

Report To:	Regional Chair and Members of Regional Council
From:	Bob Gray, Commissioner, Legislative and Planning Services and Corporate Counsel
Date:	July 15, 2020
Report No. - Re:	LPS57-20 - Comments on the Proposed Amendment 1 to the Growth Plan and Land Needs Assessment Methodology

## RECOMMENDATION

1. THAT Report No. LPS57-20 re: “Comments on the Proposed Amendment 1 to the Growth Plan and Land Needs Assessment Methodology” be endorsed.
2. THAT the Regional Clerk forward a copy of Report No. LPS57-20 and Attachment #1 to the Ministry of Municipal Affairs and Housing (MMAH), the Halton Area MPPs, the City of Burlington, the Town of Halton Hills, the Town of Milton, the Town of Oakville, Conservation Halton, the Credit Valley Conservation and the Grand River Conservation Authority for their information.

## REPORT

### **Executive Summary**

- On June 16, 2020 the Provincial government released proposed Amendment 1 to A Place to Grow: Growth Plan for the Greater Golden Horseshoe through the Environmental Registry of Ontario as a Policy Notice, ER Number: 019-1680. On the same date, the Province released a Proposed Land Needs Assessment Methodology for A Place to Grow through the Environmental Registry of Ontario as a Policy Notice, ER Number: 019-1679.
- The Halton Area Planning Partnership (HAPP) has reviewed the proposed changes and has developed a joint Halton municipal and conservation authority response to the MMAH (Attachment #1 – document under separate cover).
- This report provides information to Regional Council on the proposed changes to the Growth Plan and the Land Needs Assessment Methodology, and recommends that Council endorse the joint submission as outlined in this Report.

## Background

Schedule 3 to A Place to Grow ('the Growth Plan') contains population and employment forecasts for all upper and single-tier municipalities in the Greater Golden Horseshoe. The Growth Plan requires that upper-tier municipalities use the forecasts for planning and managing growth to the horizon of the Growth Plan. The forecasts are a key input into the Land Needs Assessment methodology that municipalities use to determine the quantity of land needed to accommodate growth. In Fall 2019, the Province initiated a review of the Schedule 3 forecasts, as directed by policy 5.2.4.7 of the Growth Plan. Hemson Consulting was retained by the Province to complete the review.

On June 16, 2020 the government released proposed Amendment 1 to the Growth Plan, containing the certain key proposed changes to the Growth Plan, together with more minor changes to ensure consistency with the Provincial Policy Statement (PPS), 2020. These key changes are:

- Updated Schedule 3 population and employment forecasts extended to the year 2051 (the current Growth Plan horizon is 2041).
- An amendment to the Schedule 3 forecasts with one of three growth outlooks: A Reference Forecast which represents the most likely future growth outlook, a High Scenario and a Low Scenario.
- A direction that municipalities must use the Schedule 3 forecasts to plan for growth, or substitute higher forecasts determined through their municipal comprehensive review.
- A statement that the Schedule 3 forecasts (i.e. the Reference Forecast), for the Greater Golden Horseshoe as a whole, represent a minimum of 14.9 million people and 7 million jobs by 2051.
- An extension of the planning horizon from 2041 to 2051, intended to achieve better alignment with the land supply requirements of the PPS, 2020, that requires sufficient land be made available for growth for 25 years.
- A removal of the prohibition on new mineral aggregate operations in the habitat of threatened and endangered species within the Natural Heritage System of the Growth Plan.
- A removal of the prohibition on the conversion of employment lands to non-employment uses within Provincially Significant Employment Zones (PSEZ), if the lands are also located within the boundary of a Major Transit Station Area.
- A strengthening of policies requiring the engagement of Indigenous communities in the planning process.

Also released on June 16, 2020 was a proposed Land Needs Assessment Methodology to implement the Growth Plan, replacing the methodology released in 2018 to implement the previous 2017 version of the Growth Plan. According to the materials, the proposed methodology is intended to provide an "outcomes-based streamlined approach" to

assessing Community Area and Employment Area land need to the horizon of the Growth Plan, by outlining the key components that must be addressed at a minimum.

The methodology is premised on the diversity of local needs, and to ensure a sufficient and appropriate mix of land is available to accommodate:

- All housing market segments, to avoid supply shortages;
- Market demand;
- All employment types, including those types that are evolving;
- All infrastructure services needed to meet complete community objectives to the horizon of the Growth Plan.

## **Discussion**

Halton Region has developed a joint response with our local municipalities and conservation authorities to respond to both the Changes to the Growth Plan, the Land Needs Assessment Methodology and the questions posed by the Province found in Attachment #1. The joint Halton response contains the following commentary on key changes as follows:

### **1. Extension of the Planning Horizon to 2051**

Proposed Amendment 1 includes a changes to the Growth Plan, 2019 to extend the Plan's horizon from 2041 to 2051.

The joint Halton submission supports this change to facilitate alignment with the transportation planning for the Greater Golden Horseshoe and provincial and municipal planning initiatives to focus growth around priority transit corridors and nodes.

However, extension of the planning horizon in the midst of the current municipal comprehensive review, does have implications for the development of growth concepts, and progression to a preferred growth concept as part of the Region's Integrated Growth Management Strategy.

In addition, development phasing will be important in the Regional Official Plan to enable the orderly progression of intensification and compact urban form and growth through a settlement boundary expansion if determined to be necessary as part of the current municipal comprehensive review.

### **2. Selection of a Growth Forecast from the Reference, High and Low Scenarios**

Proposed Amendment 1 contains a Reference Forecast which represents the most likely future growth outlook, as well as a High Scenario, and a Low Scenario. The range of population and employment in 2051 from the Low to High Scenarios is 100,000 people and 40,000 jobs. Proposed Amendment 1 also includes versions of the forecast that either includes forecast numbers in 2031, 2041 and 2051 (i.e. 'Mock A') or forecast numbers in the 2051 horizon year only (i.e. 'Mock B'). Also included in the table below

are the Reference Forecast numbers from the Hemson Technical Report: Greater Golden Horseshoe Growth Forecasts to 2051. These numbers indicate a reduction in the 2031 and 2041 numbers (compared to Schedule 3 of the current Growth Plan), based on the technical analysis conducted by Hemson.

REGION OF HALTON	POPULATION			EMPLOYMENT		
	2031	2041	2051	2031	2041	2051
<b>Current Growth Plan Forecast</b>	820,000	1,000,000	N/A	390,000	470,000	N/A
<b>Amendment 1 Proposed Forecast</b>						
Reference Forecast	820,000	1,000,000	1,100,000	390,000	470,000	500,000
Low Scenario	820,000	1,000,000	1,060,000	390,000	470,000	480,000
High Scenario	820,000	1,000,000	1,160,000	390,000	470,000	520,000
<b>Hemson Reference Forecast</b>	<b>767,000</b>	<b>931,000</b>	1,100,000	<b>352,000</b>	<b>420,000</b>	500,000

In Halton, planning and growth management is coordinated and integrated to ensure that infrastructure and community services are planned, constructed and financed in advance of growth and in accordance with the long-held principle that growth must pay for growth. This approach however is not being applied consistently with Provincial infrastructure.

For example, the Province is responsible for funding critical infrastructure like hospitals, schools, highways and higher order transit that are required to serve population growth in our communities. These assets need to be financed, planned, designed and commissioned seamlessly in time to support the needs of growth in new communities.

In this regard, the joint submission supports the Reference Forecast with 1.1 million people and half a million jobs in 2051. However, the position of joint submission is that the 'Mock B' Reference Forecast for the horizon year to 2051 only, should be used to update Schedule 3 of the Growth Plan.

In addition, Halton Region staff recommends using the lower population and employment forecasts to 2041 contained in the Hemson Technical Report to 2051, in its Integrated Growth Management Strategy, to better reflect growth in Halton to date, and a more gradual phasing of development between the conformity date (i.e. 2021) and 2051. Having overstated growth projections in Schedule 3 could put undue pressure on municipalities and public agencies to plan for expensive infrastructure and community without commitments from the Province for investments in infrastructure.

### **3. Direction that the Schedule 3 forecasts can be substituted with higher forecasts**

The Schedule 3 numbers that are proposed in Amendment 1 to the Growth Plan, 2019 are referred to as forecasts and not targets. The Growth Plan requires upper-tier municipalities to plan to achieve the Schedule 3 forecasts. A proposed change to the Growth Plan through Amendment 1 would permit upper-tier municipalities to substitute higher forecasts for the Schedule 3 forecasts, through its municipal comprehensive review, subject to Provincial approval.

The joint Halton submission supports this change in the policy, assuming that the policy change (and the Province as the approval authority) will ensure that any higher forecasts are supported by adequate analysis and do not undermine efforts to foster intensification and minimize settlement boundary expansions.

### **4. Proposed New Land Needs Assessment Methodology**

The joint Halton submission generally supports the simplified Land Needs Assessment methodology, provided the critical steps of the methodology are retained, as proposed, and the desired outcome achieved – which is to ensure an accurate assessment of the land needs of the upper-tier municipality to accommodate the forecasted growth, and to clearly demonstrate the need, as necessary, for a settlement area expansion, in a manner that maximizes opportunities for intensification, and minimizes settlement area expansions. However, the joint submission reiterates earlier comments to the Province with respect to the introduction of “market demand” to the PPS, 2020, the 2019 Growth Plan, and now the proposed LNA methodology.

The joint Halton submission emphasizes that “market demand” is only one consideration amongst many considerations with respect to Growth Plan implementation. In particular, settlement area expansions should not solely or overwhelmingly be based on market demand considerations.

### **5. Mineral Aggregate Extraction in Habitat of Threatened and Endangered Species**

Proposed Amendment 1 includes proposed changes to the Growth Plan, 2019 policies to remove the prohibition on new mineral aggregate operations and wayside pits and quarries from habitats of endangered species and threatened species within the Natural Heritage System of the Growth Plan. The rationale for this permissive change is to ensure that there are adequate mineral resources available to the Greater Golden Horseshoe market.

Halton Region has significant concerns with, and does not support, this proposed policy change. If the policy change is carried forward the joint Halton submission recommends that alternative wording be considered in order to align it with the Provincial Policy Statement, 2020, which would allow for extraction to take place only in circumstances where it can be justified, that species/habitat can be protected.

In addition, the joint Halton submission recommends that the proposed changes to the Growth Plan should include a new policy that would require a “demonstration of needs” test, including a supply/demand analysis for aggregates, before a license is issued for new mineral aggregate operations. This position is consistent with Regional Council’s position on this issue.

## **6. Employment Conversions in Provincially Significant Employment Zones located within Major Transit Station Areas**

Proposed Amendment 1 includes changes to the Growth Plan that would permit employment conversions of lands within a Provincially Significant Employment Zone in advance of the next municipal comprehensive review, if the lands are located within the boundary of a Major Transit Station Area.

The policy change is generally supported by the joint Halton submission as it provides flexibility to support mixed use development in Major Transit Station Areas, where appropriate. However, there is a concern that permitting residential uses on employment lands in Major Transit Station Areas would result in the displacement of higher density office employment. Therefore, performance criteria will be critical to ensure an appropriate mix of residential and non-residential uses in these areas. Also, residential uses are often not compatible with industrial uses, therefore introducing residential uses in certain Major Transit Station Areas must be done in a manner that addresses land use compatibility.

As per previous joint Halton comments on the Provincially Significant Employment Zones, the joint submission recommends that the Province provide more detail on the purpose and role of these zones, and expectations for long term planning of these zones, in a timely manner to assist with the municipal comprehensive review process that is now underway as part of the Regional Official Plan Review.

## **7. Strengthening of requirements for Indigenous Engagement**

Proposed Amendment 1 includes changes to the Growth Plan policies to emphasize the importance and value of the unique role Indigenous communities play in land use planning through consultations with municipalities.

The joint Halton submission, welcomes these changes but notes a pressing need for Provincial guidance to support implementation of these policies by providing municipalities with clear direction on what will be expected through consultation and which applications will require consultation with Indigenous communities.

The joint Halton submission recommends that the Province develop consultation guidelines so that there is a mutual understanding of what constitutes meaningful engagement.

## **8. Changes to achieve consistency with the PPS, 2020**

As a result of recent changes to the Provincial Policy Statement, 2020, Amendment 1 proposes to change the Growth Plan to ensure alignment with the updated Provincial Policy Statement. These changes are mostly technical in nature and include changes to Growth Plan definitions and planning horizons to ensure consistency across provincial planning documents.

The joint Halton submission supports the proposed changes in Amendment 1 to ensure consistency between the Growth Plan and Provincial Policy Statement.

## **9. Growth Plan Conformity Date**

The Province has identified a deadline for upper and single tier municipalities to achieve conformity of the Growth Plan by July 1, 2022.

Numerous and progressive changes to the Provincial Planning framework make it extremely difficult for municipalities to advance conformity exercises when standards for conformity are constantly changing. In order to ensure upper-tier municipalities can complete the MCR work by the deadline, any further delays in changes to the policy framework which has implications for the MCR (i.e. policy direction on Provincially Significant Employment Zones, review of municipal request for refinement of the Growth Plan Natural Heritage System, update of the Built Boundary, Agricultural Impact Assessment and Subwatershed Study guidelines, etc.) will make it very difficult for achieving the deadline imposed. The Province should consider transitioning any future changes, in order to not further delay the process.

## **Implications for the Integrated Growth Management Strategy**

The successful implementation of the Growth Plan can only be achieved with a well coordinated, integrated, and phased approach to land-use planning, infrastructure needs, municipal service delivery, and public sector financial planning.

Halton's integrated approach is clearly articulated in the Regional Official Plan and long-term infrastructure plans and capital programs.

Delivering of infrastructure to support the Growth Plan's complete communities will require significant financial commitment and partnership from all levels of government, including a provincial multi-year, multi-ministry infrastructure plan to build essential community infrastructure such as schools, hospitals and transportation networks. In addition, municipalities will need appropriate funding tools to enable delivery of infrastructure planned to achieve the Growth Plan forecasts while ensuring that growth pays for itself.

As Council will recall, a critical milestone in the Integrated Growth Management Strategy was recently achieved with Council direction for staff to prepare four Growth Concepts based on the four 'Local Plans and Priorities' Growth Scenarios to the 2041 planning

horizon, developed in the first stage of the process. Also, Council endorsed an Evaluation Framework on which to evaluate the four Growth Concepts, leading into the development a Preferred Growth Concept.

Assuming that proposed Amendment 1 comes into force and effect in the near future, staff and the Region's consultants have initiated an assessment of the impacts of the extension on the development of Growth Concepts, based upon an extended 2051 planning horizon and higher population and employment forecasts of 1.1 million people and 500,000 jobs. However, the principles and parameters of the four 'Local Plans and Priorities' Growth Scenarios will continue to provide the foundation for the development of Growth Concepts.

#### FINANCIAL/PROGRAM IMPLICATIONS

There are no financial implications arising from this report. Staff continue to monitor all changes (legislative, regulatory, policy and program area) associated with the Province's amendments to A Place to Grow: Growth Plan for the Greater Golden Horseshoe.



If brought into force and effect, the population and employment forecasts to the 2051 planning horizon will have financial implications to the Region, which will need to be fully examined through the Integrated Growth Management Strategy (IGMS) component of the Regional Official Plan Review. Staff will provide an update to Council if any further changes related to this effort result in financial impact to the Region.

Respectfully submitted,



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Approved by



Jane MacCaskill  
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If you have any questions on the content of this report,  
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Attachments: Attachment #1 – HAPP Joint Submission on Proposed Amendment 1