Amendment 1 proposes to change the definition of office parks by deleting wording that states that they are employment areas designated in an official plan. This could be interpreted that office parks in employment areas would no longer be considered employment lands and therefore not subject to employment land conversion policies. Staff assume this is not the intent and request the Province to clarify the definition and policies around office parks.

SETTLEMENT AREA BOUNDARY EXPANSION

The proposed amendment would permit small scale settlement area boundary expansions outside of a municipal comprehensive review

Amendment 1 would allow a settlement area boundary expansion in advance of a municipal comprehensive review subject to the following requirements: the lands will achieve the Designated Greenfield Area density target or applicable employment area density target, the location of the lands will meet applicable Growth Plan requirements, the proposed area is not a rural settlement or in the Greenbelt, is no larger than 40 hectares, is municipally serviced with available capacity and will be taken into account in the forecast and land needs assessment for the next municipal comprehensive review.

Staff recommend any area boundary expansions only be considered at the time of a municipal comprehensive review when there can be a full assessment of the need for the expansion in the context of the overall Regional structure, supporting infrastructure and population and employment forecasts.

If the Province proceeds with this policy, the Province should specify there is a limit of a potential total expansion of 40 hectares outside of the municipal comprehensive review process. In addition, if this policy is maintained, any potential 40 hectare settlement area expansion should only occur if municipally initiated by an upper or single-tier municipality.

Amendment 1 also proposes a new policy which allows adjusting settlement area boundaries outside of a municipal comprehensive review provided there would be no net increase in land within settlement areas. The adjustment would need to support the ability to meet intensification and density targets and must not be a rural settlement or in the Greenbelt. Staff are not supportive of this policy as it could result in ad hoc exchanges of lands in the settlement area without regard to the impacts on overall Regional urban structure, necessary infrastructure and population and employment forecasts.

Criteria for determining the location of settlement area boundary expansions have been simplified

The current Growth Plan contains criteria to determine feasibility and the most appropriate location for urban boundary expansions. Amendment 1 simplifies requirements and introduces more flexibility while maintaining key considerations in evaluating locational options for urban expansion. The amended criteria are intended to focus more on outcomes and demonstrating that a particular criterion has been met rather than specifying studies that need to be completed. The revised criteria are generally reasonable, subject to the recommended modifications in Attachment 1, since it maintains the key considerations for evaluating potential urban boundary expansions.

SMALL RURAL SETTLEMENTS

Proposed amendment recognizes the role of small rural settlements in accommodating growth

Under the current Growth Plan, many of the Region's hamlets and other rural settlement areas are categorized as undelineated built-up areas. These are settlement areas for which the Province has not delineated a built boundary. Initially, these areas were to be treated as part of the Designated Greenfield Area. In 2018, a regulation was passed that restricted this requirement to undelineated areas outside of hamlets in the Greenbelt Plan and rural settlements in the Oak Ridges Moraine Conservation Plan. In York Region, Ballantrae, Fairfields Estates and Maple Lake Estates remain as undelineated areas that are to be treated as part of the Designated Greenfield Areas. Inclusion of these areas in the Designated Greenfield Area make it more challenging to meet the required density target since they are developed and planned for relatively low densities.

Amendment 1 introduces a new term, rural settlements, which are existing hamlets or similar small settlement areas that are long-established and identified in official plans. The term "undelineated built-up area" is proposed to be deleted. These changes are reasonable since rural settlement areas are intended to accommodate relatively modest levels of growth at lower densities and should not be part of the Designated Greenfield Area.

A proposed new Growth Plan policy would allow for minor boundary adjustments of non-Greenbelt rural settlements outside of a municipal comprehensive review. The change would constitute minor rounding out of existing development in keeping with the rural character of the area, subject to confirmation that servicing can be provided and subject to provisions in the Provincial Policy Statement. Similar to the settlement area expansion policies, staff are of the view that boundary expansions of rural settlements should only be considered as part of a municipal comprehensive review. The fact that "minor" is not a defined term could potentially lead to broad interpretation of this policy. If the Province decides to proceed with this policy, rural settlement boundary adjustments should be municipally initiated.

MAJOR TRANSIT STATION AREAS

More streamlined and flexible approach is proposed for delineating Major Transit Station Areas

Major Transit Station Areas (MTSAs) are defined under the Growth Plan as the area including and around existing and planned higher order transit stations or stops within a settlement area. York Region is required to delineate and set minimum density targets for MTSAs located within provincially defined priority transit corridors. There is also the option to identify MTSAs beyond these corridors. MTSAs are classified as Strategic Growth Areas and are to be planned for specified minimum densities in the Growth Plan (e.g. 160 residents and jobs per hectare for Bus Rapid Transit stations).

Amendment 1 allows municipalities to delineate and set density targets for MTSA in advance of the municipal comprehensive review, subject to identifying the MTSA as “Protected” under the Planning Act. This provision protects MTSA from planning appeals related to issues of land use, building height and density. The delineation and setting of density targets for MTSA is currently well underway as part of the York Region municipal comprehensive review process. Therefore, this provision would likely not result in a more expedited process, at least for the current municipal comprehensive review. Going forward, it would be beneficial to employ a streamlined approach to delineate and set targets for new MTSA or modifications to existing MTSA boundaries and/or density targets. This process can occur outside of the municipal comprehensive review since the density targets for MTSA are long term targets that are most likely to be achieved beyond the horizon of the Growth Plan.

Province is proposing to simplify the process and criteria for alternative minimum density targets for Major Transit Station Areas

Separate approval by Council and the Minister would no longer be required for alternative minimum density targets for Major Transit Station Areas. The proposed criteria considers whether development is severely restricted or prohibited by provincial policy as well as consideration whether a major trip generator or transit feeder service will sustain high ridership at the station. Staff request that an additional criterion be included which provides additional flexibility for the context of the lands surrounding a major transit station which may not be appropriate for extensive intensification (e.g. King City GO Station Major Transit Station Area).

Amendment 1 also clarifies that MTSA delineation can range from an approximate 500 to 800 metre radius of a transit station. This provides flexibility for situations where it is appropriate for a MTSA boundary to extend beyond 500 metres to include nearby intensification areas or areas of existing high density development.

The Province has also requested feedback on the question of whether employment areas that overlap with major transit station areas should be included in the provincially significant employment zones and implications associated with potential conversion requests. In staff’s view, MTSA without residential uses can exist in employment areas and provincially significant employment zones at transit supportive densities.

AGRICULTURAL AND NATURAL HERITAGE SYSTEMS

Provincial agricultural lands and natural heritage system mapping may be refined through the municipal comprehensive review

The Province is proposing that provincial mapping of the agricultural land base and Natural Heritage System does not apply until it has been implemented in upper and single-tier official plans. This direction is consistent with previous Regional comments on draft Provincial guidance for the Natural Heritage System and Agricultural System submitted in 2017.

Municipalities would be able to refine and implement mapping in advance of the municipal comprehensive review. Once provincial mapping of the agricultural land base has been implemented in official plans, further refinement may only occur through a municipal comprehensive review. During the period before provincial mapping is implemented in official plans, it is proposed that the Growth Plan policies for protecting prime agricultural areas and natural heritage systems apply. Staff support this proposed policy direction.

Proposed Growth Plan Amendment 1 supports objectives of Vision 2051, the Strategic Plan 2015 to 2019 and Regional Official Plan

Provincial growth management policies in the Growth Plan have direct impact on Vision 2051 goals including Creating Liveable Cities and Complete Communities. The Growth Plan policies also support achievement of the Strategic Plan 2015 to 2019 objectives of ensuring optimal locations for business and employment growth are available, and encouraging growth in Regional Centres and Corridors. The Growth Plan and the proposed amendment support the key themes of the Regional Official Plan: a Sustainable Natural Environment, Healthy Communities and Economic Vitality.

5. Financial

As part of the current Regional municipal comprehensive review process, Regional population and employment forecasts will be updated to 2041, consistent with Growth Plan policies. The growth forecast will be used in the next update of the development charges by-law. The proposed minimum intensification target of 60 percent will require directing growth to areas with existing infrastructure but will also require a continued shift in the housing market towards higher density forms of housing in areas with infrastructure investment providing the opportunity to capitalize on the existing investment.

A lower than anticipated growth rate for either ground-related or higher density housing could result in a shortfall of projected development charges collections and assessment growth revenue. This could cause delays in capital cost recovery, impact costs for debt repayment, create pressures on the Region's operating budget and result in a need for potential deferrals of elements in the capital program. Staff will be assessing financial implications and will report back to Council with a fiscal strategy.

6. Local Impact

The proposed Growth Plan Amendment has direct implications for local municipalities. The new intensification target will affect local municipal intensification targets and growth forecasts. The other proposed changes to the Growth Plan will have potential local municipal impacts with regards to planning for new communities, centres and corridors planning and employment land planning.

Local municipal staff are working alongside the Region in updating their official plans to reflect the policies in the updated Regional Official Plan generated through the Regional

municipal comprehensive review, once approved. Under the Planning Act, local municipal official plans are required to update to conform to the ROP within one year of it coming into effect.

7. Conclusion

This report has provided a summary of staff's comments on the Province's proposed Amendment 1 to the Growth Plan. Proposed policies in the areas of Intensification and Density Targets, Employment Planning, Settlement Area Boundary Expansion, Small Rural Settlements, Major Transit Station Areas and Agricultural and Natural Heritage Systems are generally supported by staff subject to the comments outlined in this report.

It is recommended that staff submit this report and the attachments to the Province as the formal submission in response to proposed Amendment 1 to the Growth Plan. Once the Growth Plan changes are finalized, staff will assess the impacts of any further changes to the current Regional municipal comprehensive review process and report back to Council as necessary.

For more information on this report, please contact Paul Bottomley, Manger Policy, Research and Forecasting at 1-877-464-9675 ext.71530. Accessible formats or communication supports are available upon request.

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February 8, 2019
Attachments (2)
eDOCS # 9132693