



Subject:	Proposed Amendment 1 to A Place to Grow: Growth Plan for the Greater Golden Horseshoe
To:	Committee of the Whole Planning and Economic Development
From:	Planning and Development Department

Report Number:	PD-13-20
Wards Affected:	All
Date to Committee:	Monday, July 13, 2020
Date to Council:	Monday, July 20, 2020

Recommendation:

Receive Report PD-13-20 on the proposed Amendment 1 to the Provincial A Place to Grow: Growth Plan for the Greater Golden Horseshoe.

Direct Staff to forward comment and advice, to the Region for submission to the Province; and

Direct Staff to forward a copy of this report to the Niagara Region.

Purpose:

The purpose of this report is to provide to Committee and Council an update on the Province’s recently proposed changes to the 2019 Growth Plan that can generally be categorized as growth forecasts, key policy changes and housekeeping items. These changes as outlined later in this report are being brought forward to the consultation stage by the Ministry of Municipal Affairs and Housing. The consultation period will close on July 31, 2020.

Background:

In 2019, the Province introduced A Place to Grow: Growth Plan for the Greater Golden Horseshoe (the Plan, A Place to Grow) as part of the More Homes, More Choice: Ontario’s Housing Supply Action Plan. The objective of this plan was primarily to improve provincial housing stock and thus providing more options and better opportunities for

individuals and families in the housing market. On June 16, 2020, the Ministry of Municipal Affairs and Housing provided notification of proposed changes to this plan including updates and policy changes to the population and employment forecasts, a change to the Plan horizon year, a new Land Needs Assessment methodology, adjustments to the aggregates policy framework and new policies to address Major Transit Station Areas within Provincially Significant Employment Zones (PSEZs). There are also policy revisions that support our government's objectives to increasing housing supply, create more jobs, attract business investments and better align infrastructure.

These changes come with the recognition that the Greater Golden Horseshow (GGH) will be critical to economic recovery from the impacts of the COVID-19 outbreak. With more than 85% of the province's population growth expected in this region by 2051, the GGH is a key economic driver. In preparation of this growth, the ministry is proposing targeted revisions to A Place to Grow to make it faster and easier for municipalities in the region to plan for growth. This will have impacts to Niagara Region's municipal comprehensive review and official plan revisions currently being undertaken.

The consultation period in which upper and lower tier municipalities can provide input is now open and will close on July 31, 2020.

Report:

This report summarizes the changes proposed to A Place to Grow and categorizes these changes into growth forecasts, key policy changes and housekeeping items. The full proposed amendment is attached in Appendix A. There is also the proposed land needs assessment methodology which provides potential for settlement boundary expansions in anticipation of significant growth in the GGH. This methodology is proposed in Appendix B.

Growth Forecasts

The most substantive changes proposed introduced through Proposed Amendment 1 relate to the population and employment projections that inform official plan reviews. The existing planning horizon projections, which date to the previous 2017 Growth Plan, are being proposed to be updated and extended from the 2041, to the 2051 planning horizon and will be updated every 5 years.

The existing 2031 and 2041 projections remain unchanged to ensure continuity of ongoing forecasting work; however, the forecast horizon is extended to 2051, when the Greater Golden Horseshoe Area is forecasted to grow to 15 million people and over 7 million jobs.

The 2051 population and employment forecasts are determined for each upper-and single-tier municipality by the Province and are subsequently allocated to lower-tier municipalities by an upper-tier planning authority, where applicable.

Changes to the policies in the 2019 Growth Plan require that municipalities use the proposed forecasts as minimum targets. However, municipalities may also use higher forecasts, as determined through their respective Municipal Comprehensive Review processes.

The rate of forecasted population change between the current 2041 horizon (population estimate of 611,000) and proposed 2051 horizon for Niagara Region (population estimate of 674,000) is approximately 10%. Furthermore, the forecasted employment change between the current 2041 horizon (243,000 jobs) and the proposed 2051 horizon (272,000 jobs) is approximately 12%. The slightly higher increase in percentage of jobs is a promising outlook.

Key Policy Changes

Mineral Aggregate Operations

Proposed changes to the existing mineral aggregate resources policies would remove barriers to the establishment of new mineral aggregate operations, wayside pits and quarries within the 2019 Growth Plan's identified Natural Heritage System, but not within the Greenbelt.

This is accomplished by removing the prohibition on new aggregate operations where there are endangered and threatened species. The goal of this change is to ensure there is an adequate supply of aggregate within proximity to end users and the market area, recognizing the continued population growth within the Greater Golden Horseshoe Area. Since the primary location of the Town of Lincoln's aggregate operations is above the escarpment and out of the Greenbelt area, this provide potential for increased opportunity for these operations.

Provincially Significant Employment Zones and Major Transit Station Areas

The Province has been undertaking a process to identify 29 Provincially Significant Employment Zones (PSEZs). These are employment lands that may not be converted to other uses outside of a Municipal Comprehensive Review without permission from the Province. There are no PSEZs identified within the Town of Lincoln, nor Niagara Region as a whole as the closest PSEZ is located along the QEW in Stoney Creek.

The 2019 Growth Plan also requires municipalities to identify Major Transit Station Areas (MTSAs), where higher densities are directed. One of the policy amendments proposes

to allow a conversion within a PSEZ outside of a Municipal Comprehensive Review, provided it is located within an MTSA. This is not a situation that currently has the potential to occur in the Town of Lincoln since there are no PSEZs present and the potential GO Transit Station in Beamsville is not identified as a MTSA.

It should be noted that both the MTSA delineation and PSEZ boundary identification processes are ongoing, and the Province expects to conclude the next phase of its PSEZ work, related to post-COVID-19 recovery and investment attraction, in early fall 2020.

Housekeeping Items

There are multiple minor changes introduced by Proposed Amendment 1, as well as proposed changes to O. Reg. 311/06 (which governs transitional matters in Growth Plans), generally with the goal of bringing the 2019 Growth Plan into line with the horizon and language of the Provincial Policy Statement 2020.

- All references to the PPS 2014 to the PPS 2020 will be changed
- Terms that were updated in the PPS 2020, such as changing “second units” to “additional residential units” and “climate change impacts” to “impacts of changing climate” will be replaced
- Language related to the requirement for planning authorities to engage with Indigenous communities, including replacing previous language related to Métis and First Nations communities is strengthened
- A provision is added requiring that where the Local Planning Appeal Tribunal has already conducted a hearing, but not yet issued a decision, the decision must conform with the 2019 Growth Plan
- There is no change proposed to the July 1, 2022 deadline for Official Plans to conform to the 2019 Growth Plan.
- New/updated definitions are provided, in order to reflect the definitions in the Provincial Policy Statement 2020, for the following terms: Cultural Heritage Landscape, Ecological Function, Habitat of Endangered Species and Threatened Species, Impacts of a Changing Climate, Municipal Water and Wastewater Systems, On-farm Diversified Uses and Public Service Facilities.

Lands Needs Assessment Methodology

Municipalities are required to ensure an appropriate range and mix of housing types are provided to meeting the projected growth targets, consistent with the timeframes established in the Provincial Policy Statement 2020. In working towards this, they are required to:

- Maintain a sufficient supply of land with servicing capacity to provide a three-year supply of residential development through lands zoned by a lower-tier municipality.
- Maintain the ability to accommodate residential growth for a minimum of 15 years.

In accordance with Policy 5.2.2.1c) of the 2019 Growth Plan, the Province has issued a proposed Lands Needs Assessment (LNA) methodology, which will be used to guide the preparation of land needs analyses for development across the 2019 Growth Plan planning horizon to 2051.

This LNA methodology was initially proposed as part of the 2017 Growth Plan but was not finalized prior to the release of the 2019 Growth Plan. It is proposed to be used by upper and single-tier municipalities to inform decisions around urban area boundary expansions or whether sufficient land has been identified to accommodate future growth, in accordance with the 2019 Growth Plan.

There are two principal components of the land needs assessment: the Community Area Land Needs Assessment and the Employment Area Land Needs Assessment.

The Community Area Land Needs Assessment is rooted in the proposed population forecasts from the 2019 Growth Plan for upper-and single-tier municipalities. The anticipated growth then must be associated with consideration of the historical and future trends for household growth by unit type. By doing so, housing need can be broken down by type of dwelling to include an age-specific household rate to forecast growth in the number of households across the planning horizon of the 2019 Growth Plan. Household demand can be adjusted for factors such as changes in vacancy rates, market contingencies, additional housing needs for post-secondary students, temporary workers, or units lost over time. The forecasted housing need (from the Housing Needs Analysis) can then be allocated based on local factors, including market conditions, urban planning structure, affordability and mix of housing forms and intensification. This allocation will be informed by an inventory of housing in the delineated built-up area, designated greenfield area, and other areas including rural settlements and rural area outside of settlement areas.

In addition to the accommodation of housing units, municipalities are required to assess the community area jobs to be allocated to the designated greenfield area to determine density targets. The community area jobs analysis are informed by estimations of persons per unit for the different housing types. Together with the projected housing units needed to accommodate growth, this will determine the land needed in this area across the 2019 Growth Plan horizon. The allocation of growth (to lower-tier municipalities, where applicable) is then translated into appropriate density targets for both the delineated built-up area and designated greenfield area. The community area lands are planned to accommodate the forecasted population, and the assessment may result in the identification of additional land required to accommodate the population forecast in

Proposed Amendment 1. When planning for community areas, municipalities will address the policy requirements of the 2019 Growth Plan.

The Employment Area Land Needs Assessment is intended to determine where and how much land is needed to accommodate the forecasted growth in jobs, in both the employment areas and the community areas. Based on the employment forecasts to the 2051 proposed planning horizon and informed by other data sources (e.g., Statistics Canada labour force surveys, local employment surveys, provincial fiscal updates), municipalities are permitted to calculate the employment growth rate. There are three steps which must be followed, at a minimum, when undertaking the Employment Area Land Needs Assessment through a land budgeting exercise process as part of a Municipal Comprehensive Review (MCR) including employment forecasts, categorization and needs analysis and allocation and reconciliation. Based on the employment forecasts, the total forecasted jobs should be grouped into four categories, while considering both historical and future trends in employment growth: Employment lands (traditional manufacturing and industrial types); Population related; Major office; and Agricultural/rural. The employment categorization can be adjusted for factors such as changes in economic activity, market disruptors, infrastructure and investment strategies, and other business environment impacts. The forecasted jobs determined can be allocated based on the understanding that community area jobs are to be located within settlement areas and outside employment areas, while employment area jobs are directed in the employment areas. The methodology permits community area jobs in the designated greenfield area to be counted towards the minimum density target. This allocation will ultimately determine whether there are sufficient area lands in a municipality to accommodate the determined employment growth.

Staff Comments and Next Steps

The proposed extension of the planning horizon and the corresponding population and enforcement forecasts are significant thresholds to achieve. Staff are satisfied that they provide an appropriate benchmark to which long term strategic planning need to accommodate through consideration of provisions to provide adequate housing stock and sufficient corresponding lands for a range of employment opportunities at both the Regional and Town levels.

With respect to the policy revisions proposed, those pertaining to PSEZs and MTSAs are not anticipated to result in any changes or implications to the Town's employment areas nor the proposed GO Transit Station site. That said, the Town has planned for appropriate intensification and employment opportunities in the vicinity of the site through the GO Transit Secondary Plan which was approved last year.

The proposed changes to policies pertaining to mineral aggregate operations could potentially result in opportunities for both existing and new operators to establish within the Town, outside of the Greenbelt. This could have implications resulting from increased truck traffic attempting to access the QEW.

The Region is preparing a submission to the Province. Some of the early comments identified pertain to some errors in the Provincial employment data as it relates to the breakdown of the types of employment and not the overall employment numbers which is to be corrected by the Province. The Region is setting up individual meetings with each municipality re growth allocations at the end of July into August.

Niagara Region is currently undertaking a municipal comprehensive review and official plan amendments and this methodology, should it be implemented, would inform the Region's population allocations to lower tier municipalities, such as the Town of Lincoln. As such, land requirements to accommodate growth and employment will need to be strategically planned for. Their employment strategy will be incorporated into their new Official Plan which is anticipated to be completed in 2021.

Financial, Legal, Staff Considerations:

Financial: N/A

Staffing: N/A

Legal: N/A

Public Engagement Matters:

The consultation period for municipalities to provide input to the Ministry of Municipal Affairs and Housing is open and closes July 31st.

The Ministry is also seeking feedback on a number of proposed actions to be taken to implement the Amendment, including:

- Possible approach to transition, to clarify how planning matters that are currently in process will be affected by the Amendment, if approved.
- A possible timeframe, to be set by the Minister, for municipalities to bring official plans into conformity with the Growth Plan as revised by the Amendment, if approved.

Conclusion:

This report provides a summary of the proposed amendments to the Growth Plan for the Greater Golden Horseshoe. Detailed conclusions on implications to the Town from a long-term strategic planning perspective cannot be made until further details

and implementation regulation is provided and the outcome of the Niagara Region's Municipal Comprehensive Review and Official Plan Amendments are finalized.

Respectfully submitted,

Matt Bruder, MCIP, RPP
Associate Director of Planning and Development

Appendices:

Appendix A – Proposed Amendment 1 to A Place to Grow: Growth Plan for the Greater Golden Horseshoe.

Appendix B – Proposed Land Needs Assessment Methodology.

Appendix C - Watson and Associates June 2020 White Paper

Report Approval:

The report has been approved by the Director of Planning & Development Department and the Chief Administrative Officer.



Proposed Amendment 1 to A Place to Grow: Growth Plan for the Greater Golden Horseshoe

ERO (Environmental Registry of Ontario) number	019-1680
Notice type	Policy
Act	Planning Act, R.S.O. 1990
Posted by	Ministry of Municipal Affairs and Housing
Notice stage	Proposal
Proposal posted	June 16, 2020
Comment period	June 16, 2020 - July 31, 2020 (45 days) Open
Last updated	June 16, 2020

This consultation closes at 11:59 p.m.
on:

July 31, 2020

Proposal summary

The government is consulting on a proposed amendment to A Place to Grow: Growth Plan for the Greater Golden Horseshoe. This update includes changes to the population and employment forecasts, the horizon year for planning, and other policies to increase housing supply, create jobs, attract business investment and better align with infrastructure.

Proposal details

Proposal Details

Description of Policy

This proposal is for Proposed Amendment 1 to A Place to Grow: Growth Plan for the Greater Golden Horseshoe ('A Place to Grow', 'the Plan'). It is recommended that Proposed Amendment 1 be read in conjunction with A Place to Grow. This proposal works in conjunction with a proposed new Land

Needs Assessment Methodology, that is also currently posted on the Environmental Registry of Ontario at ERO number 019-1679: Proposed Land Needs Assessment Methodology for A Place to Grow: Growth Plan for the Greater Golden Horseshoe (<https://ero.ontario.ca/notice/019-1679>).

Growth Forecasts

A Place to Grow supports the *More Homes, More Choice: Ontario's Housing Supply Action Plan* to increase housing supply, create more jobs, attract business investments and better align our infrastructure.

To ensure coordinated planning for growth across the Greater Golden Horseshoe (GGH) and to support the achievement of complete communities, A Place to Grow currently provides population and employment forecasts for all upper- and single-tier GGH municipalities. These forecasts are currently used for planning and managing growth to the horizon of the 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. The provincial government, including its agencies such as Metrolinx, and municipalities also use the forecasts to inform infrastructure and financial planning as well as economic and business investment strategies.

The Minister has initiated a review and update of the Distribution of Population and Employment for the GGH (Greater Golden Horseshoe) (Schedule 3), in accordance with policy 5.2.4.7 of A Place to Grow. The forecasts are being updated and extended to 2051 through a proposed amendment to the Plan. Additional policy changes are being proposed as outlined below. Details of all the changes to the Plan can be found here [[link \(https://prod-environmental-registry.s3.amazonaws.com/2020-06/Proposed%20APTG%20Amendment%20%28ENG%29%20.pdf\)](https://prod-environmental-registry.s3.amazonaws.com/2020-06/Proposed%20APTG%20Amendment%20%28ENG%29%20.pdf)].

In fall 2019, the government issued a request for proposals for revised population and employment forecasts for A Place to Grow. Following that competitive process, the services of Hemson Consulting ('the consultant') were procured and a series of technical and advisory meetings were held. For more detailed background information about the proposed updated growth forecasts and the methodology behind them, please view "Greater Golden Horseshoe: Growth Forecasts to 2051" available at [<https://www.hemson.com/wp-content/uploads/2020/06/HEMSON-Schedule->

[3-Forecasts-FINAL-16JUN20.pdf \(https://www.hemson.com/wp-content/uploads/2020/06/HEMSON-Schedule-3-Forecasts-FINAL-16JUN20.pdf\)](https://www.hemson.com/wp-content/uploads/2020/06/HEMSON-Schedule-3-Forecasts-FINAL-16JUN20.pdf)].

In addition to the updated forecasts, a related policy change is proposed to specify that municipalities would use the forecasts in the Plan or higher forecasts determined through the municipal comprehensive review as part of their long-term planning work.

The Ministry is considering amending A Place to Grow with one of the following growth outlooks: The Reference Growth Forecast, High Growth Scenario, or Low Growth Scenario for the forecast numbers. The Reference Forecast represents the most likely future growth outlook and is the result of extensive modelling and analysis. The Reference Forecast forms the basis of the draft report **Greater Golden Horseshoe: Growth Forecasts to 2051** (<https://www.hemson.com/wp-content/uploads/2020/06/HEMSON-Schedule-3-Forecasts-FINAL-16JUN20.pdf>). The High and Low Scenarios illustrate possible growth prospects under a set of variable assumptions about the future economic outlook. The Ministry is seeking feedback on the forecast and the two scenarios.

Municipalities would be required to use the selected growth outlook as the updated forecasts or use higher forecasts as determined through the municipal comprehensive review as part of this round of conformity exercises to meet the conformity deadline of July 2022. The effective date of Proposed Amendment 1 to A Place to Grow, if approved, will be determined by the Lieutenant Governor in Council as part of the approval.

New Plan Horizon Year

Another proposed change is an extension of the Plan horizon from 2041 to 2051 to ensure municipalities have sufficient land to support the fostering of complete communities, economic development, job creation and housing affordability. The new horizon is consistent with the long-range planning approach of previous growth plans and better aligns with the land supply requirements of the Provincial Policy Statement, 2020.

Growth Outlook to 2051

The economic, social and demographic conditions in the GGH (Greater Golden Horseshoe) point to substantial growth in the GGH over the next 30 years. Under the Reference Forecast, the GGH (Greater Golden Horseshoe) is forecast

to grow to close to 15 million people and 7 million jobs by 2051.

Land Needs Assessment

The government is also consulting concurrently on a proposed new Land Needs Assessment Methodology for the Greater Golden Horseshoe ('Methodology') which supports implementation of A Place to Grow. The proposed new Methodology would provide an outcome-based approach to assessing community area and employment area land need to the Plan horizon. It provides a streamlined approach to land budgeting activities by outlining the key components, at a minimum, that would be addressed as part of local land needs assessment processes. Recognizing that local needs are diverse, the proposed new Methodology aims to provide the key factors to be considered as municipalities plan to ensure that a sufficient and appropriate mix of land is available to accommodate:

- a. all housing market segments, to avoid supply shortages;
- b. market demand;
- c. all employment types, including those that are evolving; and
- d. all infrastructure services that are needed to meet the complete communities objectives to the horizon of the Plan.

As part of this work, municipalities could refer to background information on housing growth by type prepared as part of the review and update of A Place to Grow's population and employment forecasts. Refer to **ERO 019-1679: Proposed Land Needs Assessment Methodology for A Place to Grow: Growth Plan for the Greater Golden Horseshoe** (<https://ero.ontario.ca/notice/019-1679>) for further information.

Mineral Aggregate Operations

Proposed Amendment 1 also includes a proposed change to A Place to Grow policies related to mineral aggregate resources. Mineral aggregate resources play a crucial role in the development of housing and municipal infrastructure. Ensuring adequate aggregate resources are available is critical to achieving the success of A Place to Grow. The proposed changes would make it easier to establish new mineral aggregate operations closer to market throughout the GGH (Greater Golden Horseshoe) outside of the Greenbelt.

Major Transit Station Areas (MTSAs) in Provincially Significant Employment Zones (PSEZs)

In May 2019, changes to A Place to Grow provided new policies to enable municipalities to convert lands within employment areas to non-employment uses without provincial approval so as expedite new housing construction as part of the government's More Homes, More Choice: Ontario's Housing Supply Action Plan. However, to ensure certain employment areas were not converted locally without provincial involvement, the provincially significant employment zones (PSEZ) were introduced with policy that provides the employment area lands located in a PSEZ could only be converted to non-employment uses through ministerial approval.

As a tool to support economic development, PSEZs are utilized to provide provincial land use protections for employment areas that require provincial involvement in the support of retaining and expanding existing businesses as well as attracting new business investments. While each PSEZ is unique in nature, all zones must contain a significant number of jobs.

In light of the unique nature of each zone and to address the government's objective of intensification around major transit station areas (MTSA), Proposed Amendment 1 proposes to change an employment policy within A Place to Grow with respect to the planning of MTSA within a PSEZ. Notably, the policy amendment would allow conversions of employment areas to non-employment uses within a provincially significant employment zone that is located within a MTSA. This proposed change would allow for mixed-use developments to be initiated faster around MTSA. This does not change municipal zoning by-laws or other conversion policies within A Place to Grow.

Mapping of an MTSA still requires provincial approval and this exercise can encourage transit-oriented development while protecting and enhancing employment opportunities.

The next phase of work, which will begin shortly, will examine how PSEZs can support post-COVID economic recovery and support the retention and expansion of existing industrial and manufacturing operations and how the zones can attract investment. The government continues to view PSEZs as an important tool and looks forward to engaging with businesses,

municipalities, Indigenous communities and organizations and the development industry to maximize opportunities within a PSEZ (provincially significant employment zone).

Alignment with Provincial Policy Statement, 2020

Given the most recent changes to the Provincial Policy Statement, 2020, (PPS) proposed Amendment 1 proposes to change A Place to Grow policies to ensure continued alignment with the new PPS (Provincial Policy Statement), which came into effect on May 1, 2020. These changes, which are mostly technical in nature, would ensure that A Place to Grow reflects up to date references to the new PPS (Provincial Policy Statement) and maintains consistency across the planning system with things such as definitions and planning horizons. A proposed policy revision would also require planning authorities to engage on planning matters with Indigenous communities to ensure appropriate engagement is undertaken.

Transition

It is proposed that the Minister would make the following housekeeping modifications to the Growth Plan transition regulation (O. Reg. (Ontario Regulation) 311/06) to facilitate implementation of Amendment 1 to A Place to Grow, if approved:

- Provide that rules that required conformity with the Growth Plan for the Greater Golden Horseshoe 2019 would now require conformity with the Plan as amended by Amendment 1; and
- Provide that where the Local Planning Appeal Tribunal has completed a hearing but not yet issued a decision in respect of a matter required to conform with the Growth Plan for the Greater Golden Horseshoe 2019, those decisions are required to conform with the Plan as it read before Amendment 1.

Subject to the limited transitional rules mentioned above, the Minister is not proposing any other new transitional rules. This would mean that the policies in Proposed Amendment 1, if approved would need to be used in most decisions immediately after they come into effect, including in the current municipal comprehensive review. The date by which municipalities must conform with the policies in APTG (A Place to Grow) will remain July 1, 2022.

Other public consultation opportunities

Feedback can be provided by

- email at growthplanning@ontario.ca
- Environmental Registry online form
- mail to:

Ontario Growth Secretariat
Ministry of Municipal Affairs and Housing 777 Bay Street
23rd Floor, Suite 2304
Toronto, ON M7A 2J3

The consultation closes on July 31, 2020.

Notice regarding collection of information

Any collection of personal information will be in accordance with subsection 39(2) of the *Freedom of Information and Protection of Privacy Act*. It will be collected under the authority of the *Places to Grow Act, 2005* for the purpose of obtaining input on the proposed amendment to A Place to Grow: Growth Plan for the Greater Golden Horseshoe.

If you have questions about the collection, use, and disclosure of this information please contact:

Ministry of Municipal Affairs and Housing
Senior Information and Privacy Advisor
777 Bay Street, 17th Floor
Toronto, Ontario, M7A 2J3
416-585-7094

Organizations and businesses

Comments or submissions made on behalf of an organization or business may be shared or disclosed. By submitting comments, you are deemed to consent to the sharing of information contained in the comments and your business contact information. Business contact information is the name, title and contact information of anyone submitting comments in a business, professional or official capacity.

Individuals

Personal contact information will only be used to contact you and will not be shared. Please be aware that any comments provided may be shared or disclosed once personal information is removed. Personal information includes your name, home address and personal e-mail address.

Supporting materials

Related files

[Proposed Amendment 1 to A Place to Grow: Growth Plan for the Greater Golden Horseshoe \(https://prod-environmental-registry.s3.amazonaws.com/2020-06/Proposed%20APTG%20Amendment%20%28ENG%29_0.pdf\)](https://prod-environmental-registry.s3.amazonaws.com/2020-06/Proposed%20APTG%20Amendment%20%28ENG%29_0.pdf)
pdf (Portable Document Format file) 981.87 KB

Related links

[A Place to Grow: Growth Plan for the Greater Golden Horseshoe \(https://www.ontario.ca/document/place-grow-growth-plan-greater-golden-horseshoe\)](https://www.ontario.ca/document/place-grow-growth-plan-greater-golden-horseshoe)

[Hemson Technical Report, Greater Golden Horseshoe: Growth Forecasts to 2051 \(https://www.hemson.com/wp-content/uploads/2020/06/HEMSON-Schedule-3-Forecasts-FINAL-16JUN20.pdf\)](https://www.hemson.com/wp-content/uploads/2020/06/HEMSON-Schedule-3-Forecasts-FINAL-16JUN20.pdf)

Related ERO (Environmental Registry of Ontario) notices

[Proposed Land Needs Assessment Methodology for A Place to Grow: Growth Plan for the Greater Golden Horseshoe \(/notice/019-1679\)](/notice/019-1679)

View materials in person

Important notice: Due to the ongoing COVID-19 pandemic, viewing supporting materials in person is not available at this time.

Please reach out to the Contact listed in this notice to see if alternate arrangements can be made.

Ontario Growth Secretariat
777 Bay St, Suite 2304
Toronto, ON
M7A 2J8
Canada

 [416-325-1210](tel:416-325-1210)

Comment

Let us know what you think of our proposal.

Have questions? Get in touch with the contact person below. Please include the ERO (Environmental Registry of Ontario) number for this notice in your email or letter to the contact.

[Read our commenting and privacy policies. \(/page/commenting-privacy\)](/page/commenting-privacy)

Submit by mail

Sandra Bickford
Ontario Growth Secretariat
777 Bay St, Suite 2304
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Canada

Connect with us

Contact

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Proposed Land Needs Assessment Methodology for A Place to Grow: Growth Plan for the Greater Golden Horseshoe

ERO (Environmental Registry of Ontario) number	019-1679
Notice type	Policy
Act	Places to Grow Act, 2005
Posted by	Ministry of Municipal Affairs and Housing
Notice stage	Proposal
Proposal posted	June 16, 2020
Comment period	June 16, 2020 - July 31, 2020 (45 days) Open
Last updated	June 16, 2020

This consultation closes at 11:59 p.m. on:

July 31, 2020

Proposal summary

The government is consulting on a new Land Needs Assessment Methodology for the Greater Golden Horseshoe ("Methodology") which supports the implementation of A Place to Grow: Growth Plan for the Greater Golden Horseshoe ("The Plan"). This posting presents the outcome-based Methodology that, if approved, would replace the existing Methodology.

Proposal details

Proposal Details

On May 2, 2019, the government released A Place to Grow: Growth Plan for the Greater Golden Horseshoe as part of the "More Homes, More Choice: Ontario's Housing Supply Action Plan". The Plan, which came into effect on May 16, 2019,

addresses the needs of a growing population, the diversity of the Greater Golden Horseshoe region, the people and local priorities.

Policy 2.2.1.5 of the Plan requires upper- and single-tier municipalities to use the Methodology issued by the Minister to assess the quantity of land required to accommodate forecasted growth to the horizon of this Plan. The government is consulting on a proposed new Land Needs Assessment Methodology for the Greater Golden Horseshoe.

These changes are linked to the **Proposed Amendment 1 to A Place to Grow: Growth Plan for the Greater Golden Horseshoe** (<https://ero.ontario.ca/notice/019-1680>) found at **ERO Number 019-1980** (<https://ero.ontario.ca/notice/019-1680>).

Proposed Methodology

Purpose and Objectives

The proposed Methodology outlines key steps for assessing community and employment land needs to the Plan horizon year. Municipalities must follow the steps of this methodology as part of the municipal comprehensive review to ascertain the amount of land required to accommodate the amount and type of additional housing units and jobs required to meet market demands in conformity with the Plan. The methodology is also used to determine whether there is a need for a settlement area boundary expansion for employment area or community area, which is all other settlement area land outside of employment areas.

Recognizing that local needs are diverse, the proposed new Methodology aims to provide the key factors to be considered as municipalities plan to ensure that a sufficient and appropriate mix of land is available to: accommodate all housing market segments; avoid housing shortages; consider market demand; accommodate all employment types, including those that are evolving; and plan for all infrastructure services that are needed to meet complete communities objectives to the horizon of the Plan.

It will do so by presenting a simplified approach to land needs assessment that reduces the overall complexity of implementation of the Plan. The proposed Methodology will provide more flexibility to municipalities. It will also be forward-looking and account for demographics, employment trends, market demand, and concerns related to housing affordability in the Greater Golden Horseshoe.

Schedule 3 is the baseline to be used by municipalities. Lower forecasts for population, dwellings by type or employment are not permitted as this would lead to land supply issues which would lead to housing affordability issues and land shortages. Municipalities may develop alternative assumptions about growth to the horizon of the Plan if they demonstrate they can provide a range of housing to achieve market-based demand. This includes meeting the projected needs of current and future residents and providing the basis for realizing employment opportunities in labour markets of the Greater Golden Horseshoe.

Implementation and Conformity

The proposed Methodology does not preclude municipalities from considering alternate assumptions about population and employment growth to the horizon of the Plan. A municipality may test alternative growth assumptions to establish the case for a higher density target. Assumptions that include density targets lower than those required in the Plan would require Minister's approval.

Land needs assessment is an iterative process involving dialogue between upper-tier and lower-tier municipalities, stakeholders, the public and the Province. The proposed Methodology will continue to be implemented through a new upper- or single-tier official plan or an official plan amendment that is subject to approval by the Minister of Municipal Affairs and Housing. Municipalities have the choice of phasing their municipal comprehensive review or achieving conformity as part of one single new official plan or a plan amendment.

Timeframes

Municipalities must plan to accommodate forecasted growth to the horizon of A Place to Grow. Land supply to meet the full horizon of a Place to Grow is essential to ensuring consistency with the Provincial Policy Statement (PPS). Planning authorities need to ensure an appropriate range and mix of housing options and densities are provided to meet projected requirements of current and future residents of the regional market area. This means:

- Municipalities must, at all times, have enough land with servicing capacity to provide at least a three-year supply of residential units available through lands suitably zoned in lower-tier municipalities.
- Municipalities shall also plan to maintain the ability to accommodate residential growth for a minimum of 15 years.

Testing Alternate Growth Assumptions

This methodology does not preclude municipalities from considering future economic, social and policy directions where these are known, particularly in between Censuses or mandatory reviews of A Place to Grow.

Municipalities may develop alternate growth assumptions provided the population and employment forecasts of A Place to Grow are implemented in municipal official plans. Municipalities must be able to demonstrate that assumptions utilized in their land needs assessment conform with the Plan and are justifiable in light of both general trends in the province and specific conditions in the municipality.

Components

The Methodology has various components that need to be considered when assessing local land needs. The first is the community area land needs assessment used for housing, population-related jobs and office jobs. The second is the employment area land need assessment for all various types of employment.

Community Area Land Needs Assessment

The community area land needs assessment is based on the population forecasts from A Place to Grow – from which, upper and single-tier municipalities shall estimate households by type and housing need, then allocate the projected need among lower-tier municipalities, where appropriate. The projected need for each local municipality is translated into applicable densities and separated into housing within the delineated built-up area and designated greenfield area.

The community area lands are where most housing required to accommodate forecasted population will be located. It also includes most population-related jobs, office jobs and some employment lands jobs. The result of the assessment is the amount of additional land required for new community area land to accommodate these homes and jobs to the horizon of A Place to Grow.

This part of the Methodology involves components such as population forecasts, housing needs analysis, housing allocation and supply inventory and community area jobs analysis and reconciliation. These components are used to determine where and how the forecasted community area people and jobs

growth will be accommodated within the upper- or single-tier municipality to meet the intensification and density targets in the Plan and the amount of community area land needed (in hectares) to accommodate that growth.

When planning for community areas, municipalities will address policy requirements of A Place to Grow to:

- Use the population and employment forecast contained in Schedule 3 for planning and managing growth, as a minimum;
- Direct development to settlement areas, except where the policies permit otherwise;
- Plan to achieve minimum intensification and designated greenfield area density targets;
- Support the achievement of complete communities that offer and support opportunities for people of all ages and abilities to conveniently access most of the necessities for daily living, including an appropriate mix of jobs, local stores, and services, a full range of housing, transportation options and public service facilities;
- Consider the range and mix of housing options and densities of the existing housing stock and plan to diversify housing options in the future, including additional residential units and affordable housing, to serve all sizes, incomes and ages of households; and
- Plan for a more compact built form that reduces the rate at which land is consumed and supports the integration and sustained viability of transit services.

A Place to Grow requires that upper-tier municipalities, through a municipal comprehensive review, identify minimum intensification and designated greenfield area density targets for lower-tier municipalities and allocate the Schedule 3 forecasts to lower-tier municipalities. The PPS requires upper-tier municipalities to allocate the land and housing unit supply to be maintained by lower tier municipalities. In practice, the assessment will entail consultation between different tiers of government, including public consultation.

As part of the land needs assessment process, the four components identified below provide minimum requirements to be considered when completing local land budgeting processes as part of the municipal comprehensive review.

Population Forecasts

Using population forecast by age group for the housing market area, municipalities may calculate how many additional people a municipality needs to house to the Plan horizon. This involves an examination of the minimum forecasts in Schedule 3 in terms of total population, Census population and household population.

Housing Needs Analysis

Housing need can be broken down by type of dwelling to include age-specific household formation rates in order to forecast growth in the number of households to the Plan horizon, categorized by dwelling type (i.e. ground-related versus high-rise). It should consider both historical and future trends for household growth by units by type.

Municipalities may refer to background information on housing growth by type prepared as part of the review and update of A Place to Grow's population and employment forecasts.

Household demand can be adjusted for factors such as changes in vacancy rates, market contingencies, additional housing needs for post-secondary students, temporary workers, or units that will be lost over time for various reasons.

Housing Allocation and Supply Inventory

Municipalities, in consultation with the public, allocate the forecasted housing need for the housing market area using factors such as past and future market shares, planned urban structure, housing affordability, and a mix of housing forms and intensification. This includes preparing an inventory of housing in the delineated built-up area, designated greenfield area, and other areas including rural settlements and rural area outside of settlement areas.

Community Area Jobs Analysis and Reconciliation

In addition to the housing units that need to be accommodated, municipalities will need to assess the community area jobs to be allocated to the designated greenfield area to determine density targets. Estimations of persons per unit for the different housing types coupled with the projected housing units needed to accommodate growth will provide, along with the community area jobs, the amount of land needed in this area to the Plan horizon.

Employment Area Land Needs Assessment

This part of the Methodology involves components such as employment forecasts, employment categorization and needs analysis, and employment allocation and reconciliation, to determine where and how much land is needed to accommodate the forecasted growth in jobs in both the employment areas and the community areas.

When planning locations for employment, municipalities will address the following Plan requirements:

- Within settlement areas, make more efficient use of existing employment areas, vacant and underutilized employment lands, and increase employment densities;
- Direct major office and appropriate institutional development to urban growth centres, major transit station areas and other strategic growth areas with existing or planned frequent transit service;
- Direct retail and office uses to locations that support active transportation and have existing or planned transit;
- Prohibit or establish a size and scale threshold to prohibit any major retail exceeding this threshold in employment areas; and
- Provide for economic activity on rural lands that is appropriate in scale and type to the rural context.

As part of the land needs assessment process, these three components provide the minimum requirements to be considered in completing local land budgeting processes as part of the municipal comprehensive review.

Employment Forecasts

Using the minimum employment forecast in Schedule 3, municipalities may establish the employment growth rate from the base year to the Plan horizon. This can involve an examination of other data sources as well such as Statistics Canada's labour force surveys, local employment surveys, and provincial fiscal updates.

Employment Categorization and Needs Analysis

Municipalities should categorize the total forecasted jobs in four types based on the primary land use: employment lands, population related, major office, and agricultural/rural, which are outside the settlement area. It should consider both historical and future trends for employment growth by type.

As part of the needs analysis, employment growth by type can be adjusted for factors such as changes in economic activity, market disruptors, infrastructure and investment strategies, and other business environment impacts.

Employment Allocation and Reconciliation

Municipalities can allocate the categorized forecasted jobs with the understanding that community area jobs are to be located within settlement areas but outside employment areas while employment area jobs are located in the employment areas. In addition, community area jobs in the designated greenfield area may be counted towards the minimum density target.

Through allocations municipalities can determine whether there are sufficient employment area lands in the municipality to accommodate the employment growth established.

Seeking Feedback

The Ministry of Municipal Affairs and Housing is seeking feedback on the proposed land needs assessment methodology for the Greater Golden Horseshoe. After considering submissions and comments received, the Minister may modify the approach and formally issue a final revised Methodology in accordance with policy 5.2.2.1(c) of A Place to Grow.

The purpose of this policy proposal notice is to inform the public of Ontario that the Province is:

- Proposing a new Methodology for upper- and single-tier municipalities in the Greater Golden Horseshoe to use in assessing their future land needs in a consistent way.
- Seeking comments on how the Province could improve or refine the approach to the proposed Methodology.

Related files

[Proposed Amendment 1 to A Place to Grow: Growth Plan for the Greater Golden Horseshoe \(https://prod-environmental-registry.s3.amazonaws.com/2020-06/Proposed%20APTG%20Amendment%20%28ENG%29.pdf\)](https://prod-environmental-registry.s3.amazonaws.com/2020-06/Proposed%20APTG%20Amendment%20%28ENG%29.pdf)
pdf.(Portable Document Format file) 981.87 KB

Supporting materials

Related links

[A Place to Grow: Growth plan for the Greater Golden Horseshoe](https://www.ontario.ca/document/place-grow-growth-plan-greater-golden-horseshoe)
(<https://www.ontario.ca/document/place-grow-growth-plan-greater-golden-horseshoe>)

[Land Needs Assessment for the Greater Golden Horseshoe, 2018](https://www.ontario.ca/page/land-needs-assessment-methodology-greater-golden-horseshoe)
(<https://www.ontario.ca/page/land-needs-assessment-methodology-greater-golden-horseshoe>)

Related ERO (Environmental Registry of Ontario) notices

[Proposed Amendment to the Growth Plan for the Greater Golden Horseshoe, 2017 \(/notice/013-4504\)](/notice/013-4504)

[Proposed methodology for land needs assessment for the Greater Golden Horseshoe \(/notice/013-2016\)](/notice/013-2016)

[Proposed Amendment 1 to A Place to Grow: Growth Plan for the Greater Golden Horseshoe \(/notice/019-1680\)](/notice/019-1680)

View materials in person

Important notice: Due to the ongoing COVID-19 pandemic, viewing supporting materials in person is not available at this time.

Please reach out to the Contact listed in this notice to see if alternate arrangements can be made.

Ontario Growth Secretariat
777 Bay St, Suite 2304
Toronto, ON
M7A 2J8
Canada

 [416-325-1210](tel:416-325-1210)

Comment

Let us know what you think of our proposal.

Have questions? Get in touch with the contact person below. Please include the ERO (Environmental Registry of Ontario) number for this notice in your email or letter to the contact.

[Read our commenting and privacy policies. \(/page/commenting-privacy\)](#)

Submit by mail

Sandra Bickford
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777 Bay St, Suite 2304
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Connect with us

Contact

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 sandra.bickford@ontario.ca



June 2020
A White Paper on:

Proposed Amendment 1 to A Place to Grow & Proposed New Land Needs Assessment Methodology



Introduction



On June 16, 2020, the Province of Ontario released Proposed Amendment 1 to A Place to Grow (A.P.T.G.): Growth Plan for the Greater Golden Horseshoe (G.G.H.), 2019, hereafter referred to as the Growth Plan. This proposed Amendment has been provided in conjunction with a proposed “new” Land Needs Assessment (L.N.A.) methodology for the G.G.H. These proposed policy changes will be finalized after the prescribed public consultation and comment period which ends July 31, 2020. Proposed Amendment 1 will update the Growth Plan, while the proposed new L.N.A. methodology will replace the current L.N.A. methodology, 2018. The effective date for Proposed Amendment 1 will be determined by the Province when it is finalized.

Provided below is an overview of the key changes to the Growth Plan and the L.N.A. methodology. This White Paper, prepared by Watson & Associates

Economists Ltd. (Watson), addresses the impacts of Proposed Amendment 1 on future population and employment growth and long-term urban land needs assessments across the G.G.H.

Technical Report: Greater Golden Horseshoe: Growth Forecast to 2051

As background to Proposed Amendment 1, a Technical Report was prepared in June 2020 by Hemson Consulting Ltd. for the Ministry of Municipal Affairs and Housing (M.M.A.H.).¹ The 2020 Technical Report draws on feedback provided during the winter of 2020 from two provincially sponsored stakeholder groups, including an Advisory Group and a Technical Group. The 2020 Technical Report serves as background to the review of the growth forecasts provided in Schedule 3 of the Growth Plan initiated in 2019 and includes updated population and employment forecasts for all upper-tier and single-tier municipalities to the year 2051, including Low, Reference and High Growth Scenarios.²

¹ Technical Report prepared by Hemson Consulting Ltd. for the Ministry of Municipal Affairs and Housing. Greater Golden Horseshoe: Growth Forecast to 2051. June 16, 2020. Hemson Consulting Ltd. This report represents an update to the 2012 Technical Report prepared by Hemson Consulting Ltd. in November 2012, as background to Proposed Amendment 2 to the Growth Plan for the Greater Golden Horseshoe, 2006. Both Technical Reports are referred to throughout this White Paper.

² Appendix B of the Technical Report includes details regarding the forecast results by upper-tier and single-tier municipality with respect to population, housing by type and employment by type.

Overview of Proposed Amendment 1 to A Place to Grow

The following key policies remain unchanged:

- **Housing Intensification and Greenfield Density Targets** – No changes have been made to the minimum housing targets identified for the Built-up Area (B.U.A.) or Designated Greenfield Area (D.G.A.) minimum density targets.
- **Growth Plan, 2019 Schedule 3 Population and Employment Forecasts** – The Minister is proposing to maintain the Schedule 3 forecasts for 2031 and 2041 with Schedule 3 of

the Growth Plan. This is to ensure continuity of the work that municipalities have undertaken to bring their Official Plans (O.P.s) into conformity with these forecasts.

Growth Plan Conformity Deadline – The date by which municipalities must conform with the proposed policies in Proposed Amendment 1 to A.P.T.G. will remain as July 1, 2022. Transition policies have not been included in Proposed Amendment 1.

The following key policies regarding the implementation of the revised Schedule 3 growth forecasts are proposed to be changed:

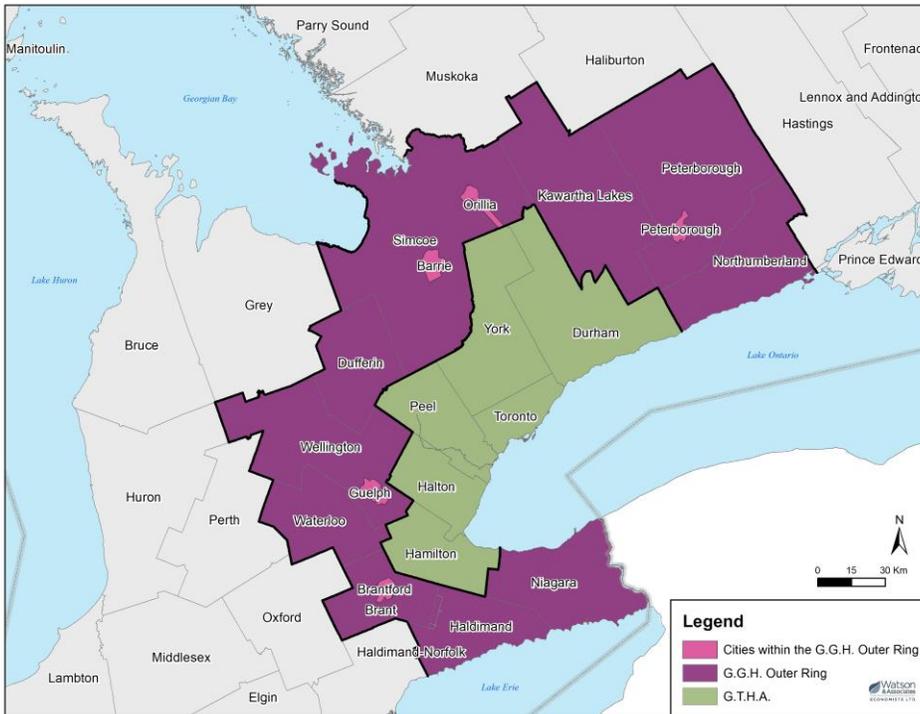
- **The Planning Horizon has been Extended to 2051** – The population and employment growth forecast horizon in Schedule 3 of the Growth Plan has now been extended to 2051. Within the G.G.H., the Growth Plan provides that the applicable time horizon for land-use planning is 2051.
- **The Forecasts in Schedule 3 of the Growth Plan are to be Treated as Minimums** – Lower forecasts for population, dwellings by type or employment are not permitted. It is noted by Watson that further clarification will be required by the Province in cases where long-term growth potential is constrained by municipal water and/or wastewater servicing capacity.
- **Higher Growth Forecast Alternatives are Permitted** – G.G.H. upper-tier and single-tier municipalities may establish higher

growth forecasts through their respective Municipal Comprehensive Review (M.C.R.) exercise.

- **Simcoe Area Growth Forecasts** – Schedule 7 of the Growth Plan, which provides population and employment growth allocations by lower-tier municipality in Simcoe County for the year 2031, has been removed.



Map 1: Greater Golden Horseshoe (G.G.H.)



According to the Statistics Canada 2016 Census, the population and employment base of the G.G.H. was 9.5 million and 4.6 million, respectively.¹

By 2051, the G.G.H. population and employment base is forecast to reach 14.9 million persons and 7.0 million jobs in accordance with the Proposed Amendment 1 Reference Forecast, Schedule 3 to the Growth Plan.

Other Key Policy Changes

- **Alignment of policies with the Provincial Policy Statement (P.P.S.), 2020** – Notable changes which will impact long-term land needs assessments across the G.G.H. include:
 - Municipalities must, at all times, have enough land with servicing capacity to provide at least a three-year supply of residential units available through lands suitably zoned in lower-tier municipalities.
 - Municipalities shall also plan to maintain the ability to accommodate residential growth for a minimum of 15 years.
- **Major Transit Station Areas (M.T.S.A.s) in Provincially Significant Employment Zones (P.S.E.Z.)** – This policy amendment would allow conversions of Employment Areas identified as a P.S.E.Z. and located within an M.T.S.A., as delineated in an O.P., to occur before the next M.C.R.

¹ All population figures reported herein are upwardly adjusted by approximately 3% to account for the net Census under-coverage. The net Census under-coverage represents the net number of people who are estimated to be missed during Census enumeration.

What is a Provincially Significant Employment Zone?

Provincially Significant Employment Zones (P.S.E.Z.) Areas have been “defined by the Minister in consultation with affected municipalities for the purpose of long-term planning for job creation and economic development. P.S.E.Z. can consist of Employment Areas as well as mixed-use areas that contain a significant number of jobs.”¹

- **Provincially Significant Employment Zones (P.S.E.Z.)** – Additional work by the Province will begin shortly to examine how P.S.E.Z. can support post-COVID-19 economic recovery, support the retention and expansion of existing industrial and manufacturing operations, and how the zones can attract investment.

Proposed New Land Needs Assessment (L.N.A.) Methodology

A new outcome-based L.N.A. methodology, if approved, would replace the existing L.N.A.

methodology (2018). The new methodology retains the outline of the 2018 methodology and removes all detailed technical steps. It provides an outline of what should be considered in the L.N.A. and the ultimate outcome requirements (e.g. establishing urban land needs, addressing an intensification target, and addressing a D.G.A. density target). Key components of the proposed new L.N.A. methodology include:

- **Schedule 3 Continues to be the Baseline** – Schedule 3 is to be used by all upper-tier and single-tier G.G.H. municipalities.
- **Alternative Growth Assumptions** – Municipalities may develop alternative growth assumptions to the horizon of the Growth Plan if they demonstrate they can provide a range of housing to achieve market-based demand.
- **Dwelling Type Categorization** – Housing demand can include age-specific household formation rates, in order to forecast growth in the number of households to the Growth Plan horizon, categorized by dwelling type (i.e. ground-related versus apartments).
- **Housing Adjustments** – Household demand can be adjusted for factors such as changes in vacancy rates, market contingencies, additional housing needs for post-secondary students, temporary workers or units that will be lost over time for various reasons.
- **Housing Allocation** – Municipalities, in consultation with the public, are to allocate forecast housing demand for the housing market area using factors such as past and future market shares, planned urban structure, housing affordability and a mix of housing forms and intensification. This includes preparing an inventory of housing in the B.U.A., D.G.A. and other areas including rural settlements and rural areas outside settlement areas.
- **Employment Area Land Needs Assessment** – Municipalities are to address the following Growth Plan requirements:
 - Within settlement areas, make more efficient use of existing Employment Areas, vacant and underutilized employment lands, and increase employment densities;
 - Direct major office and appropriate institutional development to urban

¹ Growth Plan, 2019, definitions, p. 80.

growth centres, M.T.S.A.s and other strategic growth areas with existing or planned frequent transit service; and

- Prohibit or establish a size and scale threshold to prohibit any major retail exceeding this threshold in Employment Areas.

Will the Proposed New Land Needs Assessment (L.N.A.) Methodology Change the Way Long-Term Urban Land Needs Assessments are Conducted in the G.G.H.?

The proposed new L.N.A. methodology will allow for greater flexibility regarding the way in which upper-tier and single-tier municipalities conduct long-term urban land needs assessments in the G.G.H. through their respective M.C.R. processes. The proposed new L.N.A. methodology, however, still requires that all G.G.H. municipalities continue to provide outcomes related to the following:

- Population and Employment Forecasts;
- Housing Needs Analysis;
- Housing Allocations and Residential Land Supply Analysis;
- Community Area Jobs Analysis and Land Needs Assessment; and
- Employment Area Land Needs Assessment.

It is recommended by Watson that the level of detail provided through the L.N.A. process should correspond with the magnitude of growth and level of complexity regarding the growth management issues faced by each of the respective upper- and single-tier municipalities across the G.G.H.

Review of Proposed Schedule 3 Population and Employment Growth Forecasts for the Greater Golden Horseshoe (G.G.H.)

What is the Forecast Population and Employment for the G.G.H. by the Year 2051?

Figure 1 and Figure 2 summarize the 2051 population and employment growth forecast for the G.G.H. between the Greater Toronto Hamilton Area (G.T.H.A.) and the G.G.H. Outer Ring. By 2051, the G.G.H. population and the employment base are forecast to reach 14.9 million and 7 million, respectively. This represents an annual population and employment increase of 155,000 and 70,000. As identified in Figure 1, the G.T.H.A. experienced a relatively higher rate of population and employment compared to the G.G.H. Outer Ring over the 2001 to 2016 period. Between 2016 and 2051, the forecast annual population and employment growth rate for the G.G.H. Outer Ring is anticipated to increase significantly, largely driven by continued outward growth pressure from the G.T.H.A. In fact, the forecast annual rate of employment growth in the G.G.H. Outer Ring is expected to exceed that of the G.T.H.A. over the 2016 to 2051 planning horizon.

Figure 1
G.G.H. Population Growth Forecast to 2051

Area	Population			2001 to 2016		2016 to 2051	
	2001	2016	2051	Total Population Growth	Annual Population Growth	Total Population Growth	Annual Population Growth
G.T.H.A.	5,807,000	7,180,000	11,172,000	1,373,000	91,500	3,992,000	114,100
G.G.H. Outer Ring	1,971,000	2,289,000	3,703,000	318,000	21,200	1,414,000	40,400
Total	7,778,000	9,469,000	14,875,000	1,691,000	112,700	5,406,000	154,500

Source: Derived from Growth Plan for the Greater Golden Horseshoe Forecasts to 2051 Technical Report, June 16, 2020, Hemson Consulting Ltd. Figure by Watson & Associates Economists Ltd., 2020.

Note: Population includes the net Census undercount. Figures may not sum to totals due to rounding.

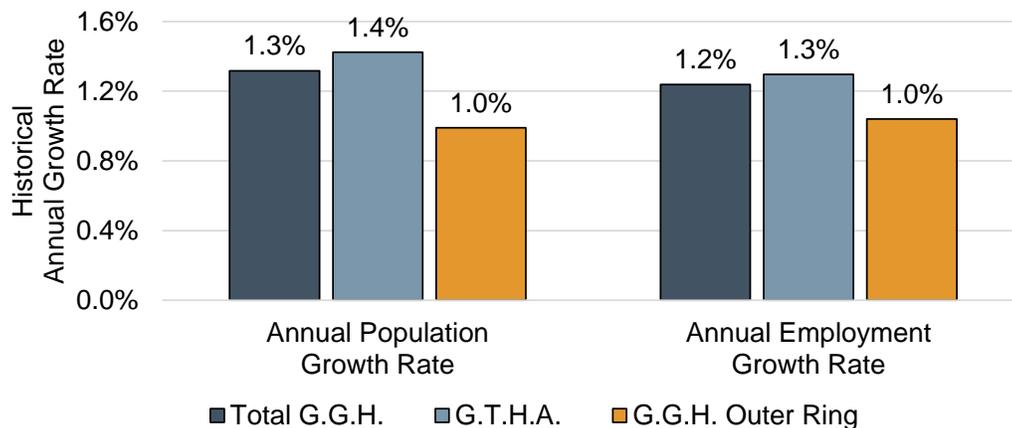
Figure 2
G.G.H. Employment Growth Forecast to 2051

Area	Employment			2001 to 2016		2016 to 2051	
	2001	2016	2051	Total Employment Growth	Annual Employment Growth	Total Employment Growth	Annual Employment Growth
G.T.H.A.	2,938,000	3,564,000	5,360,000	626,000	41,700	1,796,000	51,300
G.G.H. Outer Ring	863,000	1,008,000	1,648,000	145,000	9,700	640,000	18,300
Total	3,801,000	4,571,000	7,008,000	770,000	51,300	2,437,000	69,600

Source: Derived from Growth Plan for the Greater Golden Horseshoe Forecasts to 2051 Technical Report, June 16, 2020, Hemson Consulting Ltd. Figure by Watson & Associates Economists Ltd., 2020.

Note: Population includes the net Census undercount. Figures may not sum to totals due to rounding.

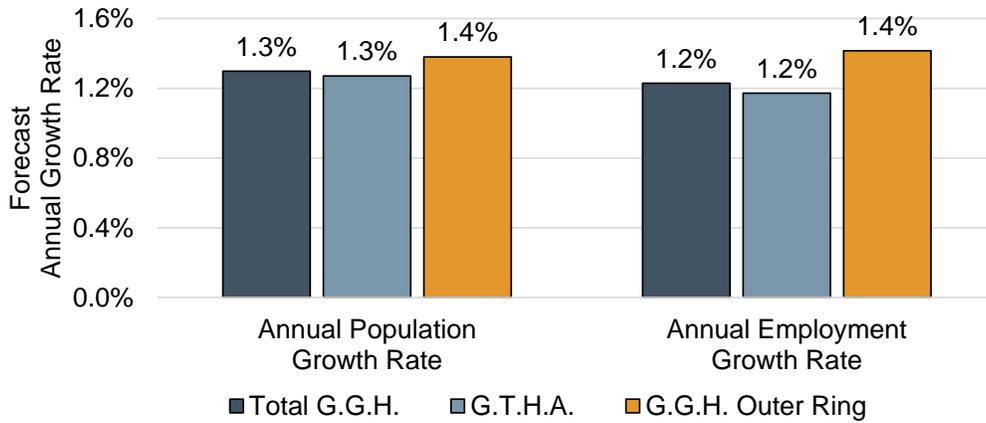
Figure 3
G.G.H. Population and Employment Annual Historical Growth Rates, 2001 to 2016



Note: Population includes the net Census undercount.

Source: Derived from Growth Plan for the Greater Golden Horseshoe Forecasts to 2051 Technical Report, June 16, 2020, Hemson Consulting Ltd. Figure by Watson & Associates Economists Ltd., 2020.

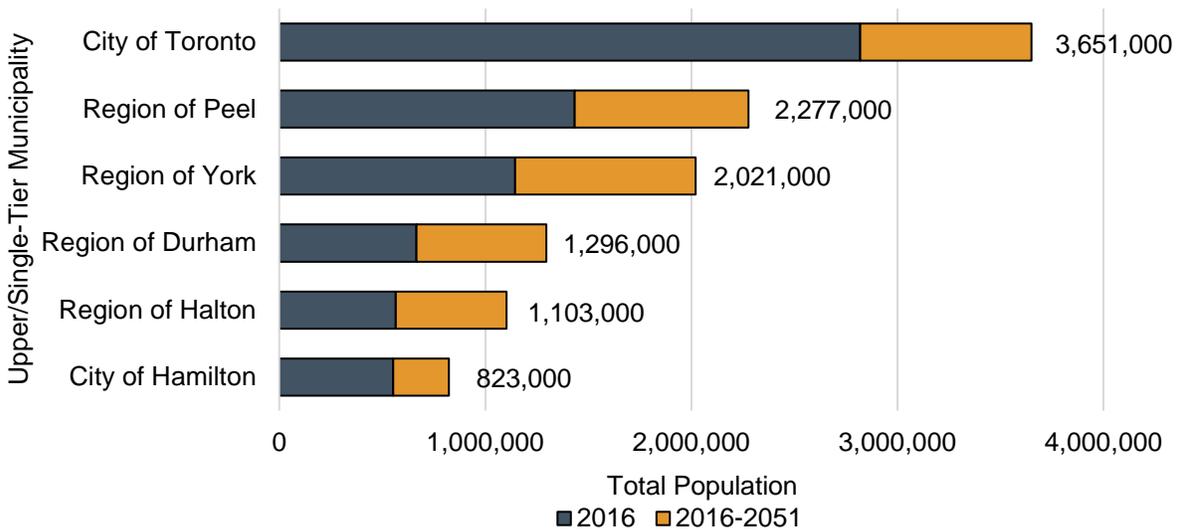
Figure 4
G.G.H. Population and Employment Forecast Growth Rates, 2016 to 2051



Source: Derived from Growth Plan for the Greater Golden Horseshoe Forecasts to 2051 Technical Report, June 16, 2020, Hemson Consulting Ltd. Figure by Watson & Associates Economists Ltd., 2020.

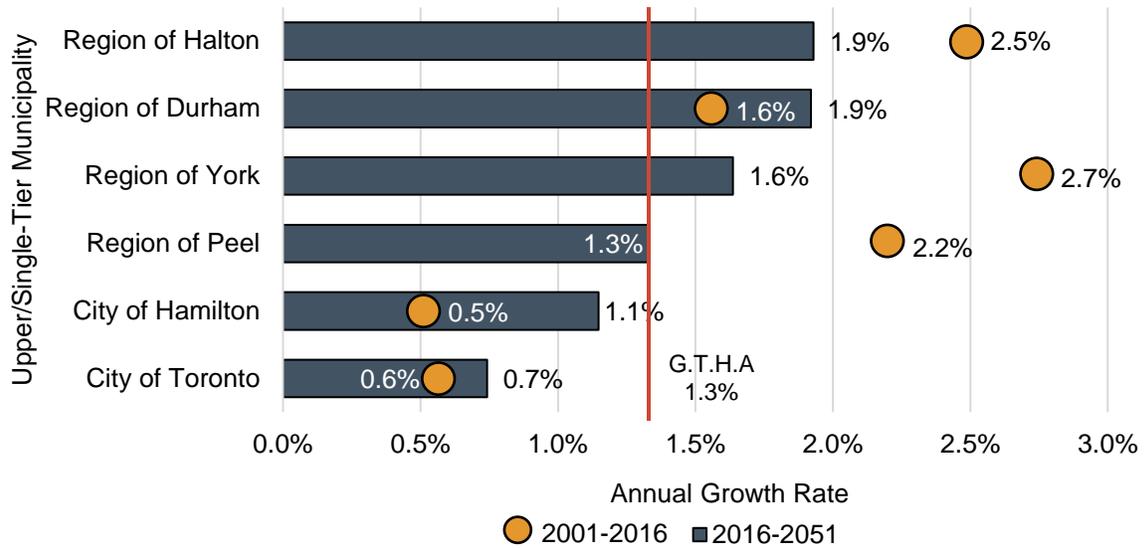
Figures 5 through 12 summarize the 2051 population and employment forecasts as well as annual growth rates by upper-tier/single-tier municipality between 2016 and 2051 in accordance with the 2020 Technical Report, Reference Scenario.

Figure 5
G.T.H.A. 2051 Population Forecast (Reference Scenario)



Note: Population includes the net Census undercount.
 Source: Derived from Greater Golden Horseshoe: Growth Forecasts to 2051 Technical Report, June 16, 2020, Hemson Consulting Ltd., by Watson & Associates Economists Ltd., 2020.

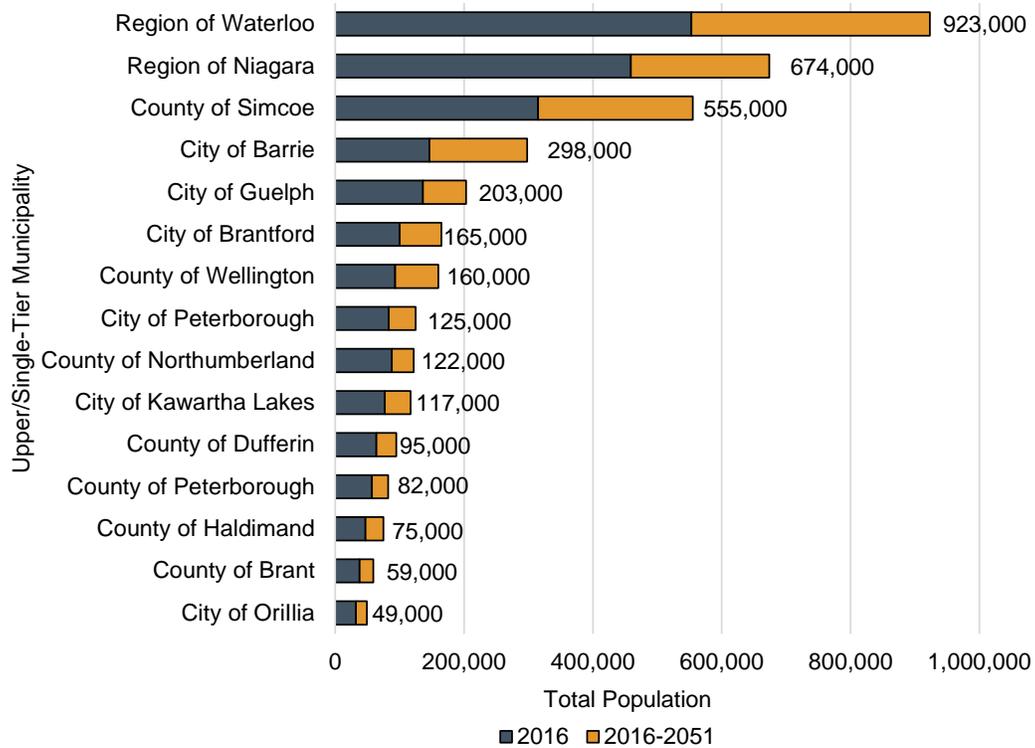
Figure 6
G.T.H.A. Annual Population Growth Rate (Reference Scenario) 2016 to 2051



Note: Population includes the net Census undercount.
 Source: Derived from Greater Golden Horseshoe: Growth Forecasts to 2051 Technical Report, June 16, 2020, Hemson Consulting Ltd., by Watson & Associates Economists Ltd., 2020.



Figure 7
G.G.H Outer Ring 2051 Population Forecast (Reference Scenario)

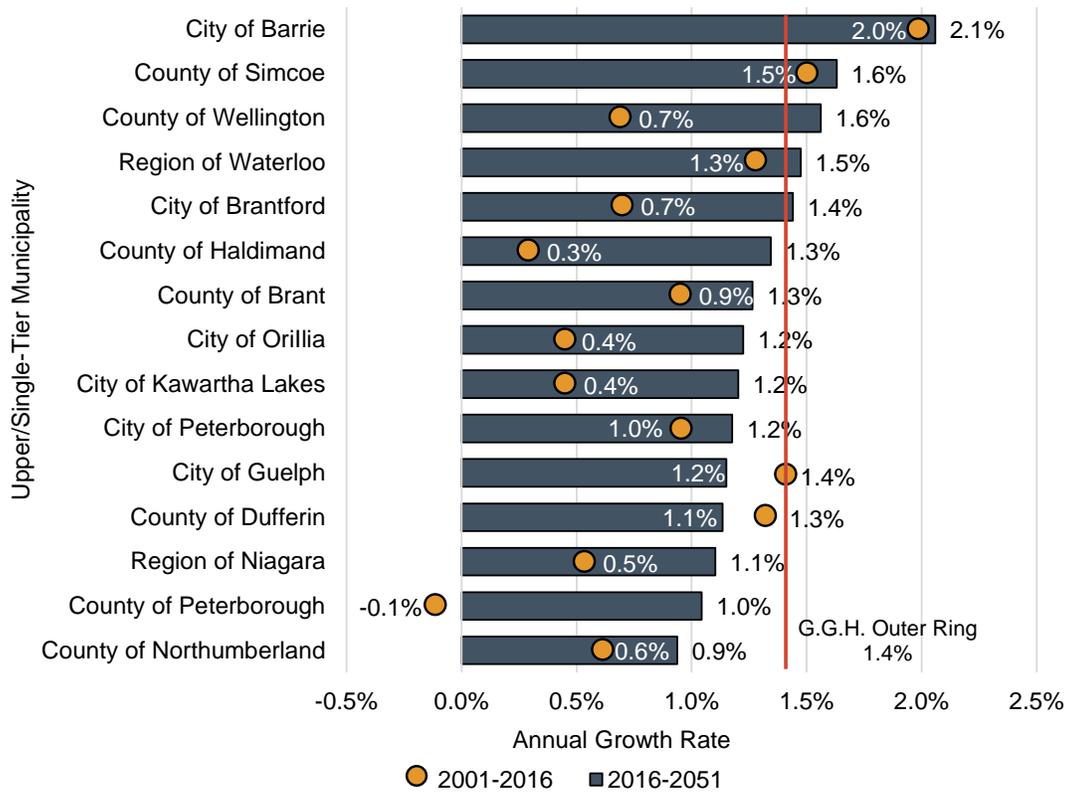


Note: Population includes the net Census undercount.

Source: Derived from Greater Golden Horseshoe: Growth Forecasts to 2051 Technical Report, June 16, 2020, Hemson Consulting Ltd., by Watson & Associates Economists Ltd., 2020.

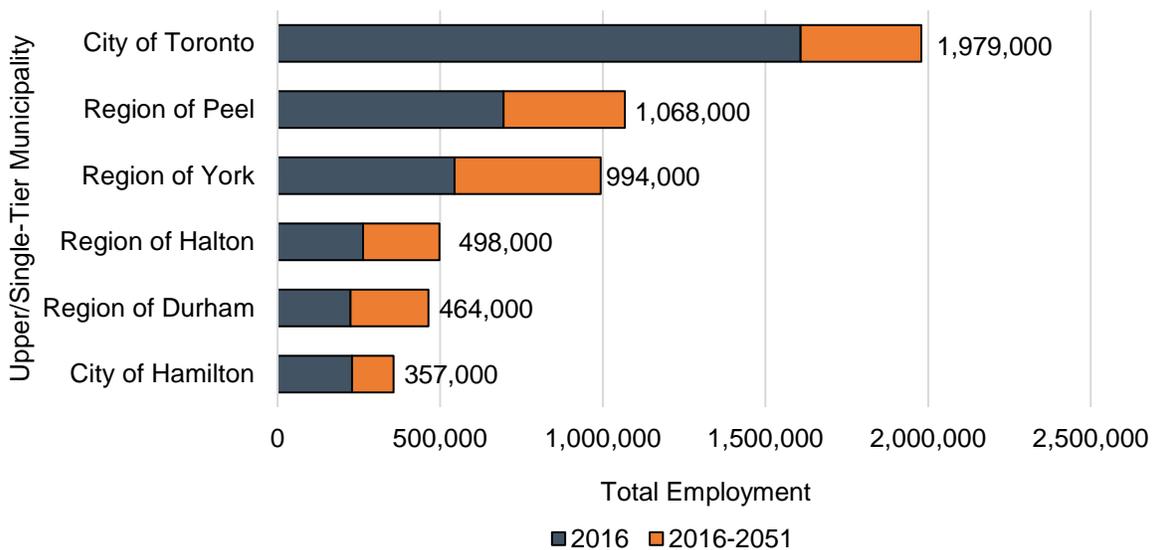


Figure 8
G.G.H. Outer Ring Annual Population Growth Rate (Reference Scenario) 2016 to 2051



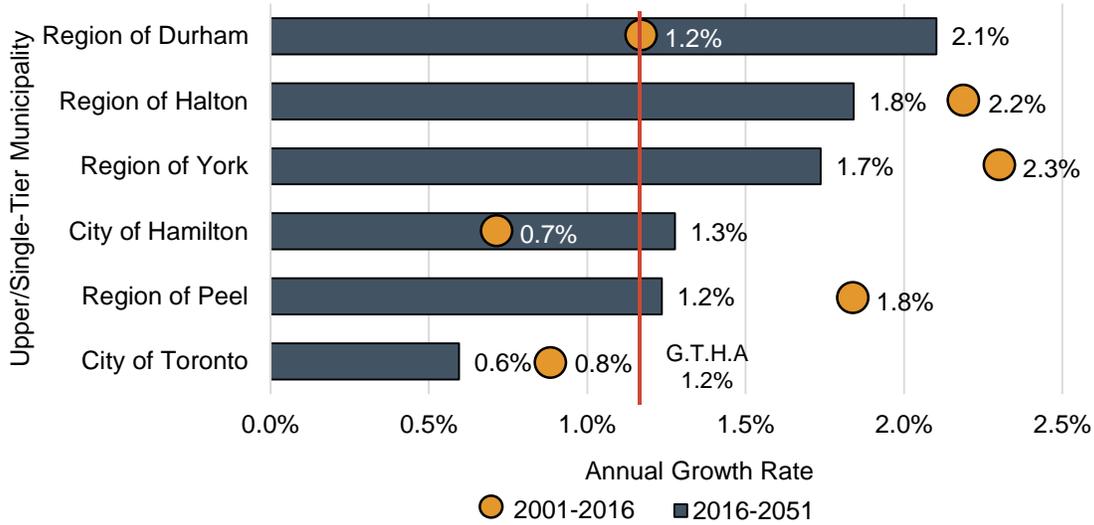
Note: Population includes the net Census undercount.
 Source: Derived from Greater Golden Horseshoe: Growth Forecasts to 2051 Technical Report, June 16, 2020, Hemson Consulting Ltd., by Watson & Associates Economists Ltd., 2020.

Figure 9
G.T.H.A. 2051 Employment Forecast (Reference Scenario)



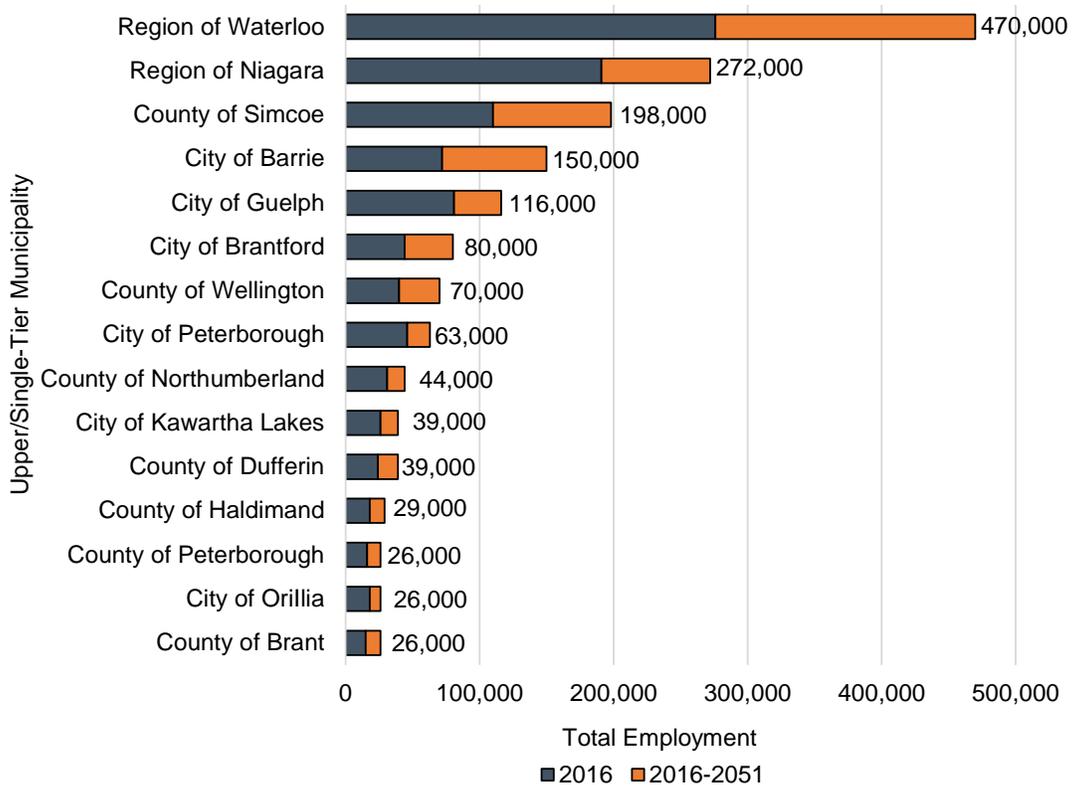
Source: Derived from Greater Golden Horseshoe: Growth Forecasts to 2051 Technical Report, June 16, 2020, Hemson Consulting Ltd., by Watson & Associates Economists Ltd., 2020.

Figure 10
G.T.H.A. Annual Employment Growth Rate (Reference Scenario) 2016 to 2051



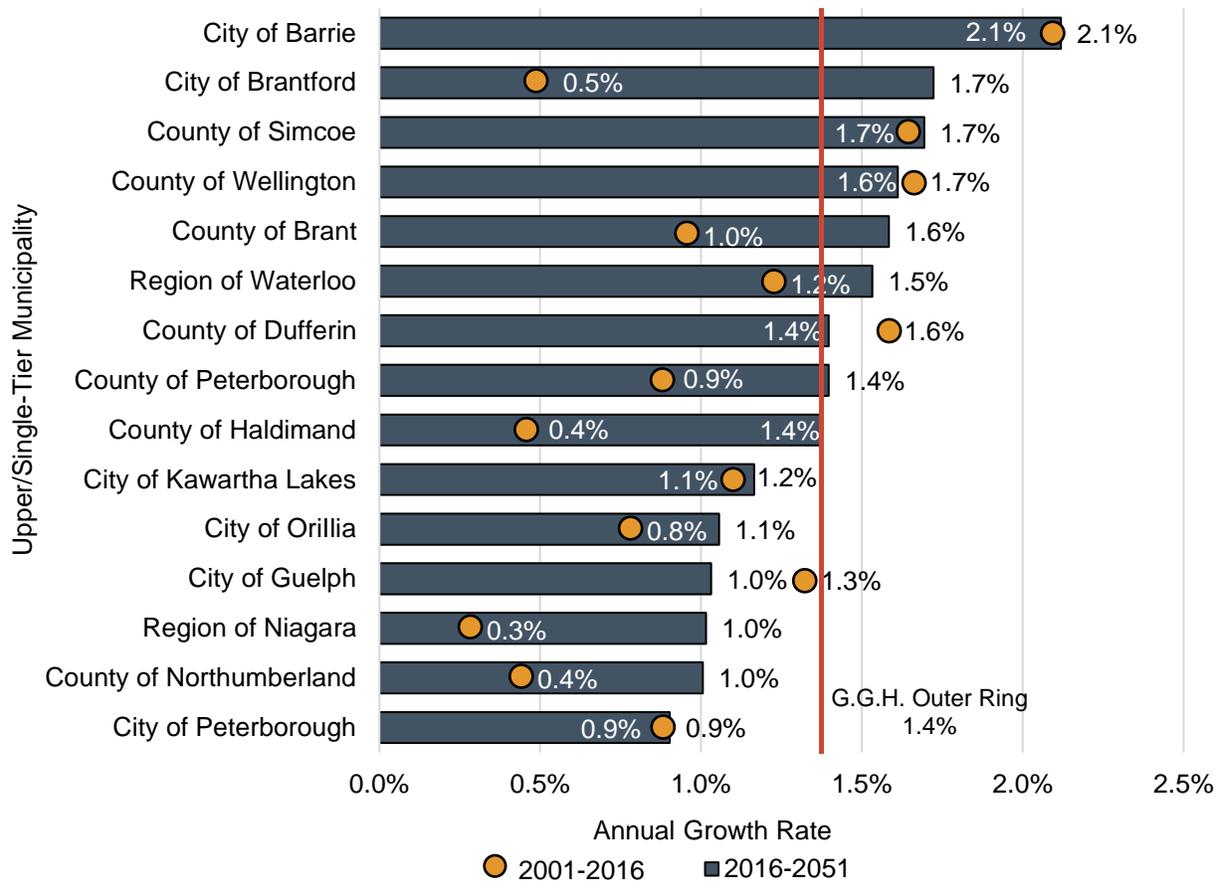
Source: Derived from Greater Golden Horseshoe: Growth Forecasts to 2051 Technical Report, June 16, 2020, Hemson Consulting Ltd., by Watson & Associates Economists Ltd., 2020.

Figure 11
G.G.H. Outer Ring 2051 Employment Forecast (Reference Scenario)



Source: Derived from Greater Golden Horseshoe: Growth Forecasts to 2051 Technical Report, June 16, 2020, Hemson Consulting Ltd., by Watson & Associates Economists Ltd., 2020.

Figure 12
G.G.H. Outer Ring Annual Employment Growth Rate (Reference Scenario) 2016 to 2051



Source: Derived from Greater Golden Horseshoe: Growth Forecasts to 2051 Technical Report, June 16, 2020, Hemson Consulting Ltd., by Watson & Associates Economists Ltd., 2020.

Are the G.G.H. Reference Growth Forecasts Trending Higher or Lower than the Schedule 3 Forecasts Currently in the Growth Plan?

As previously stated, the 2020 Technical Report provides a range of revised G.G.H. population and employment forecast scenarios for each of the upper-tier and single-tier municipalities in 10-year increments to the year 2051. Based on the Reference population and employment Growth Scenarios prepared under the 2020 Technical Report, it is anticipated that by 2041 the G.G.H. population and employment base will be lower by 170,000 persons and 17,000 jobs in comparison to the current forecasts provided in Schedule 3 of the Growth Plan. As previously noted, it is important to recognize that Proposed Amendment 1 population and employment forecasts are to remain consistent with the Schedule 3 growth forecasts in the Growth Plan. The proposed Schedule 3 Growth Plan growth forecasts represent minimums for the purpose of Growth Plan conformity.

Figure 13
G.G.H. Population Forecast to 2041, 2020 Technical Report

Population	Total Population by 2041		
	A Place to Grow (2019)	2020 Technical Report	Difference
G.T.H.A.	10,130,000	10,003,000	-127,000
G.G.H. Outer Ring	3,350,000	3,307,000	-43,000
Total G.G.H	13,480,000	13,310,000	-170,000

Figure 14
G.G.H. Employment Forecast to 2041, 2020 Technical Report

Employment	Total Employment by 2041		
	A Place to Grow (2019)	2020 Technical Report	Difference
G.T.H.A.	4,820,000	4,805,000	-15,000
G.G.H. Outer Ring	1,450,000	1,448,000	-2,000
Total G.G.H	6,270,000	6,253,000	-17,000



Which G.G.H. Municipalities are Anticipated to Experience Higher and Lower Population and Employment by 2041?

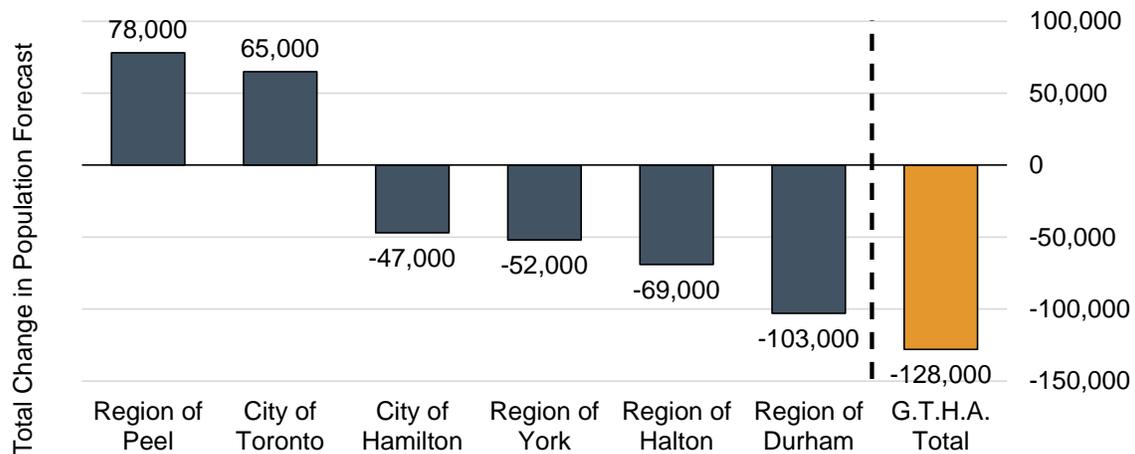
Figure 15 through Figure 18 compare the differences in the 2041 population and employment forecasts for each of the upper-tier and single-tier municipalities across the G.T.H.A. and G.G.H. Outer Ring, between Schedule 3 of the Growth Plan and the results of the 2020 Technical Report, Reference Scenario.



G.T.H.A. Population and Employment Comparison, 2041

- By 2041, a higher population is forecast for the City of Toronto and the Region of Peel, while a lower population is anticipated for the City of Hamilton, Region of York, Region of Halton, and Region of Durham.
- Significantly higher employment is forecast for the City of Toronto, while lower 2041 employment levels are anticipated for the Region of Peel, City of Hamilton, Region of York, Region of Halton, and Region of Durham.

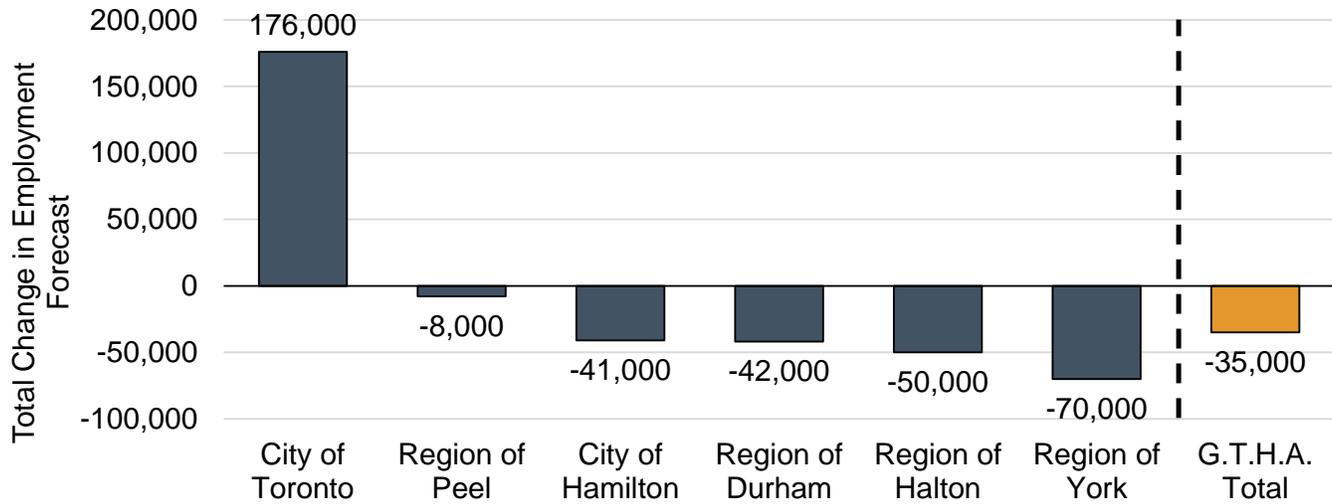
Figure 15
 Comparing A Place to Grow (2019) and the 2020 Technical Report G.T.H.A. Population Forecasts (Reference Scenario) by 2041



Source: A Place to Grow (2019) and Greater Golden Horseshoe Growth Forecasts to 2051 Technical Report, June 16, 2020, Hemson Consulting Ltd. Figure by Watson & Associates Economists Ltd., 2020.

Note: Population includes the net Census undercount estimated at approximately 3% for the forecast period.

Figure 16
Comparing A Place to Grow (2019) and the 2020 Technical Report G.T.H.A. Employment Forecasts (Reference Scenario) by 2041



Source: A Place to Grow (2019) and Greater Golden Horseshoe Growth Forecasts to 2051 Technical Report, June 16, 2020, Hemson Consulting Ltd. Figure by Watson & Associates Economists Ltd., 2020.



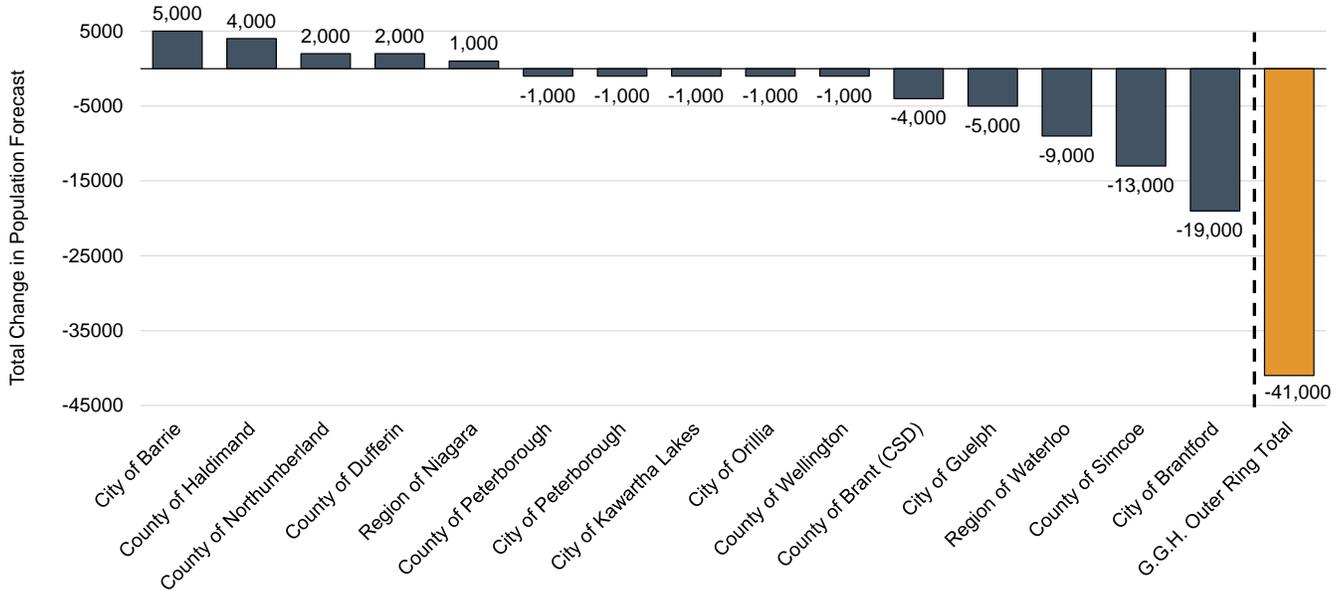
G.G.H. Outer Ring Population and Employment Comparison, 2041

- The total 2041 G.G.H. Outer Ring population forecast has been moderately reduced, largely as a result of a lower population forecast for Simcoe County, the City of Guelph, the Region of Waterloo, Brant County, and the City of Brantford.
- The total 2041 G.G.H. Outer Ring employment forecast has also been

modestly reduced, largely as a result of lower employment growth forecast for Peterborough County, Brant County, the City of Brantford, and the Region of Niagara. Conversely, considerably higher 2041 employment levels are anticipated in Simcoe County and the Region of Waterloo.

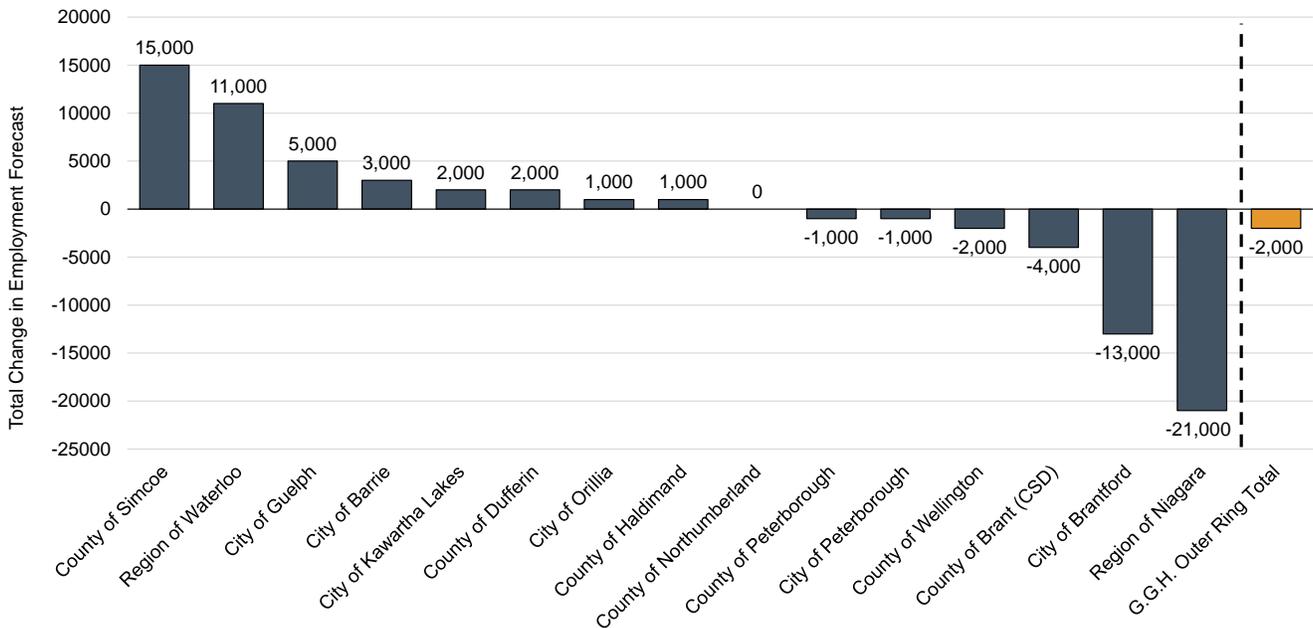


Figure 17
 Comparing A Place to Grow (2019) and the 2020 Technical Report G.G.H. Population Forecasts (Reference Scenario) by 2041



Source: A Place to Grow (2019) and Greater Golden Horseshoe Growth Forecasts to 2051 Technical Report, June 16, 2020, Hemson Consulting Ltd. Figure by Watson & Associates Economists Ltd., 2020.
 Note: Population includes the net Census undercount estimated at approximately 3% for the forecast period.

Figure 18
 Comparing A Place to Grow (2019) and the 2020 Technical Report G.G.H. Employment Forecasts (Reference Scenario) by 2041



Source: A Place to Grow (2019) and Greater Golden Horseshoe Growth Forecasts to 2051 Technical Report, June 16, 2020, Hemson Consulting Ltd. Figure by Watson & Associates Economists Ltd., 2020.

How Many Households will be Required to Accommodate the Reference Population Forecast by 2051 Across the G.G.H.?

The 2020 Technical Report provides background data regarding forecast housing growth by type (ground-related and apartments) corresponding with the Reference Forecast to 2051. While the 2020 Technical Report forecasts a lower population by approximately 170,000 persons across the G.G.H. by 2041, this relatively lower population forecast is anticipated to require approximately 172,000 additional households when compared to the previous housing forecast prepared under the 2012 Technical Report to the 2006 Growth Plan.

In accordance with the 2020 Technical Report, the higher household forecast is anticipated to be driven by relatively stronger demand for ground-related housing across many G.G.H. upper-tier and single-tier municipalities. In contrast, relatively stronger demand for apartments is anticipated in the City of Toronto and the Region of Waterloo.

Despite stronger anticipated demand for ground-related housing in many G.G.H. municipalities, the revised Reference forecast anticipates that average housing occupancy levels or persons per unit (P.P.U.) will fall more sharply from 2016 to 2041 (refer to Figure 20). This downward P.P.U. trend is anticipated to be driven by relatively stronger housing demand from population in older age groups relative to the results of the previous 2012 Technical Report.

It is important to note that in the 2020 Technical Report apartments are defined as apartment buildings less than or equal to/greater than 5 storeys. All other housing types are categorized as ground-oriented. The 2020 Technical Report notes that it does not replicate or predict the housing mix that would be determined by each of the upper-tier/single-tier municipalities through their respective M.C.R. exercise and Growth Plan conformity exercise.

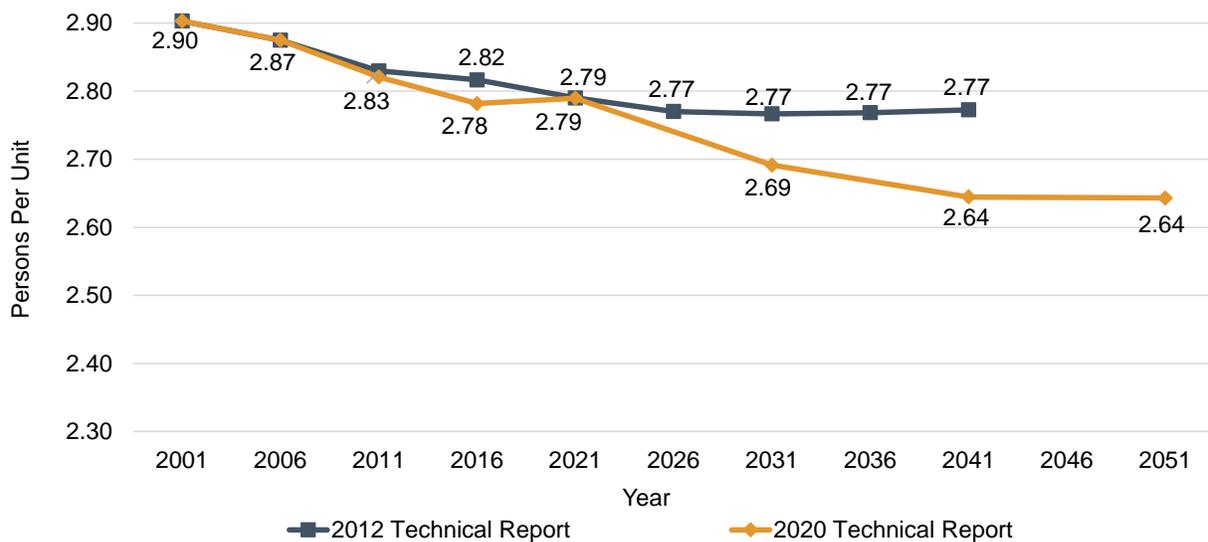
It is important for municipalities to recognize that the accommodation of skilled labour and the attraction of new businesses are inextricably linked and positively reinforce one another. To ensure that economic growth is not constrained by future labour shortages, effort will be required by municipalities to continue to explore ways to attract and accommodate new skilled working residents to the G.G.H. across a diverse range of employment opportunities and a broader choice of affordable housing options. Attraction efforts must also be linked to housing accommodation (both ownership and rental), municipal services and infrastructure as well as quality of life attributes which appeal to the younger mobile population, while not detracting from the region's attractiveness to older population segments.



Figure 19
G.G.H. Housing Forecast to 2041, 2020 Technical Report

Housing	Total Housing by 2041		
	2012 Technical Report	2020 Technical Report	Difference
G.T.H.A.	3,571,000	3,688,000	117,000
G.G.H. Outer Ring	1,290,000	1,345,000	55,000
Total G.G.H	4,861,000	5,033,000	172,000

Figure 20
Forecast Trends in Average Person Per Unit (P.P.U.), 2016 to 2051



Source: Greater Golden Horseshoe Growth Technical Report Reference Forecasts (2012 and 2020), by Hemson Consulting Ltd.
 Figure by Watson & Associates Economists Ltd., 2020.
 Note: Population includes the net Census undercount.

What Types of Employment is the G.G.H. Anticipated to Attract?

The 2020 Technical Report provides additional details regarding the amount of employment by type, including Population-Related Employment (P.R.E.), Employment Land Employment (E.L.E.), Major Office Employment (M.O.E.) and Rural Employment (R.E.). In comparison to the previous forecasts prepared through the 2012 Technical Report, the revised employment growth forecast prepared under the 2020 Technical Report assumes the following:

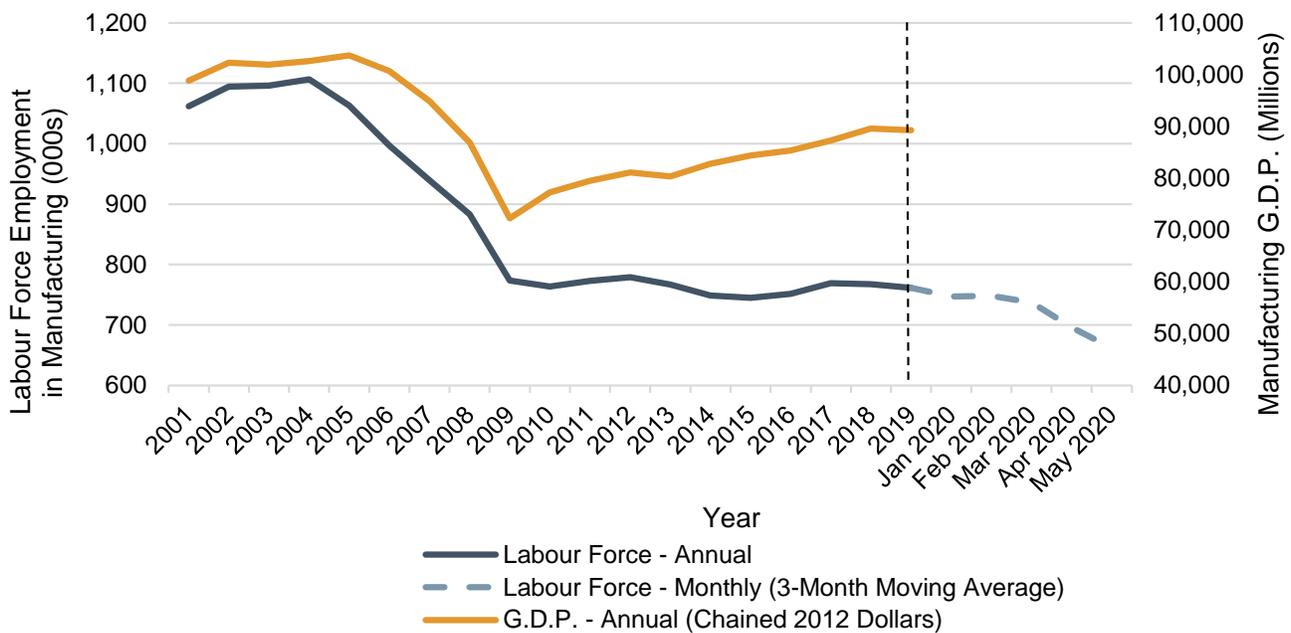
- Stronger employment growth related to M.O.E. within the City of Toronto;
- Less employment growth related to E.L.E. across most G.G.H. upper-tier and single-tier municipalities, except for the Region of Waterloo;
- Less P.R.E. allocated to the G.T.H.A., but relatively more employment in this category allocated to the G.G.H. Outer Ring; and
- Relatively more rural-based employment across the G.G.H., largely within the Outer Ring.

It is recognized that E.L.E growth across the G.G.H. was not as robust between 2001 and 2016 as previously anticipated in the 2012 Technical Report. This has largely been due to increased outsourcing of domestically manufactured goods to emerging global markets combined with



increased automation of manufacturing processes. Between 2003 and 2010, these challenges were further exacerbated in the manufacturing sector across the G.G.H. and more broadly across Ontario and Canada due to a high Canadian dollar relative to other world currencies, particularly the U.S. dollar. Since 2010, the manufacturing sector across Ontario including the G.G.H. has shown

signs of a steady recovery in terms of economic output, measured through gross domestic product (G.D.P.). While manufacturing job losses have generally stabilized since 2010, the manufacturing sector has not represented a large component of job growth across Ontario in recent years (refer to Figure 21). Looking forward, the manufacturing sector is not anticipated to be a key driver of job growth across the G.G.H.

Figure 21**Manufacturing Labour Force Employment and G.D.P. in Ontario, 2001 to 2020 Y.T.D**

Source: Annual labour force data from Statistics Canada Labour Force Survey, Table 282-0125, and monthly data from Table 14-10-0091-01. Annual G.D.P. data from Statistics Canada Table 36-10-0402-01, by Watson & Associates Economists Ltd., 2020.

In light of the structural changes in the macro economy discussed above, combined with an increased emphasis on knowledge-based industries and service-providing businesses, it is anticipated that a larger share of E.L.E growth in Employment Areas will be comprised of non-industrial uses. Accordingly, this has important implications on the manner in which existing and future Employment Areas are planned across the G.G.H.

Figure 22 summarizes the amount of annual employment growth by type for the G.G.H. as a whole over the next several decades in accordance with the 2020 Technical Report relative to historical trends between 2001 and 2016. The most notable change in the annual employment forecast by type relative to historical trends relates to E.L.E. Between 2001 and 2016, E.L.E. declined across the G.G.H. by

approximately 3,000 jobs annually. In contrast, over the 2016 to 2051 forecast period, E.L.E. is projected to increase by approximately 27,000 jobs annually. It is noted by Watson that this represents an ambitious forecast relative to historical trends. To ensure that market opportunities are maximized in Employment Areas, it will be important for municipalities to:

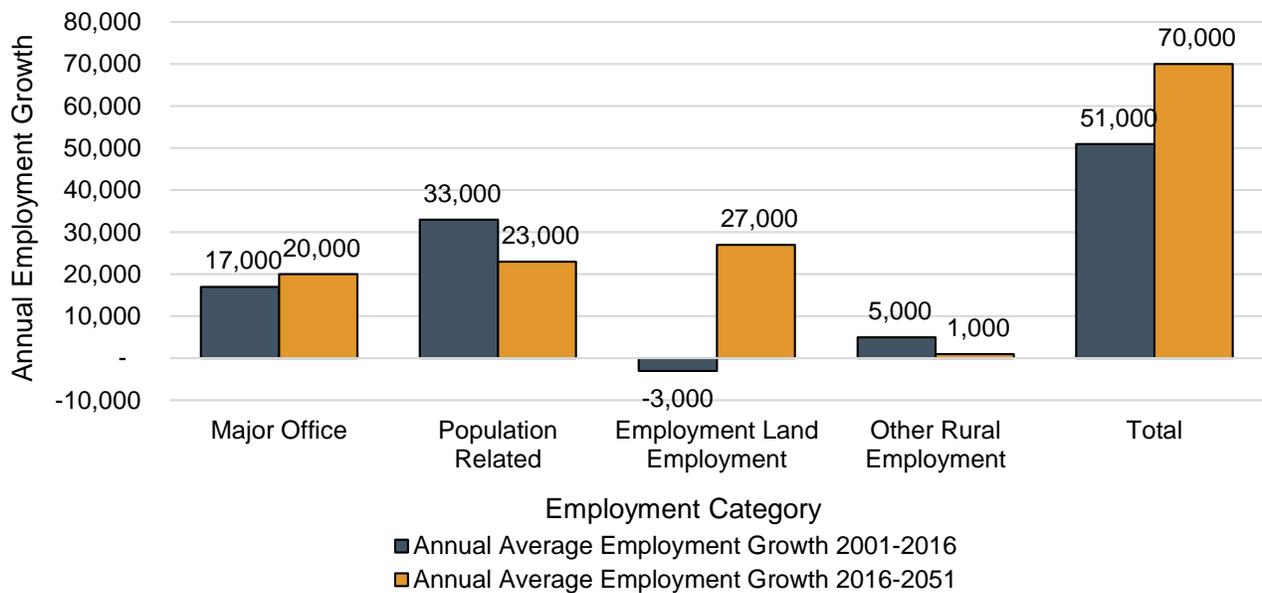
- Regularly track and monitor employment growth trends by sector as well as long-term Employment Area land needs;
- Ensure that an adequate supply of serviced Employment Areas is available and on the market at all times; and
- Update employment strategies and economic development initiatives regularly to ensure that the evolving needs of Employment Areas and mixed-use areas are properly

addressed, and municipal services are adequately phased.

Relative to historical trends, annual employment growth related to M.O.E. is also anticipated to be stronger between 2016 and 2051. As previously mentioned, this relative increase in annual M.O.E. has largely been allocated to the City of Toronto in the 2020 Technical Report, reflective of the recent strength of the office real estate sector within downtown Toronto over the past decade. The 2020 Technical Report

anticipates that the office market will continue to strengthen in the sub-urban markets across the “905” region. Forecast M.O.E. growth within the G.G.H. Outer Ring is anticipated to be relatively minimal according to the 2020 Technical Report. Based on analysis recently undertaken by Watson, it is our opinion that the potential long-term opportunities related to the office market have been understated in the Region of Waterloo.

Figure 22
G.G.H. Annual Employment Forecast by Type, 2016 to 2051



Note: Figures may not sum to totals due to rounding.

Source: Derived from Greater Golden Horseshoe: Growth Forecasts to 2051 Technical Report, June 16, 2020, Hemson Consulting Ltd., by Watson & Associates Economists Ltd., 2020.

What are the Potential Impacts of COVID-19 on the Long-Term Growth Forecast for the G.G.H.?

The 2020 Technical Report acknowledges that while the immediate economic impacts from coronavirus disease (COVID-19) are anticipated to be severe, the long-term effects of the pandemic on the Ontario, national and global economies are uncertain at this time. The 2020 Technical Report goes on to identify that despite the longer-term consequences of COVID-19 to some industries, firms, and individuals, the long-term economic outlook for the G.G.H. remains positive and the region will continue to be attractive to newcomers, mainly international migrants who represent a key driver of population growth to the G.T.H.A. In contrast to the G.T.H.A., population and employment growth across the G.G.H. Outer Ring is largely driven by net migration from other areas of the Province, most notably the G.T.H.A., as opposed to immigration.

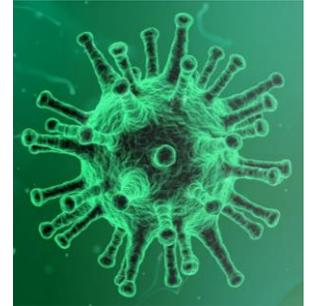
A recent report released by R.B.C. Economics identifies that on-going border restrictions, travel-related health fears, and the global economic downturn are expected to reduce immigration levels sharply in 2020.¹ The R.B.C. report also points out that while temporary foreign workers are exempt from entry restrictions, fewer are coming due to logistical and financial burdens related to COVID-19 work restrictions and isolation requirements. After the COVID-19 crisis, many economists warn that immigration may remain relatively low compared to recent years, because relatively higher unemployment rates during the post-COVID-19 economic recovery

period in Canada will reduce the incentive for immigrants to come.²

This near-term scenario has the potential to reduce population growth levels and soften the housing market in areas of Ontario where population growth is most heavily dependent on immigration. For the G.G.H., the City of Toronto and the Region of Peel would potentially be the most heavily impacted by such a trend, while the remaining “905” Area of the G.T.H.A. would also be impacted to a lesser extent.

In contrast to the G.T.H.A., near-term population growth and housing development are not anticipated to be as severely impacted by COVID-19 for most of the G.G.H. Outer Ring municipalities since, as previously identified, population growth within these municipalities is more heavily influenced by net migration from other areas of Ontario, rather than immigration. In fact, recent municipal surveys conducted by Watson indicate that a number of Outer Ring municipalities identify COVID-19 as a key driver of future housing growth within their respective municipalities.

In addition to its broader impacts on the economy, COVID-19 is also anticipated to accelerate changes in work and commerce as a result of technological disruptions which were already in play prior to the pandemic. As such, enterprises will increasingly be

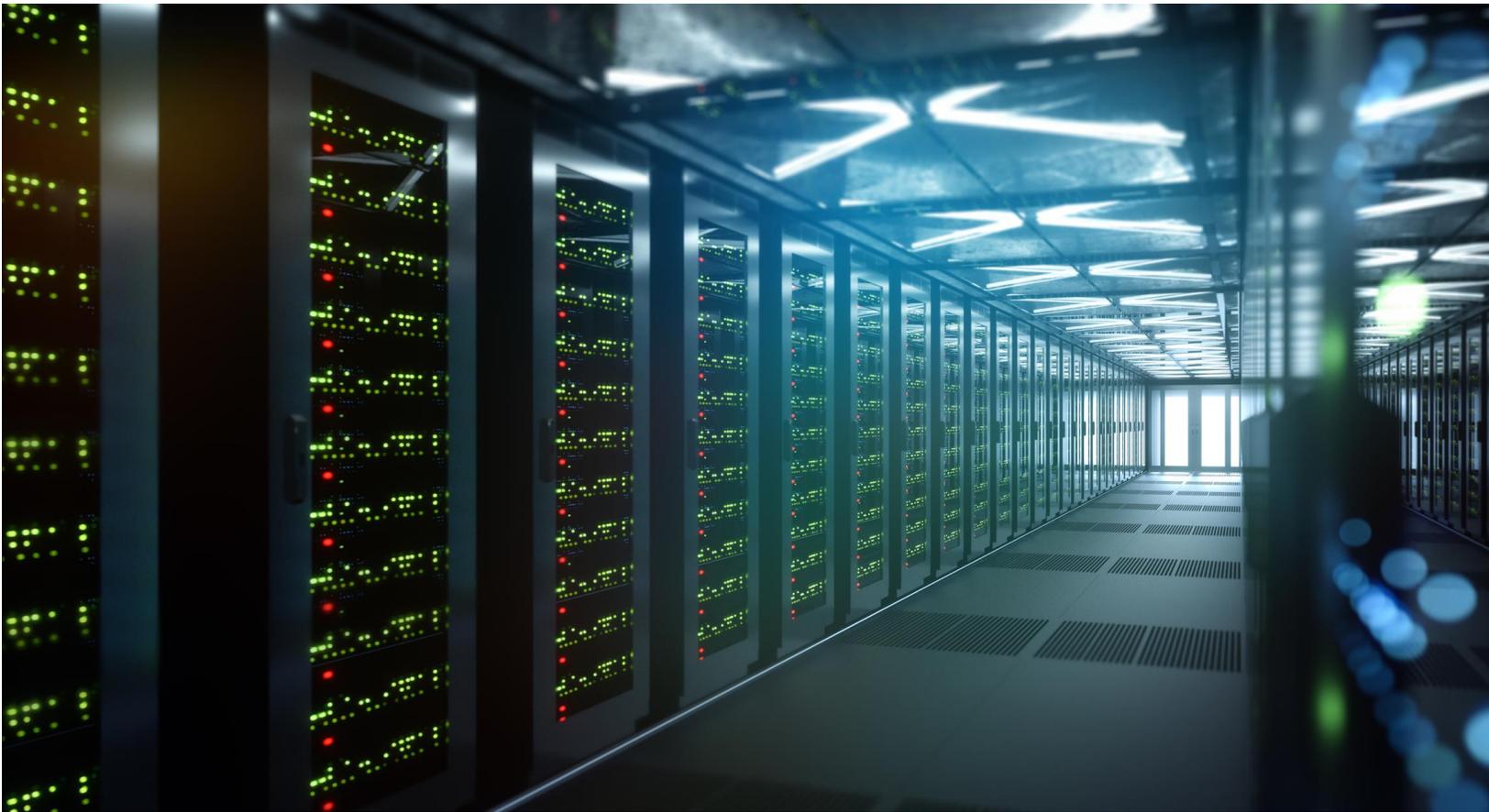


¹ R.B.C. Economics. Current Analysis. COVID-19 Derails Canadian Immigration. May 29, 2020.

² Stalling immigration may add to Canada’s COVID-19 economic woes. Fergal Smith, Steve Scherer. Reuters. May 27, 2020.

required to rethink the way they conduct business with an increased emphasis on remote work enabled by technologies such as virtual private networks (V.P.N.s), virtual meetings, cloud technology and other remote work collaboration tools. These trends are anticipated to have a direct influence on commercial and industrial real estate needs over both the near and longer terms. In light of these anticipated trends, it is important that the long-term employment forecasts for the G.G.H., summarized in Proposed Amendment 1, adequately consider the manner in which these impacts are likely to influence the nature of employment by type as well as by place of

work. Today, approximately 7.3% of the G.G.H. workforce is identified as working from home on a full-time basis, up from 6.7% in 2001. During this same time period, the percentage of workers who reported having no fixed place of work increased from approximately 8% to 12%.¹ It is anticipated that the percentage of people who work from home on a full-time and part-time basis, as well as those who do not have a fixed place of work, will steadily increase over the long term. As this percentage continues to steadily rise, it may reduce the relative need for future industrial and commercial building space associated with the Schedule 3 employment forecast.



¹ Statistics Canada defines no fixed place of work employees as “persons who do not go from home to the same workplace location at the beginning of each shift. Such persons include building and landscape

contractors, travelling salespersons, independent truck drivers, etc.”

Conclusions

The G.G.H. represents home to approximately one in every four Canadians.¹ With a robust economy, vibrant and diverse communities, and a world class reputation for quality of life, the G.G.H. will continue to be an attractive region to new residents and business investment. For these reasons, the G.G.H. is anticipated to be one of the fastest growing regions in North America with respect to population and employment. It is important to recognize that the long-term growth forecasts provided in Proposed Amendment 1 do not reflect a status quo scenario. The successful implementation of the Growth Plan lies within a well coordinated, integrated, and phased approach to land-use planning, infrastructure needs, municipal service delivery, and public sector financial planning. This will clearly involve significant financial commitment and partnership from all levels of government.

As G.G.H. municipalities now begin to plan for the 2051 horizon, it will be critical that development pressures are well-managed to provide sustainable options in accommodating more people and jobs while protecting what is valuable to G.G.H. residents and businesses. A key opportunity and challenge in planning for future growth across the G.G.H. over the next several decades will be to manage change in a



manner that enhances the region's livability while embracing development patterns which are sustainable from a triple-bottom line perspective (i.e. economic, environmental, and social impacts).

To discuss this further, please contact:

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¹ G.G.H. population share of Canada based on 2016 Statistics Canada Census data.