Commentary and Analysis of Halton Region Land Needs Assessment and ROPA 49

Independent Real Estate Intelligence

September 30, 2022

AltusGroup

Commentary and Analysis of Halton Region Land Needs Assessment and ROPA 49

Prepared for:

South Georgetown Landowners Group

Prepared by:

Altus Group Economic Consulting

33 Yonge Street Toronto Ontario M5E 1G4

Phone: (416) 641-9500 Fax: (416) 641-9501

economics@altusgroup.com

altusgroup.com

September 30, 2022

TABLE OF CONTENTS

Page

1 INTRODUCTION 1

2 ISSUES WITH AND IMPLICATIONS OF PREFERRED GROWTH CONCEPT AND MODIFIED PREFERRED GROWTH CONCEPT 3

2.1 Housing Forecast Underpinning Preferred Growth Concept Requires Massive Shift in Housing Preferences Relative to Hemson's Estimates of Housing Demand 3

2.2 Planning for Only 13 Years of Single/Semi-Detached Homes Falls Well Short of PPS Requirements Regarding Sufficiency of Land Supply 6

2.3 Recent Shortfalls in Low-Density Housing Forms Have Been Made Up for Through Increased Demand for Higher-Density Forms 7

2.4 Policy-Driven Shift Would Require Significant Shifts in Housing Older Households Age-in-Place 9

2.5 Adopted ROPA 49 Would Require Quintupling Annual Apartment Dwelling Unit Production Over Prior 30 Year Averages 11

2.6 Adopted ROPA 49 Would Require Doubling of Recent (5-Year) Trends in Apartment Production in Milton, Oakville and Burlington, and a 15-Times Increase in Halton Hills 13

2.7 Principle of "Minimizing Land Consumption" Yet Allowing Rural Development is Inconsistent 14

3 FISCAL IMPLICATIONS 15

3.1 Comparison of Fiscal Impacts 15

3.2 Capital Cost Implications of Increased Forecasts of High-Density Development 17

4 ISSUES WITH REGION LNA METHODOLOGY, INPUTS AND ASSUMPTIONS 19

4.1 The Region's LNA is Missing Several Required Steps from the LNAM 19

4.2 Growth Plan Requires MCR and LNA Be Based on Minimum Intensification and Density Targets 20

4.3 Headship Rates 21

4.4 Average Household Sizes 23

4.5 Several Issues Apparent with Estimates of Existing Greenfield Supply 26

4.6 Analysis Needs to be Done Regarding Suitability of Employment Land Supply 28

4.7 Using Historic Employment Land Densities Instead of Recent Densities in Estimating Employment Land Needs 29

4.8 Lack of Vacancy Allowance Assumption Will Limit Market Choice in Employment Land Site Selection 30

5 ALTERNATE LAND NEEDS ASSESSMENT (ALTUS) 31

5.1 Recommended Growth Concept (Altus) - Consistent with LNAM and in Conformity with Growth Plan 31

5.2 Illustration of Results of a Pure Market-Based Land Needs Assessment....38

6 CONCLUSIONS AND RECOMMENDATIONS 40

6.1 Region's Preferred Growth Concept Provides Less Than Half of the Urban Land Needs to 2051 40

6.2 Determining a Logical Location for Additional Community Area Land Needs....42

1 INTRODUCTION

Altus Group Economic Consulting was retained by South Georgetown Landowners Group to review the land needs assessment undertaken by Halton Region in adopting Regional Official Plan Amendment 49 ("ROPA 49").

This report provides a critique of the methodology, inputs, and assumptions of the Region's Land Needs Assessment, provides analysis regarding the implications of ROPA 49, and presents a land needs assessment calculation that in our opinion, conforms to the Provincial Land Needs Assessment Methodology (LNAM).

In February 2022, the Region released its Preferred Growth Concept ("Preferred Concept" or "PGC") which contained a "measured urban boundary expansion" of 1,120 hectares of new community land in Milton and Halton Hills, and another 1,070 hectares of new employment land, also in Milton and Halton Hills.

In March 2022, Hemson Consulting prepared a "Modified Preferred Growth Concept" ("Modified Concept" or "MPGC") with a Land Needs Assessment report "March LNA Report" that "follows direction received from Haltion Regional Council" and which was submitted to the Ministry along with the adopted ROPA 49.

According to the March LNA Report:

> The Council direction has the effect of dividing the assessment into two segments, the first being the 20-year period from 2021 to 2041 and the second being the final 10-years of the planning period from 2041 to 2051. …The overall results in terms of land need are nearly identical between this and the Preferred Growth Concept February 2022 version of the LNA.

The only difference between the Modified Concept and the Preferred Concept is that there are "some detailed differences" in the allocation of growth between the 30-year period in the PGC and the "20-year plus 10-year period" in the MPGC, with the urban boundary expansion that may be approved by Council to plan for growth from 2041 to 2051 delayed until a later date.

Therefore, the MPGC and PGC generate roughly the same land need – therefore our report will often make dual critiques of the estimate of land

need as they are largely the same – the MPGC takes the additional step of ignoring the estimated urban boundary expansion and avoiding that key decision until some later date.

While the MPGC is fundamentally flawed in that it only plans to a 2041 horizon and avoids doing any planning for the 2041 to 2051 period, the calculation of land needs under both the PGC and MPGC to the year 2051 is also unrealistic, impractical, inconsistent with the Provincial Policy Statement, does not conform to the Growth Plan, and omits several important steps from the Province's Land Needs Assessment Methodology.

This report provides an alternate calculation of land needs ("Recommended Growth Concept (Altus)") that better conforms to the Province's prescribed methodology, which results in the need for an urban boundary expansion more than double that of the Preferred Growth Concept:

Figure 1

Scenario	Community Area Lands
Preferred Growth Concept	1,120 hectares (2021-2051)
Modified Preferred Growth Concept	0 hectares (2021-2041)
Recommended Growth Concept (Altus)	2,565 hectares (2021-2051)

The report also presents, for illustration purposes, a purely-market based scenario that exhibits how while the Recommended Growth Concept results in significantly more land needs for the Region to meet its 2051 population forecasts, it is still far more constrained by policy than representative of a true market-based approach.

2 ISSUES WITH AND IMPLICATIONS OF PREFERRED GROWTH CONCEPT AND MODIFIED PREFERRED GROWTH CONCEPT

2.1 Housing Forecast Underpinning Preferred Growth Concept Requires Massive Shift in Housing Preferences Relative to Hemson's Estimates of Housing Demand

The Region's IGMS Growth Scenarios report[1], on page 48 discusses the composition of households, and the preference for families to occupy ground-related housing units:

> The composition of households matters to the IGMS because household characteristics are directly connected to housing type demand. In 2016, about 81% of households in Halton occupied ground-related units. However, ground-related occupancy was 89% for family households and 52% of non-family households reside in ground-related housing. Should current patterns by age remain unchanged through 2041 about 23% of new housing would be in apartments. In the normal course of events, as Halton becomes a more mature community with a more diverse population and income range and a greater range of housing options become available, the patterns would be expected to shift. As well the continuing high cost of housing will encourage some market shift as well, so a share of, say, 25% or 27% of apartments might be a reasonable expectation. (page 48/49)

The Region IGMS Growth Scenarios report notes several demographic and housing preferences that would have to shift in order for a greater proportion of apartments as envisioned by the IGMS to be taken up:

> Planning policy seeks a very different outcome, with many more apartments in the housing mix. The effect of policy is that empty-nesters are expected to move from their 'family home' to apartments as they age in much greater numbers than they do now, something they show little inclination to do until they are very old. Another shift that is required would be among young families moving to Halton. Achieving intensification and density policy objectives requires these households to choose apartment living over ground-related housing, which is their current preference. (page 49)

In late August 2020, the amended Growth Plan was approved, which was accompanied by a Growth Outlook report prepared by Hemson Consulting, which sets out population and housing forecasts for Halton Region,

[1] Halton Region, Integrated Growth Management Strategy, Growth Scenarios: Halton Region to 2041, Attachment #4 to LPS41-19

including housing forecasts by unit type. Roughly 50% of the units forecast for Halton Region are singles/semis, with another 25% rows, and 25% apartments.

The Hemson Growth Outlook report notes that municipalities will decide the housing mixes that would be determined through the Growth Plan conformity exercise:

> The housing forecast does not replicate / predict the housing mix that would be determined through each municipality APTG conformity work. Planned housing mixes will continue to be decided by municipalities through their local planning processes.

Compared to the Hemson estimates of market demand, the Halton Preferred Growth Concept as contained in the February 2022 PGC Report, uses housing unit splits that are significantly more oriented towards apartment units, with 23% singles/semis, 25% rows, and 50% apartments.

A comparison of the "Market-Based Supply" and the orientation of the "Preferred Growth Concept" housing mix is provided in the table below.

Figure 2

Estimated Surplus/Shortfall by Unit Type, Preferred Growth Concept vs. Hemson Estimates of Market Demand, 2021-2051

	2021-2051		
	Market-Based Supply (Hemson Growth Outlook)	Preferred Growth Concept	Surplus / (Shortfall) Relative to Demand
Singles/Semis	87,500	40,434	(47,066)
Rows	44,100	43,950	(150)
Apartments	40,500	87,900	47,400
Accessory Apartments	5,800	3,516	(2,284)
Total	177,900	175,800	(2,100)
Singles/Semis	49%	23%	
Rows	25%	25%	
Apartments	23%	50%	
Accessory Apartments	3%	2%	
Total	100%	100%	

Source: Halton Region - IGMS Preferred Growth Concept (February 2022), Tables 4 & 5

However, as the Hemson Growth Outlook report indicates, the Hemson estimates of housing demand forecasts by unit type are arrived at by first translating population forecasts into a forecast of households on an age-specific household formation rates, which reflect the propensity of different

household and family types to occupy different housing types. The housing forecast is distributed to upper-tier and single-tier based on market trends, occupancy patterns, available land, etc.:

> The first step in the distribution process is the translation of the population forecast into a forecast of households based on age-specific household formation rates (or headship rates). These rates reflect the propensity of different household and family types to occupy different housing by type. For forecasting purposes, 2016 age-specific household formation rates are assumed to continue to decline somewhat before returning to 2016 levels by 2051.
>
> In the second step of the distribution process, the household forecast is translated into a forecast of housing by type—single and semi-detached houses, row houses, accessory units, and apartment buildings. The housing forecast is then distributed to the upper- and single-tier municipalities within the GGH based on observed market trends, age specific occupancy patterns, the effects of planning policies, the land available to support development, and the capacity (environmental and infrastructure) of each municipality to accommodate the forecast growth. (page 26)

Compared to the demand-based forecasts prepared by Hemson and which underpin the Growth Plan Schedule 3 forecasts, the Halton Preferred Growth Scenario plans for a shortfall in single-detached and semi-detached housing of nearly 47,100 units.

Of the 30-year demand for this unit type of 87,500 units (or 2,916 units per year), as estimated by Hemson in their Technical Report, including the existing designated and approved supply, the Region is only planning for the achievement of 40,300 such units. Therefore, the Region is only planning for an approximately 13-year supply of single-detached and semi-detached units.

If the Region takes until 2027 to review its Official Plan and incorporate the necessary lands for the 2041-2051 period, and housing construction proceeds at the expected pace, the supply of land for single- and semi-detached housing will have been depleted to just an 8-year supply. By 2035, the supply of land for single- and semi-detached homes will be fully depleted.

2.2 Planning for Only 13 Years of Single/Semi-Detached Homes Falls Well Short of PPS Requirements Regarding Sufficiency of Land Supply

The Provincial Policy Statement 2020 states that municipalities need to made sufficient land available to "meet projected needs" for a horizon of up to 25 years, or an alternate timeline as directed by a Provincial Plan (such as the Growth Plan):

> 1.1.2 Sufficient land shall be made available to accommodate an appropriate range and mix of land uses to meet projected needs for a time horizon of up to 25 years, informed by provincial guidelines. However, where an alternate time period has been established for specific areas of the Province as a result of a provincial planning exercise or a provincial plan, that time frame may be used for municipalities within the area.

As the Province had established a time-period of 30 years for the Growth Plan (2021-2051), municipalities have to make available sufficient land to meet 30 years of projected needs. The projected needs informing the Growth Plan are Hemson Consulting's estimates of market demand as contained in the Growth Outlook report.

The PPS (section 1.4.1) also requires municipalities to maintain an ability at all times to accommodate residential growth of a range and mix of housing options and densities for a minimum of 15 years:

> 1.4.1 To provide for an appropriate range and mix of housing options and densities required to meet projected requirements of current and future residents of the regional market area, planning authorities shall:
>
> a) maintain at all times the ability to accommodate residential growth for a minimum of 15 years through residential intensification and redevelopment and, if necessary, lands which are designated and available for residential development; and
>
> b) maintain at all times where new development is to occur, land with servicing capacity sufficient to provide at least a three-year supply of residential units available through lands suitably zoned to facilitate residential intensification and redevelopment, and land in draft approved and registered plans.

In neither case is the Region's planned-for shortfall in single- and semi-detached housing consistent with the Provincial Policy Statement.

2.3 Recent Shortfalls in Low-Density Housing Forms Have Been Made Up for Through Increased Demand for Higher-Density Forms

A comparison of the detailed housing unit forecasts by housing type that informed the 2006 Growth Plan forecasts with actual housing completions in Halton Region over the 2006-2021 period shows that the Region has fallen far behind projected demand for ground-related housing forms, such as single-detached, semi-detached and row houses.

In total, there has been a shortfall of nearly 32,170 units in Halton Region relative to forecast – this overall shortfall consists of a combined shortfall for ground-related housing of 38,148 units, only slightly offset by a surplus in apartment units of 5,978 units relative to forecast.

Figure 3

Comparison of Housing Forecasts in 2006 Growth Plan with Actual Housing Completions, 2006-2021

	Comparison of Forecast vs. Actual 2006-2021		
	2006 Growth Plan Forecasts	Housing Completions	Surplus / (Shortfall)
Unit Type		*Units*	
Single-Detached	50,200	24,909	(25,291)
Semi-Detached	10,200	3,394	(6,806)
Row House	22,400	16,349	(6,051)
Apartments	9,100	15,078	5,978
Total	91,900	59,730	(32,170)

Source: Altus Group Economic Consulting based on Hemson Consulting 2005 Technical Report and CMHC Data 2006-2021

Based on Altus Group data, the vast majority of apartment units being marketed in the Region are smaller apartment units – just 3.2% of apartment units being sold in the Region are 3-bedroom units. The average unit sizes for marketed apartment units by unit type ranges from 458 sf for bachelor units, 650 sf for 1-bedroom units, and 998 sf for 2-bedroom units, with little variation for the average sizes when broken down by municipality.

The average size for a 3-bedroom unit is 1,545 sf, with these units seeing significant variation among these units depending on the municipality. The average selling price for these 3-bedroom units ranges from $758,000 in Milton, to $1,032,000 in Burlington, and $1,681,300 in Oakville.

There is a limited chance enough families will want to opt for family-oriented apartment units rather than a ground-related unit (in Halton Region or other municipalities where they are suitably priced if deemed to be not affordable

within Halton Region), which can provide more space at a similar or lesser price.

Figure 4

Halton Region Actively Marketed Apartment Projects, with Data on Unit Count and Average Size, by Unit Type

		Studio		1 Bedroom		2 Bedroom		3 Bedroom	
Project	Municipality	Count	Avg Size (Sq.Ft)	Count	Avg Size (Sq.Ft)	Count	Avg Size (Sq.Ft)	Count	Avg Size (Sq.Ft)
Affinity - Building B	Burlington	n.a	n.a	32	697	33	1,238	n.a	n.a
Bridgew ater - Building A	Burlington	n.a	n.a	49	720	70	1,588	6	3,145
Gallery Condos + Lofts	Burlington	n.a	n.a	55	687	85	991	n.a	n.a
Illumina	Burlington	n.a	n.a	67	726	82	1,107	1	1,250
Nautique Lakefront Residences	Burlington	n.a	n.a	148	580	78	902	n.a	n.a
ParkCity 1	Burlington	1	540	77	715	130	1,024	n.a	n.a
Saxony Condominiums	Burlington	n.a	n.a	9	985	52	1,727	n.a	n.a
The West - Buildings A and B	Burlington	9	338	106	627	61	819	n.a	n.a
Valera	Burlington	n.a	n.a	59	560	84	634	18	1,009
Valera 2	Burlington	n.a	n.a	58	556	110	701	15	907
42 Mill St Uptow n Georgetow n	Halton Hills	n.a	n.a	22	937	18	1,302	n.a	n.a
6Ten Condominiums	Milton	n.a	n.a	57	798	113	1,026	n.a	n.a
Art on Main	Milton	n.a	n.a	64	676	121	1,033	12	1,217
Bronte West Condominiums	Milton	n.a	n.a	2	848	100	1,247	30	1,541
C1 - Connectt Urban Community	Milton	n.a	n.a	66	590	95	877	n.a	n.a
Jasper Condos	Milton	n.a	n.a	38	590	78	918	n.a	n.a
331 Sheddon Ave - Building A	Oakville	n.a	n.a	n.a	n.a	4	2,277	6	4,190
331 Sheddon Ave - Building B	Oakville	n.a	n.a	3	2,277	4	2,108	3	4,052
5North - The Preserve	Oakville	2	496	73	618	47	841	n.a	n.a
Branch	Oakville	n.a	n.a	167	546	82	855	n.a	n.a
Distrikt Trailside (Apartment)	Oakville	n.a	n.a	103	645	132	857	25	1,208
Distrikt Trailside 2.0	Oakville	n.a	n.a	137	596	69	735	10	1,088
Insignia	Oakville	n.a	n.a	n.a	n.a	13	1,489	11	2,319
Oak & Co.	Oakville	n.a	n.a	123	626	113	966	6	1,125
Oak & Co. - Tow er II	Oakville	n.a	n.a	123	668	61	953	3	989
Oak & Co. - Tow er III	Oakville	n.a	n.a	90	726	77	977	2	1,201
Oak & Co. - Tow er IIII	Oakville	n.a	n.a	80	676	64	1,111	n.a	n.a
Oakvillage - Condo 2	Oakville	n.a	n.a	207	644	41	818	n.a	n.a
Oakvillage (Apartment)	Oakville	n.a	n.a	136	647	39	911	n.a	n.a
Randall Residences	Oakville	n.a	n.a	10	2,036	14	2,472	n.a	n.a
Upper West Side - Oakvillage	Oakville	n.a	n.a	206	624	56	870	n.a	n.a
Total		12		2,367		2,126		148	
Share		0.3%		50.9%		45.7%		3.2%	
Weighted Average			458		650		998		1,545
Average Burlington			*358*		*645*		*1,020*		*1,297*
Average Milton/Halton Hills			*n.a.*		*692*		*1,036*		*1,448*
Average Oakville			*496*		*645*		*951*		*1,758*

Note: Bedroom counts include "plus den" units (i.e., 1-bedroom in table includes 1-Bedroom units, and 1-Bedroom + Den units)
Source: Altus Economic Consultin based on Altus RealNet New Home Data

In a 2019 memorandum from Hemson Consulting to the Town of Halton Hills[2] regarding the ability of the market to take-up potential intensification units as identified in the Town's Intensification Opportunities Study, Hemson found that it was unlikely that the market could shift significantly enough to make the intensification potential in the Town attractive enough to potential buyers:

> It is in planning for higher intensification, particularly for more apartments, that there is a potential disconnect between policy and the market necessitating a shift in the nature of housing demand in order to

[2] Hemson Consulting, Memorandum to Town of Halton Hills, re: Halton Hills Intensification Opportunities Study Update – Market Assessment, (October 25, 2019)

> achieve this policy. The Growth Plan seems to suggest that intensification will occur by simply adopting the right planning policies, however, more intensification means more individual people need to choose to buy or rent apartment units in intensification units than they have in the past. …
>
> …in order for there to be a greater proportion of people residing in apartments, more families and larger households would need to choose the housing form, instead of the ground-oriented units that most families in Halton occupy today. … While most families are likely to prefer ground-oriented to apartment units, some may choose apartments. However, sizing apartment units to larger households also increases the cost which represents another deterrent to the policy-driven shift. That is, apartments are only more affordable (than rows for example) because they are smaller. (page 8 & 13)

Given the shift in preference in housing implicitly assumed and planned-for in the Region's Preferred Growth Concept, and 15 years of evidence since 2006 that only a minimal proportion of the expected shift is likely to occur, unless the Region and its lower-tier municipalities are willing and able to provide targeted incentives reducing the cost and/or improving the desirability of large apartments for larger households to allow for the shift in demand of 47,000 single- and semi-detached housing units into demand for family-sized apartments, the Region's plan will inevitably lead to a significant shortfall in housing supply, which will hinder affordability of housing in the Region.

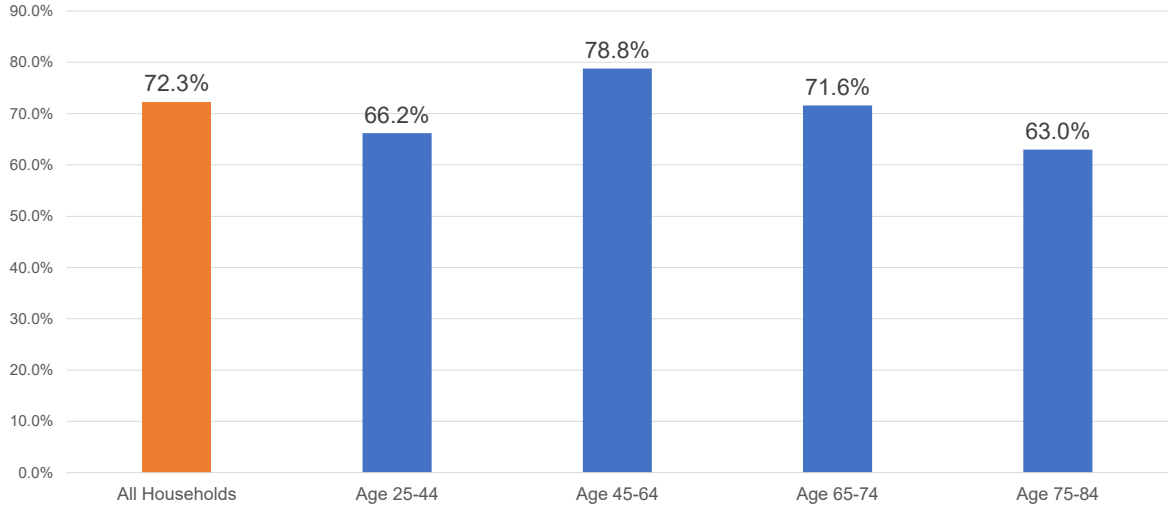
2.4 Policy-Driven Shift Would Require Significant Shifts in Housing Older Households Age-in-Place

The Halton LNA analysis is presuming that a policy-oriented shift towards apartments will have the effect of causing empty-nesters to move from their family homes to apartments, which one of the IGMS reports admits is "something they show little inclination to do until they are very old."

Data from the 2016 Census shows that there is little difference in the proportion of households by age group in the Region (based on the age of household head) that occupy single- and semi-detached units, with only modest declines in shares of households occupying these units as the age of the household head increases. Compared to the Halton Region average of 72.3% family households occupying single- or semi-detached units, this ratio decreases only slightly to 63.0% for ages 75-84, suggesting that the degree to which older households will move into apartments is overstated.

Figure 5

Percentage of Family Households (by Age of Household Head) Occupying Single- and Semi-Detached Units, Halton Region

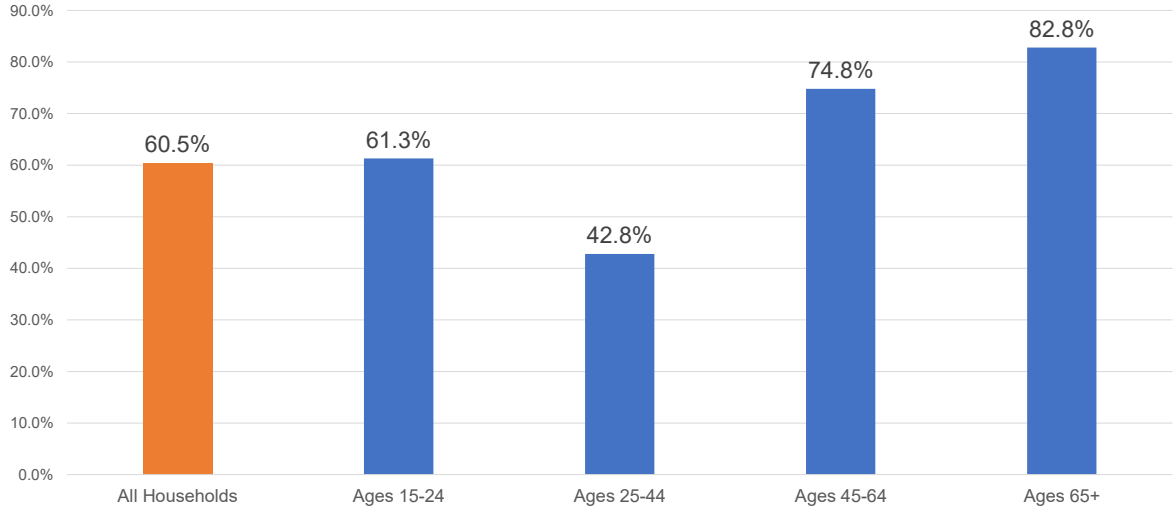


Source: Altus Group Economic Consulting, based on 2016 Census of Canada

Older households are far more likely to stay in place than other age groups – according to data from the 2016 Census, almost 83% of households in Ontario where the household head was aged 65+ did not move over the prior five-year period, compared with 60.5% across all households.

Figure 6

Percentage of Non-Mover Households (vs. 5-Years Prior) by Age of Household Head, 2016 Census



Source: Altus Group Economic Consulting, based on 2016 Census of Canada

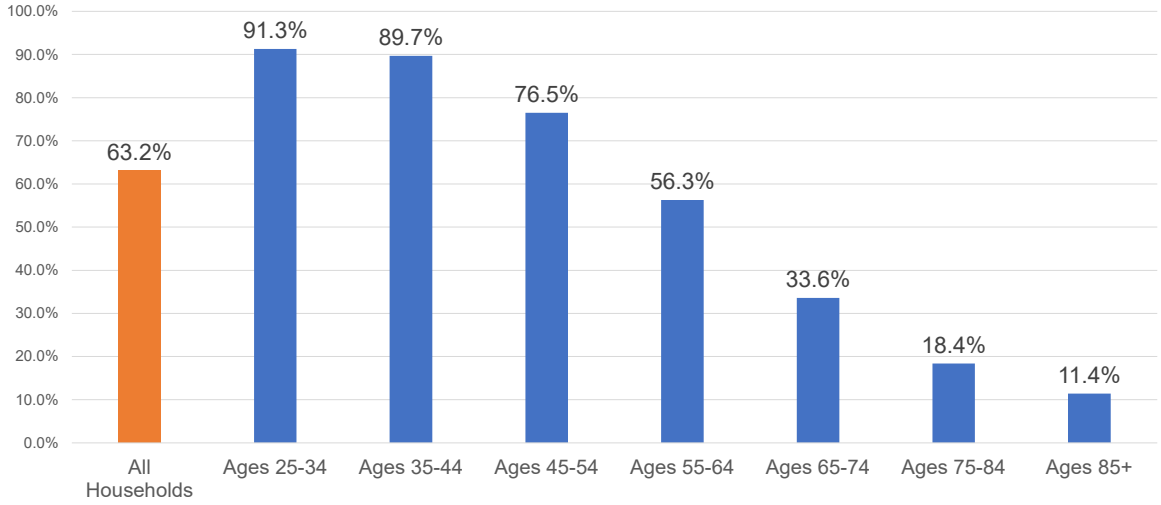
If senior households are occupying single- and semi-detached housing at similar rates to younger families and are far less likely to move house, a

policy-driven shift to increase the proportion of new housing built in high-density forms such as apartments, through the expectation that older households will downsize is speculative and counter to trends evident in household age and moving profiles.

Beyond the Region's 'expectation' that seniors will voluntarily downsize to apartment units from their existing family homes, there is often little financial incentive for older households to make this shift. The overwhelming majority of owner-occupied households in the older age groups have no mortgage payments – only 18% of households aged 75-84 and just over 11% of households aged 85+ have mortgage payments on their home.

Figure 7

Percentage of Owner-Occupied Households With Mortgage Payments, by Age Group (of Household Head)



Source: Altus Group Economic Consulting, based on 2016 Census of Canada

2.5 Adopted ROPA 49 Would Require Quintupling Annual Apartment Dwelling Unit Production Over Prior 30 Year Averages

Compared to actual growth in housing types in the Region over the preceding 30-year period (1991-2021), both the Hemson market demand forecast and the forecast used in the Preferred Growth Concept would result in a 74% increase in housing production in the Region over the next 30-years (2021-2051) than the prior 30-year period.

However, how housing production will increase by 74% varies drastically from the Market-Based Scenario to the Preferred Growth Concept:

- Under the Hemson market-based forecast, the production of singles/semis would increase by 62%, row houses would increase by 60%, while production of apartment units would increase by 137%, from annual averages of 580 units per year to 1,373 units per year. The Market-Based Forecast sees below-average increases in ground-related housing types and significant escalation of construction in apartments – more than doubling the prior 30-year period;
- By comparison, while the Preferred Growth Concept would see a similar increase in production of row houses as the prior 30-year period as the Market-Based Forecast, it would plan for a decrease in 30-year production of singles/semis of 25%, **while expecting apartment unit production need to increase by over 400% over historic 30-year trends to 2,937 units per year**.

To understand the magnitude of the quantity of apartments in the PGC forecast, the forecast production of apartment units (2,937 units per year) is itself nearly 90% of the total annual housing production (of all housing types) in the Region over the preceding 30-year period (3,407 units per year).

Figure 8 **Deviation in Forecast Housing Production from 1991-2021 Actuals, Market-Based Forecast and Preferred Growth Concept**

	Singles/Semis	Rows	Apartments	Accessory Apartments	Total
Actual Growth 1991-2021			*Units*		
Housing Growth by Type	55,000	28,500	17,400	1,300	102,200
			Units per Year		
Annual Housing Growth by Type	1,833	950	580	43	3,407
Market-Based Forecast 2021-2051			*Units*		
Market-Based Forecast by Type	89,100	45,600	41,200	2,200	178,100
			Units per Year		
Annual Market-Based Forecast	2,970	1,520	1,373	73	5,937
			Percent		
% Difference from 1991-2021	62%	60%	137%	69%	74%
Preferred Growth Concept Forecast 2021-2051			*Units*		
Market-Based Forecast by Type	41,500	44,900	88,100	3,700	178,200
			Units per Year		
Annual Market-Based Forecast	1,383	1,497	2,937	123	5,940
			Percent		
% Difference from 1991-2021	-25%	58%	406%	185%	74%

Source: Hemson Modified Land Needs Assessment, (March 2022), Tables7, 8A and 8B

2.6 Adopted ROPA 49 Would Require Doubling of Recent (5-Year) Trends in Apartment Production in Milton, Oakville and Burlington, and a 15-Times Increase in Halton Hills

According to CMHC data on housing completions, the projected share of apartments over the 2021-41 period would greatly exceed the amount completed in not only the Region, but also each lower-tier municipality, and do not appear to be practical. The PGC forecasts for apartment construction are put into context for each lower-tier municipality and the Region itself:

- On an annual basis, the number of apartments completed in the Region **would have to more than double** - from 1,452 units per year over the most recent 5-year period, to 2,937 units per year each year over the 2021-2041 period.
- In Burlington, the number of apartments would have to increase by 82% over recent five-year averages. The City of Burlington would need to see 887 apartment units completed each year on average over a 20-year period, despite not achieving this mark in any single year over the prior 20 years (the 20-year high in Burlington is 779 units in 2019).
- In Oakville, the number of apartments would have to increase by 96% over recent five-year averages. The Town of Oakville would need to see 1,377 apartment units completed per year on average over a 20-year period, despite not achieving this mark once in any individual year in the prior 20 years (the 20-year high is 1,074 units in 2017).
- In Milton, the Town would need see 500 apartment units completed each year over the 2021-2041 period, almost exactly double the amount built per year over the past five years, and 233% more than was built over the 20-year period. The Town has not once exceeded 500 apartment completions in a single year over the 2002-2021 period. The most apartments completed in a single year since 2002 is 400 units.

Figure 9 **Comparison of Actual Apartment Housing Completions and Forecast Growth in Apartments 2021-2051 by Local Municipality**

	Annual Averages - Housing Completions - Apartments			Forecast Apartments - March 2022 LNA	
	2002-2021 (20-year)	2012-2021 (10-year)	2017-2021 (5-year)	2021-2041 Total	Annual
Municipality		*Units/Year*		*Units*	*Units/Year*
Burlington	319	379	488	17,735	887
Oakville	343	579	701	27,534	1,377
Milton	150	256	251	10,007	500
Halton Hills	5	6	11	3,461	173
Total	818	1,219	1,452	58,737	2,937

	Percentage Increase in Annual Production Relative to Historic Annual Averages		
	2002-2021 (20-year)	2012-2021 (10-year)	2017-2021 (5-year)
Municipality		*Percent*	
Burlington	178%	134%	82%
Oakville	302%	138%	96%
Milton	233%	96%	99%
Halton Hills	3075%	2990%	1445%
Total	259%	141%	102%

Source: Altus Group Economic Consulting based on Hemson March 2022 LNA Report, CMHC data

- In Halton Hills, the Town would need see 173 apartment units completed each year over the 2021-2041 period, **over 15-times greater than the annual pace seen over the 2017-2021 period**. In total, since 2002, the Town of Halton Hills has seen just 109 apartment units completed, or 11 units per year. Expecting the market for apartment dwellings in Halton Hills to increase 15-fold over historic trends is beyond unrealistic.

2.7 Principle of "Minimizing Land Consumption" Yet Allowing Rural Development is Inconsistent

Table 11B of the PGC allocates 1,400 net new units to the Rural Area over the 2021-2051 period, including 1,000 net new units over the 2021-2041 period.

Given the large size of many rural residential home sites and homes built in the Greenbelt areas of Burlington, Milton and Halton Hills, if the average site size of these net new rural homes is 1.5 acres, this would amount to 2,100 acres needed for these 1,400 rural homes, or 850 hectares, with a high proportion of those lands being located on the actual Greenbelt.

The Region's LNA, regardless of scenario never deviates or postpones the consumption of this land, which are typically in sensitive areas - while some of the supply is already approved and located in hamlets like Glen Williams

in Halton Hills, part of the expansion of rural development in the Region are assumed to come via rural severance. It is likely that many of these units will be built within parts of Burlington, Milton and Halton Hills that are within the Greenbelt.

Allowing 1,400 rural units to develop on hundreds of hectares of rural land, with a significant proportion likely located along arterial roads that pass through the Greenbelt, but not allowing land located in Milton and Halton Hills on lands between those urban areas and parts of built-out Peel Region to gain urban designations to see 17,600 units developed 20-30 years from now is a fundamentally inconsistent approach to land use planning.

Particularly so when one of the stated key principles in the February 2022 report was to "Maximize Agricultural Land Protection"

> The Preferred Growth Concept minimizes agricultural land consumption by directing significant growth within the Built-Up Area and the existing Designated Greenfield Area, and is supported by an Agricultural Impact Assessment that demonstrates the impact on the agricultural system has been minimized, considering local food production and food security.

and "Enhance the Natural Heritage System":

> The Preferred Growth Concept does not encroach on the overall Natural Heritage System, and generally directs growth to areas that minimize impact on the overall Natural Heritage System from urban expansion, supported by a Natural Heritage Assessment.

Research undertaken to find statistics to estimate the number and location of the rural estate units was not possible, as municipalities do not appear to provide data on these approvals. However, based on numerous visits to these areas of the Region, it is plainly evident that development of rural estate lots in Halton Region has boomed in recent years.

3 FISCAL IMPLICATIONS

3.1 Comparison of Fiscal Impacts

The table below summarizes the fiscal impact assessments undertaken by Hemson Consulting in evaluating the four IGMS concepts and the Preferred Growth Concept.

Figure 10

Lands Added	IGMS Concept 1	IGMS Concept 2	IGMS Concept 3	IGMS Concept 4	PGC (February 2022)
New Community Area Lands	1,460 ha	730 ha.	0 ha.	2,080 ha.	1,120 ha.
New Employment Area Lands	1,170 ha.	1,100 ha.	980 ha.	1,220 ha.	1,070 ha.
Municipality	**Average Annual Tax Increases 2021-2051**				
Burlington	3.90%	3.92%	3.97%	3.91%	4.16%
Oakville	2.96%	3.03%	3.10%	2.93%	3.16%
Milton	3.56%	3.60%	3.64%	3.51%	3.68%
Halton Hills	2.38%	2.53%	2.63%	2.19%	3.44%
Halton Region	2.47%	2.53%	2.56%	2.42%	2.33%

Of the four IGMS concept scenarios tested by Hemson, it was found that the scenario with **the largest urban boundary expansion** (Concept 4 with 2,080 hectares of community land) **had the most positive impact on finances of the lower-tier municipalities and the Region**, as measured by lowest need for future property tax increases. **The worst performing of the four IGMS scenarios on municipal finances was Concept 3, which had no urban boundary expansion for community area lands.**

While little detail is shown in the various reports released publicly, it appears that based on the orientation and sensitivity of the results that the fiscal impact analysis as undertaken appears to improve as more lands are added to the urban boundary.

This correlation may reflect the reality that the urban boundary expansions estimated as needed, which will see growth between the Town of Milton and Mississauga, and between the southern edge of Georgetown towards Milton/Mississauga and Highway 401 will utilize existing planned infrastructure improvements to Regional and local infrastructure, such as the

widening of Steeles Avenue, the widening and urbanization of Trafalgar Road, which will be done regardless of the 2041-2051 growth option, meaning the greater the expansion to the tax base, at the fiscally sustainable minimum densities set out in the Growth Plan, the better the ability of the tax base to afford the operating and lifecycle costs associated with the Region and lower-tier municipality's existing and planned infrastructure base.

Some of the considerations in evaluating fiscal impacts (as set out in the IGMS Growth Concepts Discussion Paper) for Community Areas include the following:

- Logical extension and adjacent/proximity to existing settlement areas;
- Appropriate topography for development;
- Logical potential for servicing;
- Minimization of conflicts with the Natural Heritage and Agricultural System;

The Region's analysis of fiscal impacts appears largely limited to the impact on the existing taxpayer, ignoring other impacts such as:

- Economic impacts of a sufficient supply of land on economic development and business creation/attraction,
- The impacts that an expanded property tax base can have on municipal services and risk mitigation
- How growing toward the region's economic centre (eastward from Milton or southward from Georgetown) can utilize Provincial investments in infrastructure, such as Highway 401 widening, GO transit expansion
- The implications for an expanded property tax base the recurring revenues it generates expands the capacity of the Region to debt finance infrastructure under the Provincial guideline (annual debt charges to be limited to 25% of annual recurring revenues).

3.2 Capital Cost Implications of Increased Forecasts of High-Density Development

Frequently, analyses comparing growth in designated greenfield areas versus infill and intensification development relies on the assumption that residents of infill developments can utilize existing community infrastructure that is already available and in place, rather than adding new community

infrastructure. Similarly, for "hard" infrastructure such as roads, water, sanitary sewer, etc., it is assumed that infill developments can simply 'hook-up' to existing infrastructure, rather than requiring new or expanded infrastructure.

While sometimes true, it is not a hard-and-fast rule – a shift towards increased higher-density and infill development can trigger the need for new community facilities within built-up areas, and often the more complex built environment in these areas can introduce significant complicating factors that can add to the costs compared to the provision of a similar facility in a greenfield area.

For example, the costs of acquiring land for a new library, recreation centre, or park is going to be more expensive in an existing built-up area. Similarly, there may be construction cost or design-related cost premiums in building a facility in an existing area that may add to a municipality's cost of providing community services to new residents in these areas. There may also be difficulty in finding suitable sites to acquire on which a community facility can be constructed.

A memorandum from Hemson Consulting[3], who are authors of many of the development charge background studies in municipalities across Ontario, found the following when investigating the cost of community infrastructure as well as 'hard' infrastructure (water, sewer, etc.) for intensification areas:

> Municipal and community services need to be in place to support the anticipated population growth associated with more intense residential development. Infill and redevelopment can rely on existing infrastructure to a point. Early in the process, where Halton Hills is today, there are not many challenges. However, once excess capacity is used up, retrofitting new infrastructure can be very expensive. The primary example of this challenge is in Downtown Toronto, where rapid apartment infill necessitated investments in large water and wastewater infrastructure to service residents, along with need for new recreational facilities, libraries schools and parkland. While an extreme example for Halton Hills, at the numbers being considered for intensification, some issues of significance to the community may still arise. (page 15)

[3] Hemson Consulting, Memorandum to Town of Halton Hills, re: Halton Hills Intensification Opportunities Study Update – Market Assessment, (October 25, 2019)

Therefore, the intensification allocations to the lower-tier municipalities in Halton Region should be investigated to understand the potential real-world costs of development in existing built-up areas throughout Halton Region, rather than broadly assuming that infill and intensification is cheaper for municipalities from a capital perspective. The fiscal impact study undertaken in the IGMS process only considered on-going revenues and costs such as property taxes, operating costs, water/sewer rate revenues.

The March 2022 LNA provides a summary of a fiscal impact that evaluates annual tax and rate-based revenues and operating cost impacts but does not consider the capital cost implications of increasing infill and intensification to the degree contemplated in ROPA 49. The implications of adding community services and infrastructure to built-up areas needs to be analyzed for its potential impact on DC rates and debt servicing needs.

Further, while greenfield development may necessitate the extension of Regional infrastructure, the greenfield areas receiving servicing can be done in an orderly and sequential manner, with most of the internal services (watermains, sewers, local roads) done at the developer's expense.

Servicing infill developments, given the relatively scattered nature of infill areas across the Region and its lower-tier municipalities is more likely to require DC funding for projects that benefit more than one specific landowner, and may result in numerous smaller, but relatively inefficient and expensive projects being required to service each of the dozens of identified intensification areas throughout Halton.

4 ISSUES WITH REGION LNA METHODOLOGY, INPUTS AND ASSUMPTIONS

The Region's estimated land needs as contained in the PGC and the MPGC for 1,120 hectares of new community land and 1,070 hectares of new employment land are flawed in several respects.

4.1 The Region's LNA is Missing Several Required Steps from the LNAM

As per the Land Needs Assessment Methodology, the following steps in calculating community area land needs do not appear to have been utilized:

a. Accounting for replacement of units that will be lost through demolitions or conversions to other uses;

b. Vacancies in existing and new homes;

c. Market contingency factors;

Each of these steps represents factors that add to the needed housing supply necessary to accommodate the forecasted population.

4.2 Growth Plan Requires MCR and LNA Be Based on Minimum Intensification and Density Targets

Section 2.2.8 of the Growth Plan sets out that the estimate of land needs through a municipal comprehensive review are to be based on the minimum intensification and density targets to ensure that sufficient land is available to fulfill those minimums.

> A settlement area boundary expansion may only occur through a municipal comprehensive review where it is demonstrated that:
>
> a) based on the minimum intensification and density targets in this Plan and a land needs assessment undertaken in accordance with policy 2.2.1.5, sufficient opportunities to accommodate forecasted growth to the horizon of this Plan are not available through intensification and in the designated greenfield area:
>
> i. within the upper- or single-tier municipality, and within the applicable lower-tier municipality;
>
> b) the proposed expansion will make available sufficient lands not exceeding the horizon of this Plan, based on the analysis provided for in policy 2.2.8.2 a), while minimizing land consumption; and
>
> c) the timing of the proposed expansion and the phasing of development within the designated greenfield area will not adversely affect the achievement of the minimum intensification and density targets in this Plan, as well as the other policies of this Plan.

If municipalities choose to exceed minimum density targets or minimum intensification targets in the course of determining zoning and other planning permissions for the urban lands added to settlement area, it can and should do so. The Growth Plan makes it clear that the vision for densities in new urban lands should not be used for the purposes of estimating land needs – it is the minimum densities that should guide that calculation.

While the densities used for the LNA may end up being less than the 'on-the-ground' densities envisioned by municipalities and may mean the Schedule 3 population and employment forecasts will be exceeded, policy 5.2.4.2 of the

Growth Plan makes it clear that the Schedule 3 forecasts should be treated as minimums as well and can be exceeded.

> 2. All upper- and single-tier municipalities will, at a minimum, through a municipal comprehensive review, apply the forecasts in Schedule 3 or such higher forecasts as are established by the applicable upper- or single-tier municipality through its municipal comprehensive review for planning and managing growth to the horizon of this Plan.

If usage of minimum densities and intensification targets in estimating land needs leads to a far greater number of apartments than in the housing demand forecast, the Growth Plan specifically allows for planning for development in strategic growth areas within the built-up area beyond the horizon of the Growth Plan, so long as they are delineated in Official Plans and subject to minimum density targets (such as Urban Growth Centres, Major Transit Station Areas):

> Within delineated built-up areas, municipalities may plan for development beyond the horizon of this Plan for strategic growth areas that are delineated in official plans and subject to minimum density targets, provided that:
>
> a) integrated planning for infrastructure and public service facilities would ensure that the development does not exceed existing or planned capacity;
>
> b) the type and scale of built form for the development would be contextually appropriate; and
>
> c) the development would support the achievement of complete communities, including a diverse mix of land uses and sufficient open space

4.3 Headship Rates

The Provincial LNA methodology requires Hemson to apply age-specific headship rates to their population forecasts by age. The figure below (Figure 11) shows that the annual population estimates can differ by a significant factor relative to the census population counts both in growth and level for each age group.

Applying the age-specific headship rates from the census to the annual population estimates suggests that the number of households would have grown by a lesser amount than the census would suggest. This could be due to the fact that the population mostly missed in the census are those living at

home with their parents. The age distribution between the census population count and the annual population estimates is very different.

However, the headship rate is likely to be different for the total population (once overcount is considered), depending on how the undercount happened. For example:

- Double counting students would result in a lower population count, but also a lower headship rate for the student age group and/or
- Missing adult children living at home and adding them to the population count would lower the headship rate – and vice versa;
- Missing full households (with missing them, or if they don't fill out the census) will contribute to headship rates for the age of the household maintainer

Figure 11 **Change in Population and Household Estimates, Halton Region, 2006-2051F**

	Census Population Counts			Annual Population Estimates		
	2006-2016	2016-2021F	2021-2051F	2006-2016	2016-2021F	2021-2051F
Age Group		*Persons*			*Persons*	
0-15	19,335	(1,400)	91,239	19,023	1,147	90,648
15-25	14,045	7,490	56,822	13,739	10,205	52,854
25-34	3,070	6,425	55,654	2,080	12,031	47,556
35-44	6,750	3,310	57,976	5,749	(1,614)	61,541
45-54	20,740	3,910	52,034	20,867	1,997	54,346
55-64	18,285	9,545	44,725	18,840	12,977	42,228
65-74	16,260	6,210	47,446	16,403	9,025	46,091
75 plus	10,760	12,685	79,105	8,599	7,133	90,916
Total	109,245	48,175	485,000	105,300	52,901	486,180

	Census Household Count			Estimate of Households Including undercount		
	2006-2016	2016-2021F	2021-2051F	2006-2016	2016-2021F	2021-2051F
Age Group		*Units*			*Units*	
0-15	-	-	-	-	-	-
15-25	(465)	(190)	1,660	(528)	(156)	997
25-34	(2,145)	240	20,435	(2,807)	1,826	14,624
35-44	2,105	1,075	29,315	1,526	(1,369)	30,228
45-54	11,590	1,405	29,730	11,662	339	29,803
55-64	10,890	5,550	25,085	11,210	7,499	23,955
65-74	8,575	2,875	27,465	8,654	4,429	25,483
75 plus	5,350	4,665	44,515	4,195	2,043	46,172
Total	35,900	15,620	178,205	33,912	14,610	171,260

Source: Altus Group, Statistics Canada Data

4.4 Average Household Sizes

Based on an analysis of the average household size assumptions used, the housing mix in the preferred growth scenario will not be enough to accommodate the 485,000-person change in the population required by 2051.

Figure 12 highlights household size by housing type, from Hemson's LNA and the 2006, 2016 and 2021 Census.

Figure 12 Person Per Unit, By Type of Housing, Halton Region

	Average Household Sizes				
Hemson Preferred Growth Concept Assumptions	Halton Region	Oakville	Burlington	Milton	Halton Hills
	Person Per Unit				
Singles/Semis	3.83	3.84	3.59	3.91	3.67
Rows	2.94	2.87	2.60	3.07	2.73
Apartments	1.90	1.92	1.86	1.97	1.83
2021 Census Data					
Singles/Semis	3.20	3.23	2.95	3.59	3.09
Rows	2.69	2.75	2.44	3.05	2.48
Apartments	1.78	1.88	1.67	1.93	1.81
% Change from 2016 Census					
Singles/Semis	0.7%	-0.7%	-0.2%	3.6%	0.0%
Rows	3.9%	3.7%	0.9%	6.3%	2.9%
Apartments	3.8%	4.4%	1.5%	10.3%	2.1%
% Change from 2006 Census					
Singles/Semis	3.1%	0.2%	-1.3%	17.2%	-0.3%
Rows	7.5%	6.4%	1.3%	15.8%	-4.8%
Apartments	1.8%	3.0%	0.4%	5.5%	-4.9%
2016 Census Data					
Singles/Semis	3.18	3.26	2.96	3.47	3.09
Rows	2.59	2.65	2.41	2.87	2.41
Apartments	1.72	1.80	1.65	1.75	1.77
2006 Census Data					
Singles/Semis	3.10	3.23	2.99	3.06	3.09
Rows	2.50	2.58	2.41	2.63	2.61
Apartments	1.75	1.82	1.66	1.83	1.90

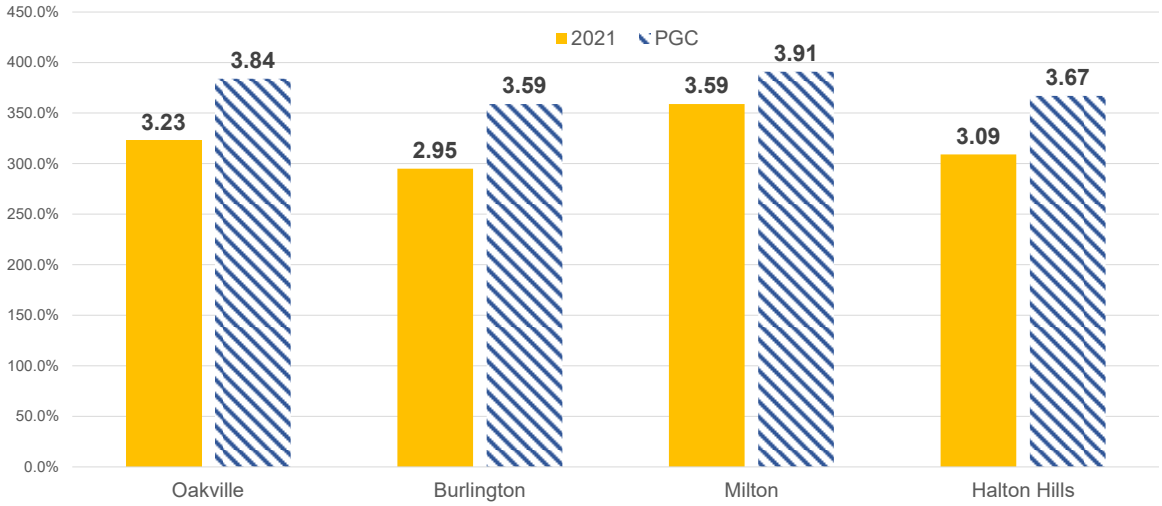
Source: Halton Land Needs Assesment Report, Statistics Canada data

The number of persons per unit per housing type as reported in the 2021 Census has not significantly changed from the 2006 or 2016 Census. Average household sizes for singles/semis in the Region have increased by only 0.7% since the 2016 Census, and 3.1% since the 2006 Census. Most of this increase is owing to the Town of Milton were PPUs for singles/semis have increased by 17% since 2006, and 3.6% since 2016. The PPUs for singles/semis in Oakville, Burlington and Halton Hills are stagnant or declining since both

2006 and 2016. Nonetheless the PGC assumes significant increases in average household sizes for singles/semis in each of the lower-tier municipalities.

Figure 13

Current (2021) and Projected Average Household Sizes, Singles/Semis, Halton Region Municipalities



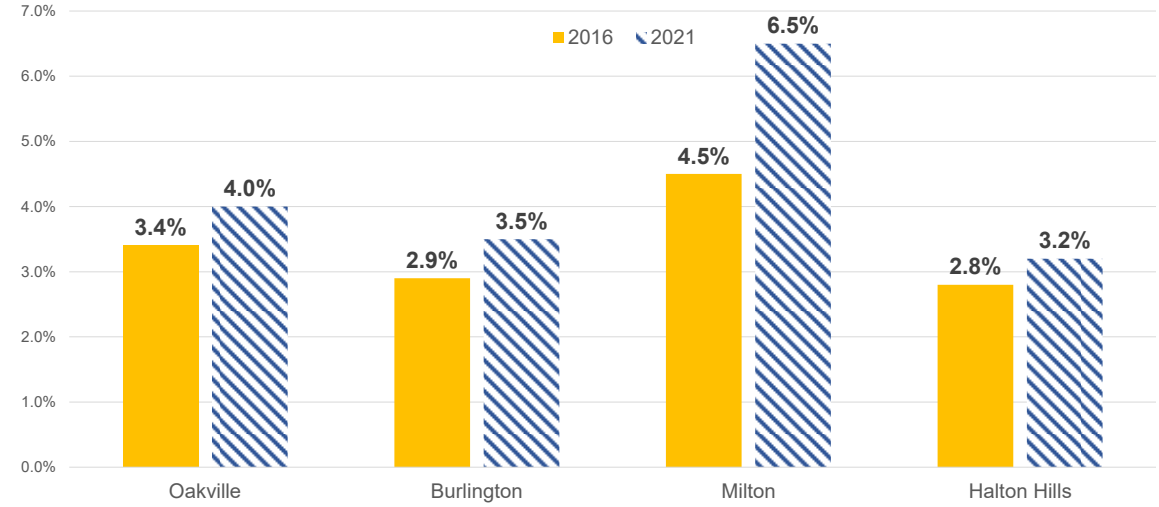
Source: Altus Group Economic Consulting, based on 2016 Census of Canada

The recent uptick in PPUs in the Town of Milton relative to the other municipalities in Halton Region appears to be due to increased unsuitability of accommodation in the Town, which increased from 4.5% of households living in unsuitable accommodation in 2016 to 6.5% in 2021. A lack of housing options relative to demand leads to both increased PPUs and increased housing unsuitability.

According to Statistics Canada, the definition of "housing suitability" is as follows:

> Housing Suitability: refers to whether a private household is living in suitable accommodations according to the National Occupancy Standard (NOS); that is, whether the dwelling has enough bedrooms for the size and composition of the household. A household is deemed to be living in suitable accommodations if its dwelling has enough bedrooms, as calculated using the NOS.

Figure 14 **Share of Housing Units Not Suitable for Occupying Household, Halton Region Municipalities, 2016-2021**



Source: Altus Group Economic Consulting, based on 2016 Census of Canada

If the PPUs from the 2021 Census are applied to the housing forecast incorporated into the PGC, there will not be enough housing to meet Halton Region's population targets.

By 2041, the Region will miss their population growth targets by 21,971 persons between 2021 and 2041 and a further 30,388 between 2041 and 2051 (Figure 15). Therefore, the Region's plan is based on a population shortfall of 51,000 persons:

- To meet population growth with the forecasted total number of units and unit mix, the Region requires a weighted average of 2.70 units per person for new households.
- The Hemson LNA notes they use a weighted-average factor of 2.60, however the mix of housing being forecasted would supply a weighted average PPU of 2.49 in the 2021-2041 period and a weighted average of 2.32 between 2041 and 2051.
- If the PPU assumptions used by Hemson are maintained, an additional 8,000 to 9,000 more units would need to be added to the Region's housing forecast between 2021-2041 over and above the housing mix outlined in the PGC. There would be a need to add another 13,000 to 14,000 more units between 2041 and 2051.

Figure 15 Total Household and Population Growth, Halton Region, 2021-2051, Broken Down by Region and Time Period

	Burlington	Oakville	Milton	Halton Hills	Halton Region	
	Population Growth					
	2021-2041	2021-2041	2021-2041	2021-2041	2021-2041	2041-2051
	Persons					
	47,800	111,300	126,800	30,200	316,100	169,000
	Growth in Housing Units by Type, Prefered Growth Scenario					
	Units					
Single/Semi's	1,825	9,269	14,220	3,775	29,089	12,400
Row	2,431	7,664	15,671	3,617	29,383	15,600
Total Apartment	18,861	27,534	10,007	3,461	59,863	31,800
	Person Per Unit, by Type (Based on 2021 Actual Levels)					
	Persons per Unit					
Single/Semi's	2.99	3.28	3.60	3.08	3.20	3.20
Row	2.40	2.80	3.10	2.50	2.70	2.70
Apartment	1.70	1.92	1.94	1.81	1.79	1.79
	Population That Can Be Accomodated					
	Persons					
Single/Semi's	5,461	30,391	51,192	11,642	98,686	39,680
Row	5,834	21,459	48,580	9,043	84,916	42,120
Apartment	31,977	52,919	19,377	6,253	110,527	56,812
Total	**43,273**	**104,769**	**119,149**	**26,937**	**294,129**	**138,612**
	Anticipated Population Shortfall					
	Persons					
Shortfall	(4,527)	(6,531)	(7,651)	(3,263)	(21,971)	(30,388)

Source: Altus Group Economic Consulting

4.5 Several Issues Apparent with Estimates of Existing Greenfield Supply

There are several potential issues with the estimates of existing greenfield supply in the Region, with the estimated supply potentially being overstated, requiring fewer future units to meet demand to 2051:

- Table 8 of Appendix A1 shows the unit potential with the existing Bristol, Sherwood and Boyne Surveys Secondary Plan areas within the Town of Milton, along with adjustments for rows, and built/occupied units. The net supply available in these areas is shown to be 6,500 singles/semis, 5,000 rows, and 4,000 apartments, for a total of 15,900 units, which is "per Town data (as of June 2018)". However, when the Town's Draft Land Base Analysis from 2017 is reviewed, Tables 18 and 19 of that report show a total that is significantly lower, despite being reported upon a year

earlier than the source used in the Halton IGMS report. The 2017 Milton Land Base Analysis shows just 9,900 vacant units in these three areas, including 8,800 in Boyne, 700 in Bristol and 400 in Sherwood. This is 6,000 fewer vacant units that shown in the Halton IGMS report (see Figure 16).

Figure 16 **Estimates of Milton Greenfield Potential: Approved Plans, Estimates of Available Supply**

	Single / Semi	Rows+	Apartments	Total
Halton IGMS Report (2018 data)		*Units*		
Bristol Survey	3,400	1,500	1,200	6,100
Sherwood Survey	6,800	3,700	700	11,200
Boyne Survey	7,300	6,800	3,100	17,200
Total Units	17,500	12,000	5,000	34,500
Less: Adjustment for Rows	-	(1,200)	1,200	-
Less: Built and Occupied	(11,000)	(5,800)	(1,800)	(18,600)
Total	6,500	5,000	4,400	15,900
Milton Land Base Analysis (2017)				
Total Units				
Bristol Survey				5,700
Sherwood Survey				11,200
Boyne Survey				17,200
Total				34,100
Vacant Units				
Bristol Survey				700
Sherwood Survey				400
Boyne Survey				8,800
Total				9,900

Source: Halton IGMS Report, Town of Milton Draft Land Base Analysis, 2017

- The detailed supply information for designated greenfield area in the Town of Oakville includes an estimate of 1,760 "existing" units as of the 2016 Census. According to a January 2018 Town staff report[4], that within the North Oakville area "Town of Oakville building permit information from 2017 shows a total of 4,633 permits for dwellings have been issued". It is unclear whether there could have been roughly 2,900 permits issued between the 2016 Census and year-end 2017 within the North Oakville area.
- Table 13 within Appendix A1 shows a unit potential of 14,393 units within the Trafalgar Road Corridor and Table 6 shows the North Oakville East having a potential of 50,398 units (which includes 30,851 apartment

[4] Town of Oakville Staff Report, re: Statutory Public Meeting Report – Town-Initiated Proposed Official Plan Amendments – North Oakville East Secondary Plan and North Oakville West Secondary Plan – North Oakville Secondary Plans Review, (January 22, 2018)

units). A key structural element of the North Oakville East Secondary Plan is the Trafalgar Road Corridor. It is unclear whether the North Oakville East DGA supply double-counts/overlap the unit potential within the Trafalgar Road Corridor shown separately in the tables showing the Town's supply data.

4.6 Analysis Needs to be Done Regarding Suitability of Employment Land Supply

Section E of Appendix A1 shows the detailed employment land supply by community, broken down by occupied and vacant supply. However, there is no discussion about the adequacy of the vacant supply, and whether the vacant lands are large, serviced (or serviceable), development-ready parcels. The Land Needs Assessment Methodology states that:

> …municipalities should ensure that employment area lands are provided in sufficient quantity to meet the overall employment demand and that they include lands that meet the attributes that are important to businesses, including:
>
> - Servicing (either existing or near-term potential);
> - Visibility, access to highways, proximity to other major goods movement facilities and corridors as well as public transit access;
> - A range and size of available sites to meet market choice, including:
>   - Vacancy factors to account for lands that may not develop to the Plan horizon;
>   - A sufficient supply of large parcels to accommodate land extensive uses; and
>   - Strategic investment sites to attract employment investment that may otherwise choose to locate outside of Ontario;
> - Proximity to sensitive uses; and
> - Other factors that reflect the changing needs of businesses.

4.7 Using Historic Employment Land Densities Instead of Recent Densities in Estimating Employment Land Needs

The Region's "Growth Scenarios" report (Attachment 4 to LPS41-19), on page 64 notes that new buildings along the Highway 401 corridor are seeing densities in the range of 19 employees per net hectare.

However, the Modified LNA report uses a density assumption for estimating employment land needs of 29 jobs per net hectare. Existing employment land densities in Milton and Halton Hills were estimated in the Growth Scenarios report to be 27 to 31 jobs per net hectare, but these are noted in that report as being based on 'older industrial areas' that are built at higher densities than newer developments.

Given that the bulk of net new employment lands would be located in the Highway 401 corridor, and the densities for the recently developed lands in that area are likely to be indicative of densities going forward, more weight should be assigned to the recently seen densities, rather than those in older employment areas, such as the older industrial area in Georgetown (40 employees per net ha).

The land needs analysis should be an attempt to estimate how much land is needed for future businesses – the recent densities seen in newer employment areas is a more accurate depiction than an overall Town/Region-wide review of existing employment densities.

By comparison in other LNAs for other jurisdictions in the Greater Golden Horseshoe, the assumption of employment land density is generally lower than assumed in Halton Region:

- Simcoe County's March 2022 LNA, authored by Hemson used a density factor of 20 jobs per net hectare, in both South Simcoe and North Simcoe. It is noted that the density of 20 jobs per net hectare is reflective of the notion of "higher densities moving forward", up from existing densities in Simcoe of 15.5 jobs per net hectare, with the increase to 20 jobs per net hectare justified by "the development of the large strategic employment areas along Highway 400" which are noted to be similar to employment lands in Halton/Peel/York where "more intense land uses than what exists in Simcoe are observed"

  > A density of 20 employees per net hectare, somewhat higher than the density of 15.5 employees per net hectare on existing Employment

> Areas, is assumed for development on vacant lands. The Employment Densities Analysis Report (see Appendix C) supports the general notion of higher densities moving forward and the large strategic employment areas located in Simcoe along Highway 400 are considered to be similar to employment lands along 400 series highways in the Regions of Halton, Peel, and York, where more intense land uses than what exists in Simcoe are observed (page 74)

4.8 Lack of Vacancy Allowance Assumption Will Limit Market Choice in Employment Land Site Selection

The Region's LNA reports use a 3% factor for 'long-term vacancy' and assume that all but 3% of the Region's existing and new employment lands to 2051 will be occupied.

Compared to other jurisdictions across the Greater Golden Horseshoe, this assumption is extremely optimistic, and leaving little room for market choice in site selection, site location, and other characteristics that may appeal to some prospective businesses but not others.

Some long-term vacancy assumptions used in other land needs assessments and employment land strategies in the GGH and Ontario are as follows:

- The City of Niagara Falls utilized a 20% long-term vacancy factor[5] in their 2021 Employment Land Strategy;
- The City of Guelph utilized a 10% long-term vacancy factor in their 2020 Employment Land Strategy underpinning their Official Plan review process[6]:

  > Long-term land vacancy is a common characteristic that is experienced in Employment Areas throughout Guelph and elsewhere in Canada. This reflects sites that are unlikely to develop to their full capacity due to underutilization of future development and parcel inactivity/land banking, which may tie up potentially vacant and developable lands. While these observations largely apply to Guelph's more mature industrial areas, over the next decade it is foreseeable that the city's newer industrial areas, as they mature, will also begin to exhibit these characteristics. For the purpose of this analysis, an estimate of 10 per cent long-term land vacancy has been applied to the net developable vacant employment land inventory.

[5] City of Niagara Falls Staff Report PBD-2021-18, April 20, 2021

[6] City of Guelph Information Report, Shaping Guelph – Employment Lands Strategy, December 11, 2020

- The Hemson March 2022 LNA for Simcoe County applies a 15% factor for long-term vacancy and contingency for market choice.

> Over and above the net to gross adjustment, a factor of 15% is applied for long-term vacancy and as a contingency for market choice. Long-term vacancy accounts for individual parcels that do not develop usually due to challenging access or configuration or are regular parcels that are never brought to market or never sold to an end user (typically about 3% of total occupied and vacant lands). The contingency for market choice is included in order to ensure a suitable range and size of sites throughout the period to 2051 so that there is a sufficient supply of large parcels to accommodate land extensive uses and strategic investment sites.

The implications of using a higher long-term vacancy factor all would positively contribute to the economic competitiveness of the Region, and will ensure that the Region's economic base can grow unfettered:

- land supplies will be more sufficient to enable economic growth,
- the market will have more choice in site location and the Region will be better able to attract businesses, creating more job opportunities in the local job market for Halton residents;
- land costs for employment lands will be more moderate if there is a sufficient supply, reducing barriers to entry for new businesses seeking employment lands to develop, or non-residential buildings to occupy.

5 ALTERNATE LAND NEEDS ASSESSMENT (ALTUS)

5.1 Recommended Growth Concept (Altus) - Consistent with LNAM and in Conformity with Growth Plan

According to the Land Needs Assessment Methodology ("LNAM"), the following are the high-level steps required to be incorporated into assessing the needs for additional community lands within the Region and all single-tier and upper-tier municipalities in the Greater Golden Horseshoe:

1) Forecast Population Growth Over Planning Horizon

- Based on forecasts contained in the Growth Plan, Schedule 3

2) Forecast Housing Need by Dwelling Type

- Based on household formation rates and propensities to occupy particular dwelling types, population forecast is converted into a forecast of households by dwelling type

- Number of households by dwelling type in the base year is subtracted, yielding forecasted household growth by dwelling type – this is the market-based housing demand forecast
- Household growth by type is adjusted for any necessary factors such as:
  - Units added since base year;
  - Replacement units that will be lost (demolitions, etc.);
  - Changes in levels of vacancies;
  - Market contingency factors, etc.

3) Allocate Housing Units by Growth Plan Policy Area

- As per policy 2.2.8.2 of the Growth Plan, assess need for settlement area boundary expansion based on minimum density and intensification targets from Growth Plan, as follows:
  - Halton Region's minimum designated greenfield area density target is 50 persons and jobs combined per hectare (policy 2.2.7.2a); and
  - Halton Region's minimum intensification target is 50% of all residential development occurring each year, within the delineated built-up area
- Assess whether policy-based housing forecast allows for the achievement of Region housing forecasts, and if not, estimate residual population growth requirements, and allocate additional housing need to BUA/DGA based on previous steps

4) Determine Housing Supply Potential

- Determine housing supply by policy area (built-up area, designated greenfield area, rural)

5) Determine Housing Unit Shortfall by Type

- Deduct housing supply by type from the forecasted housing need by type;

6) Establish Community Area Land Need

- Additional housing by type required beyond the existing supply is converted to a land requirement by applying appropriate densities that including population-related employment allocations;

- Conformity with intensification and designated greenfield area density targets is confirmed, or adjustments made to ensure conformity with the Growth Plan;
- Results in additional land to be designated for new community area through expansion of the settlement area.

Step 1: Forecast Population Growth Over Planning Horizon

Based on population forecasts from Schedule 3 of the Growth Plan, also accounting for non-household population (1.36%) and Census undercount (4.25%). The 2021 Census population for the Region has been utilized as a starting point.

Figure 17

Step 1: Population Forecasts

	Census Population	Non-Household Population	Household Population	Total Population (w/ Undercount)
		Persons		
2021 Population	596,637	8,114	588,523	621,994
2051 Forecast	1,053,250	14,324	1,038,926	1,100,000
Increase 2021-2051	456,613		450,403	478,006
Non-Household Population %	1.36%			
Census Undercount %	4.25%			

Step 2: Forecast Housing Need by Dwelling Type

The estimates of housing market demand, as stated in Halton IGMS report, are based on the Hemson August 2020 Technical Report submitted to the Ministry of Municipal Affairs as background to the Growth Plan Schedule 3 forecasts. These forecasts account for fertility, mortality, migration in determining the population forecasts, and in converting population forecasts to housing forecasts, accounts for the aging of the population and the net demand for housing by type based on the age profile of the population in 2051.

To achieve the growth of 450,403 persons to 2051, based on the weighted average PPU (2.727) that is based on Region-wide average household sizes by unit type as reported by the 2021 Census, and is accounts for the forecast housing mix (49.5% singles/semis, 25.6% rows, 24.9% apartments), the

Region would need an additional 165,188 units from mid-2021 to 2051.[7] If the Region's housing forecast deviates significantly from the market-demand housing mix, additional housing units would be required to achieve 2051 population forecasts.

Figure 18

Step 2: Housing Need by Dwelling Type

	Singles/Semis	Rows	Apartments	Total
2021 Census	129,645	37,335	41,620	208,600
2051 Forecast (Hemson Technical Report)	219,300	83,700	84,600	387,600
Growth 2021-2051	89,655	46,365	42,980	179,000
% Growth 2021-2051	50.1%	25.9%	24.0%	100.0%
Persons per Unit (Region-Wide 2021 Census)	3.206	2.698	1.759	2.727
Household Population	450,403	persons		
Average PPU - Market Demand	2.727	persons per unit		
Housing Units Required for Household Population Growth	165,188	units		

Step 3: Allocate Housing Units by Growth Plan Policy Area

The requirements of the Growth Plan to plan to for 50% of units within the built-up area limits the ability of Halton Region to fully achieve the market-based housing forecast. However, the unit allocation within the BUA and the DGA should be optimized to both adhere as closely as possible to the market demand forecast as possible, given the direction from the LNAM.

The allocation of units and the unit mix in the table below are based on the estimated demand from the Land Needs Analysis undertaken by the Town of Milton.[8] The overall unit mix using these projections would include 29.5% apartment units, compared to 24.9% apartment units in the estimated Hemson market demand by unit type.

The table includes units built from mid-2016 to mid-2021 to ensure the allocation of demand to the DGA matches the basis for the estimate of DGA supply, which is as of mid-2016.

The units built from mid-2016 to mid-2021 were separated as they have a different location distribution than units from 2021-2051 are forecasted to have. Based on the Auditor General's report, roughly 30% of units built in

[7] The Region's forecasted PPUs from the 2021 DC Study and the 2017 DC Study are based on populations in recently occupied units (10-20 years old) only and therefore do not reflect long-term housing occupancies, as units built in 2016 will be 35 years old by the end of the 2051 planning horizon.

[8] Appendix A to Town of Milton Staff Report DS-055-21.

Halton Region since 2015 have been in the delineated built-up area, below the 40% minimum intensification target set out in the 2006 Growth Plan.

In total, it is estimated that the DGA Housing Demand for the 2016-2051 period will be 97,974 units.

Figure 19

Step 3: Allocate Housing Units by Growth Plan Policy Area

	Singles/Semis	Rows	Apartments	Total
Mix and Distribution of Units by Policy Area (Milton DS-055-21)				
Built-Up Area - Housing Units	5.0%	40.0%	55.0%	100.0%
Designated Greenfield Area - Housing Units	64.0%	32.0%	4.0%	100.0%
Rural	0.0%	0.0%	0.0%	0.0%
Housing Built mid-2016 to mid-2021	6,613	4,970	7,444	19,027
Average Intensification Rate, Halton Region since 2015 (based on Auditor General's Report)				30%
30.1% Built-Up Area - Housing Units	286	2,290	3,149	5,725
69.4% Designated Greenfield Area - Housing Units	8,452	4,226	528	13,206
0.5% Rural	95	-	-	95
Total	8,834	6,516	3,677	19,027
Housing Required mid-2021 to 2051	82,737	42,787	39,663	165,188
50.0% Built-Up Area - Housing Units	4,130	33,038	45,427	82,594
49.5% Designated Greenfield Area - Housing Units	52,331	26,166	3,271	81,768
0.5% Rural	826	-	-	826
Total	57,287	59,203	48,697	165,188
Total DGA Housing Demand (2016-2051)	60,784	30,392	3,799	94,974

Step 4: Determine Housing Supply Potential

The IGMS provides housing supply within the Region's DGA as of mid-2016, as estimated by MGP in their analysis undertaken for the Town of Milton and included in Town of Milton Staff Report DS-055-21.

Figure 20

Step 4: Housing Supply Potential

	Singles/Semis	Rows	Apartments	Total
DGA Housing Unit Potential (as of mid-2016, taken from Milton DS-055-21)	30,455	32,141	20,168	82,764

Step 5: Determine Housing Unit Shortfall by Type

The net unit growth in the DGA (from Step 4) is compared with the estimated housing unit potential already available within the DGA, resulting in an estimated shortfall for ground-related housing types in the DGA of 30,329 singles/semis.

Figure 21

Step 5: Determining Housing Unit Shortfall by Type

	Singles/Semis	Rows	Apartments	Total
DGA Housing Unit Potential	30,455	32,141	20,168	82,764
DGA Housing Demand	60,784	30,392	3,799	94,974
Shortfall by Unit Type	30,329	n.a.	n.a.	

Step 6: Establish Community Area Land Need

The shortfall in ground-related units is converted to an estimated net community land needs by using density factors for each unit type. It is estimated that the **net** community land needs will be 1,083 hectares, which is where the new housing units will be built.

After converting the net hectares into gross hectares (using a factor of 50% to account for non-developable lands such as parks, stormwater management facilities, transportation corridors, schools, etc.), and separately accounting for the 290 hectares of Natural Heritage System (NHS) lands, and applying a market contingency factor of 5%, the need for additional community lands in Halton Region is 2,565 hectares, or 2,275 hectares excluding the NHS lands. This is more than double the 1,120 hectares of community area lands recommended in the PGC.

Figure 22

Step 6: Establish Community Area Land Need

	Singles/Semis	Rows	Apartments	Total
DGA Unit Shortfall by Unit Type	30,329	n.a.	n.a.	
Density Factors (units per net hectare)	28.0	60.0		
Land Need for Residential Development	1,083	n.a.	n.a.	1,083
Net / Gross Factor				50%
Gross Community Area Land Needs				2,166
Adjustment: Market Contingency	5%			108
Adjusted Gross Community Area Land Needs (w/ contingency)				2,275
Add: NHS Lands				290
Total Community Area Land Need				2,565

5.1.1 Step 6A: Confirm Community Jobs and Confirm Density Targets Achieved

After incorporating population-related employment at a rate of 11 residents per job (an assumption also used in the IGMS), the population and jobs

generated by the units in the additional community lands equate to a density of 50 persons & jobs per gross hectare.

It is important to note that the shortfall by unit type driving the estimated need for additional community land does not necessarily indicate the density at which the lands will be developed, rather it is ensuring that a minimum amount of sufficient land is going to be available in the community to both meet future housing needs and minimum densities in the Growth Plan and mitigate future land and/or housing supply shortages.

As the lands develop and specific development applications are submitted, if the new designated greenfield lands develop at a higher density than set out in the land needs assessment, this allows the Region's urban land supply to be stretched further and positively impact housing affordability through ample supply, which is consistent with the direction in the Growth Plan to treat all forecasts and targets as minimums:

Policies Represent Minimum Standards The policies of this Plan represent minimum standards. Within the framework of the provincial policy-led planning system, decision-makers are encouraged to go beyond these minimum standards to address matters of importance, unless doing so would conflict with any policy of this Plan.

Figure 23

Step 6A: Confirm Minimum Density Targets Achieved

	Singles/Semis	Rows	Apartments	Total
New DGA Units	30,329	n.a.	n.a.	30,329
Persons per Unit	3.206	2.698	1.759	
Population in New DGA Units (persons)	97,226	n.a.	n.a.	97,226
Population in New DGA Units w/ Undercount (persons)				101,358
Population-Related Employment (jobs)		11 residents per job		8,839
Population & Jobs in New DGA (persons & jobs)				110,196
Gross Land Area (ha) (excl. market contingency lands & NHS Lands)				2,166
Density - New DGA (p&j per ha.)				51

Following a similar methodology, the consultants for the Town of Milton (MGP) reached a similar estimate of land needs, of 2,220 hectares. The key differences between the MGP approach is the incorporation of new data from the 2021 Census and CMHC, the usage of long-term average household sizes (rather than peak household sizes), and the use of a market contingency factor.

5.2 Illustration of Results of a Pure Market-Based Land Needs Assessment

For illustration purposes, the following calculations present a hypothetical growth concept that is based purely market-based approach to estimating land needs in Halton Region, without accounting for the various policy directions, density targets, intensification targets and other policy requirements as set out in the Growth Plan and the Provincial Land Needs Assessment Methodology.

The estimate of land needs under this hypothetical scenario is only meant to exhibit how the estimate of land needs that conforms to the Provincial LNAM is still significantly different from an unregulated market-based approach to land use planning.

Figure 24

Scenario	Amount of Community Area Lands Added/Needed
Preferred Growth Concept	1,120 hectares (2021-2051)
Modified Preferred Growth Concept	0 hectares (2021-2041)
Recommended Growth Concept (Altus)	2,565 hectares (2021-2051)
Town of Milton DS-055-21	2,220 hectares (2021-2051)
Pure Market-Based Concept (for illustration purposes only)	5,324 hectares (2021-2051)

The Recommended Growth Concept (Altus), while providing for an additional 1,445 hectares of community area lands compared to the PGC is still less than half of the urban boundary expansion that would be allowed if a purely market-based approach to land use planning was in place. Any arguments that conformity to the Provincial Land Needs Assessment Methodology represents unregulated market-based land consumption are completely false.

Step 1: Forecast Population Growth Over Planning Horizon

Based on population forecasts from Schedule 3 of the Growth Plan, and the growth to be planned for in the IGMS.

Figure 25

Step 1: Population Forecasts

Population (2021)	621,000
Population (2051)	1,100,000
Increase 2021-2051	479,000

Step 2: Forecast Housing Need by Dwelling Type

Based on estimates of housing market demand, as contained in the August 2020 Hemson Technical Report to MMAH, and as referenced in the Halton IGMS report.

Figure 26

Step 2: Housing Need by Dwelling Type

	Singles/Semis	Rows	Apartments	Total
2021 Census	129,645	37,335	41,620	208,600
2051 Forecast (Hemson Technical Report)	219,300	83,700	84,600	387,600
Growth 2016-2051	89,655	46,365	42,980	179,000
% Growth 2016-2051	50.1%	25.9%	24.0%	100.0%

Step 3: Determine Housing Supply Potential and Shortfall/Surplus Relative to Demand

The market demand from 2021-2051 is converted to an estimate of market demand as of mid-2016, so as to be consistent with IGMS estimates of housing supply within the Region as of mid-2016, as contained in staff report LPS41-19.

Figure 27

Step 3: Determine Housing Supply and Estimate Surplus/Shortfall By Type, Relative to Demand

	Singles/Semis	Rows	Apartments	Total
Market Demand	89,655	46,365	42,980	179,000
Plus Completions mid-2016 to mid-2021	6,613	4,970	7,444	19,027
Total Demand mid-2016 to mid-2021	96,268	51,335	50,424	198,027
Region Housing Supply by Type	33,340	36,955	176,465	246,760
Surplus / (Shortfall) by Type	(62,928)	(14,380)	126,041	

Step 4: Establish Community Area Land Need

The shortfall in ground-related units is converted to an estimated net community land needs by using density factors for each unit type which can be expected to generate a DGA density for new community lands of 50 persons & jobs per hectare. It is estimated that the net community land needs

will be 2,517 hectares, which is where the development of new housing units will be built.

After converting the net hectares into gross hectares (using a factor of 50% to account for non-developable lands such as parks, stormwater management facilities, transportation corridors, schools, etc.), accounting for the 290 hectares of NHS within prospective new community lands in Milton and Halton Hills, the need for additional community lands in Halton Region is 5,324 hectares, or 5,034 hectares excluding the NHS lands.

Figure 28

Step 4: Establish Community Area Land Need

	Singles/Semis	Rows	Apartments	Total
DGA Unit Shortfall by Unit Type	62,928	14,380	n.a.	
Density Factors (units per net hectare)	25.0	60.0		
Land Need for Residential Development	2,517	n.a.	n.a.	2,517
Net / Gross Factor				50%
Gross Community Area Land Needs				5,034
Add: NHS Lands				290
Total Community Area Land Need				5,324

6 CONCLUSIONS AND RECOMMENDATIONS

6.1 Region's Preferred Growth Concept Provides Less Than Half of the Urban Land Needs to 2051

Based on our application of the Provincial Land Needs Assessment Methodology, as well as incorporating inputs regarding supply potential, household occupancy, and municipal assumptions, we have found that **the Region's Preferred Growth Concept provides less than half of the urban lands needed for the Region to grow to the year 2051**.

Our estimates of land needs to 2051 are 2,565 hectares, more than double the Preferred Growth Concept.

Early analysis by the Region presented four different scenarios – Concept 4 included an urban boundary expansion of 2,080 hectares and in my opinion came the closest to fulfilling the obligations of the LNAM and conforming to the Growth Plan.

The Region's Modified Preferred Growth Concept is fundamentally flawed and violates provincial policy in that it will leave the Region depleted of urban land for ground-related housing well before 2041.

Our estimate of land needs is more in line with that of the Town of Milton's estimate as contained in the Town's Staff Report DS-055-21 but exceeding that forecast by roughly 16%. The main reason for the difference is the utilization of more recent StatsCan and CMHC data to more accurately reflect the reality of where the Region stands in 2021, a right-sizing of average household size assumptions, and the incorporation of a minor contingency factor as contemplated by the Provincial methodology.

Figure 29

Scenario	Amount of Community Area Lands Added/Needed
IGMS Concept 4	2,080 hectares (2021-2051)
Preferred Growth Concept	1,120 hectares (2021-2051)
Modified Preferred Growth Concept	0 hectares (2021-2041)
Recommended Growth Concept (Altus)	2,565 hectares (2021-2051)
Town of Milton / MGP	2,220 hectares (2021-2051)

Between IGMS Concept 4, the Town of Milton's analysis and the Recommended Growth Concept (Altus), the amount of additional urban land needed in Halton Region is between 2,080 hectares and 2,565 hectares.

The PGC and the Modified PGC are each problematic for the Region in that it will stunt population and economic growth, push people out of the Region to find suitable housing and/or jobs, put significant onus on the existing tax base to fund infrastructure maintenance and lifecycle costs, and have severe consequences for housing affordability as the ground-related housing supply in the Region depletes and falls below Provincial requirements set out in the PPS.

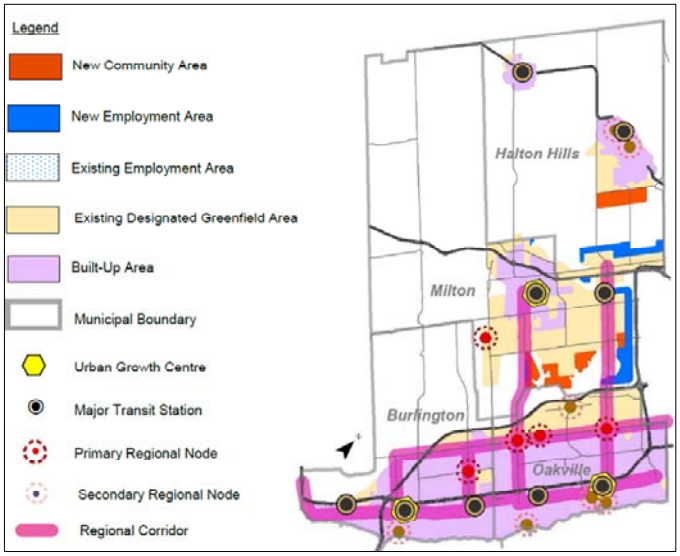
6.2 Determining a Logical Location for Additional Community Area Land Needs

In determining the best location for an urban boundary expansion over and above the amount contemplated in the Preferred Growth Concept, it is instructive to see where the Region located the recommended New Community Area lands and New Employment Area lands.

In the case of Halton Hills, the new community land extends south of 10 Sideroad, and the new employment lands extend north from the existing employment lands along Steeles Avenue.

Figure 30

Map of Preferred Growth Concept, Draft Recommendation, February 2022

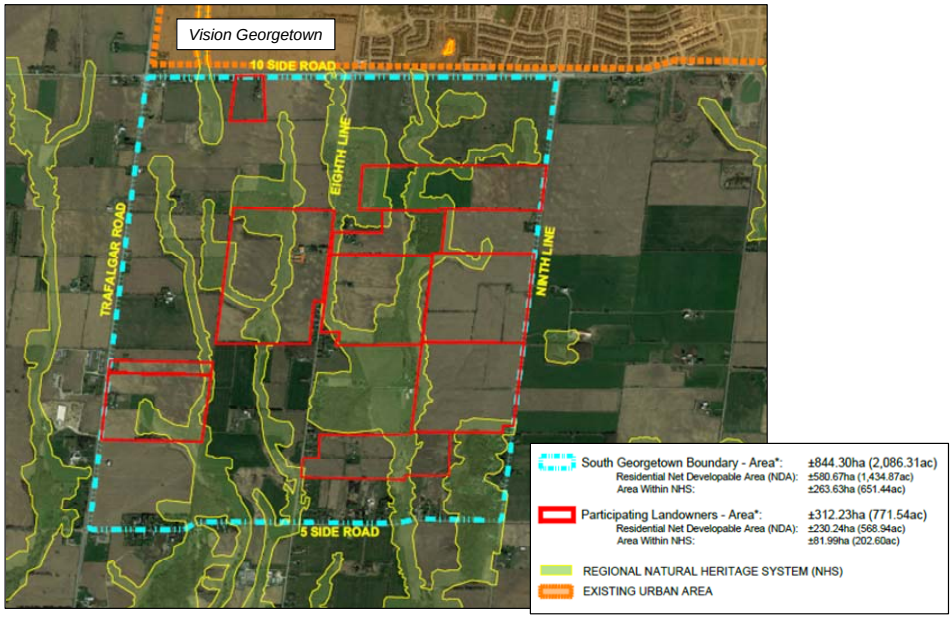


Source: Halton Region, IGMS Preferred Growth Concept, (February 2022)

The South Georgetown Landowners Group lands are located south of 10 Sideroad, between Trafalgar Road and Ninth Line, extending southward to 5 Sideroad. A map of the lands is provided in Figure 31.

Figure 31

Boundaries of South Georgetown Lands



Source: GSAI

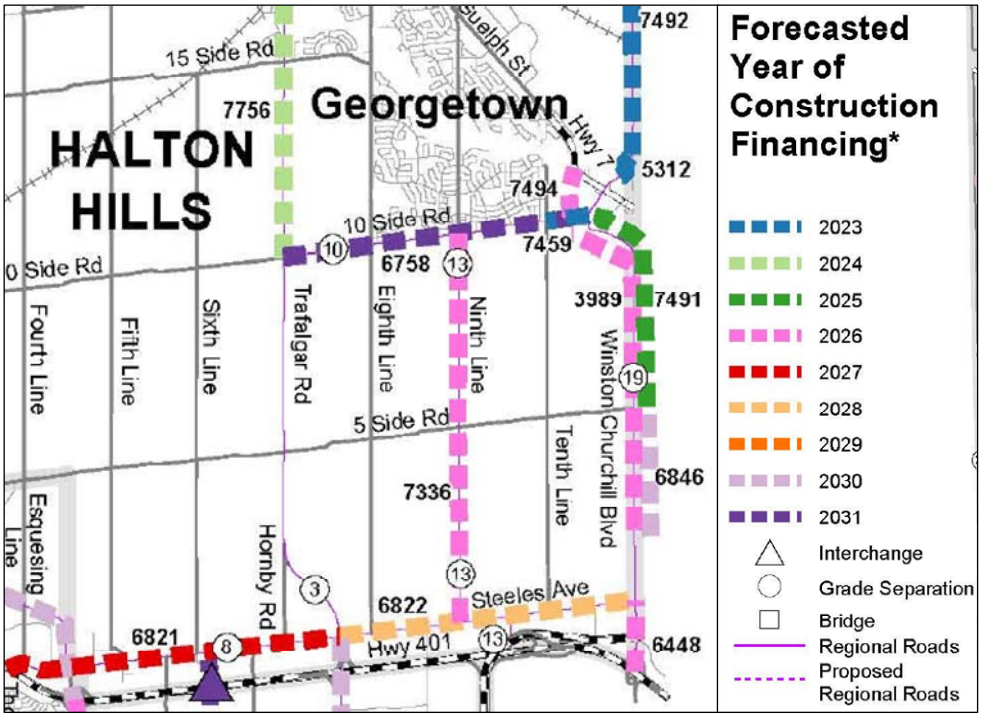
6.2.1 Leveraging Infrastructure Expansion Plans

The Halton Region 2022 DC Study shows the location of numerous planned capital infrastructure works to the 2031 horizon.

The Regional roads surrounding the South Georgetown Lands are all identified for major improvements to 2031 as summarized in the map, but listed in detail below.

Figure 32

Boundaries of South Georgetown Lands



Source: Halton Region 2022 Development Charges Background Study

In total, the Region is planning spending $200.7 million in capital funds on improving and widening the regional arterial road network in the area directly south of the existing built-up area of Georgetown (including Vision Georgetown). Orienting growth to be contiguous to the existing developed part of Georgetown would leverage the already planned capital investments to the arterial road network. There are no such infrastructure network improvements being planned on lands west of Trafalgar.

Figure 33

Planned Regional Road Capital Projects, 2022-2031, Halton Region 2022 DC Study

Project #	Road Description	Work Description	Segment	Capital Cost *Dollars*
6758	10 Side Road	Widen 2 to 4 Lanes	Trafalgar to Winston Churchill	65,032,000
7336	Ninth Line	Widen 2 to 4 Lanes	Steeles to 10 Side Road	47,133,000
6822	Steeles Avenue	Widen 4 to 6 Lanes	Trafalgar to Winston Churchill	60,434,000
7491	Winston Churchill Blvd	2 Lane Reconstruction	10 SR to 5 SR	4,897,000
3989	Winston Churchill Blvd	Widen 2 to 4 Lanes	2km South of 5 SR to Potential By-p	12,754,000
6448	Winston Churchill Blvd	Widen 4 to 6 Lanes	Highway 401 to Steeles	2,742,000
6846	Winston Churchill Blvd	Widen 4 to 6 Lanes	2km South of 5 SR to 5 SR	6,741,000
6847	Winston Churchill Blvd	Widen 5 to 7 Lanes	2km South of 5 SR to Steeles	1,035,000
Total				200,768,000

Source: Halton Region 2022 DC Study

The Town of Halton Hills 2022 DC Study also included several large road widenings and capital works, including the widening of Eighth Line – Maple Avenue to Steeles with a gross capital cost of $43.75 million, scheduled for 2024-2026.

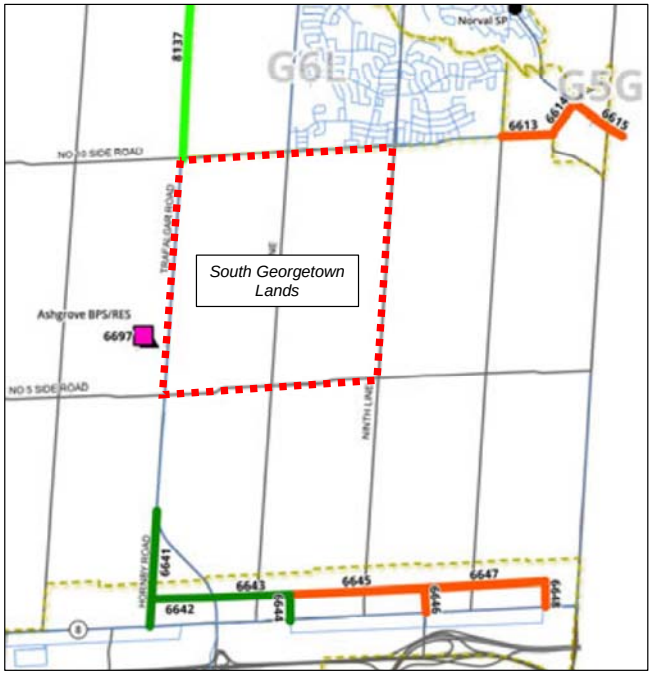
The above estimates do not include the costs associated with the widening of Trafalgar Road between 5 Sideroad and 10 Sideroad, which is currently underway and was shown as having a capital cost of $27.6 million in the Region's 2017 DC Study.

In total, between the Region and Town, the surrounding Regional and Town road network will be improved with $270 million in infrastructure funding.

The Region's 2022 DC Study also provides a map showing the location of planned water infrastructure capital works to 2031, and indicates the direction of expanded water, which is being constructed along Trafalgar Road, but also along Steeles Avenue and northward to allow servicing of lands north of Steeles but east of Trafalgar Road.

Figure 34

Location of Planned Water Improvements, Halton Region



Source: Halton Region 2022 Development Charges Background Study

Given the orientation of existing and in-progress infrastructure works on lands directly south of the existing developed parts of Georgetown, it would

be logical to 'fill in' the gap between the residential areas to the north of 10 Sideroad and employment areas south of 5 Sideroad to leverage public infrastructure investments in that area.

6.2.2 Growth Plan Criteria and Considerations for Settlement Area Boundary Expansions

The Growth Plan has several policies about the integration of land use planning and infrastructure investment:

> 3.2.1 Integrated Planning
>
> 1. Infrastructure planning, land use planning, and infrastructure investment will be co-ordinated to implement this Plan.
>
> 2. Planning for new or expanded infrastructure will occur in an integrated manner, including evaluations of long-range scenario-based land use planning, environmental planning and financial planning, and will be supported by relevant studies and should involve:
>
> a) leveraging infrastructure investment to direct growth and development in accordance with the policies and schedules of this Plan, including the achievement of the minimum intensification and density targets in this Plan. …

The Growth Plan, section 2.2.8, policy 3 deals with the location criteria for settlement area expansions, one of which is sufficient servicing capacity:

> Where the need for a settlement area boundary expansion has been justified in accordance with policy 2.2.8.2, the feasibility of the proposed expansion will be determined and the most appropriate location for the proposed expansion will be identified based on the comprehensive application of all of the policies in this Plan, including the following:
>
> a) there is sufficient capacity in existing or planned infrastructure and public service facilities;
>
> b) the infrastructure and public service facilities needed would be financially viable over the full life cycle of these assets;
>
> c) the proposed expansion would be informed by applicable water and wastewater master plans or equivalent and stormwater master plans or equivalent, as appropriate;
>
> d) the proposed expansion, including the associated water, wastewater and stormwater servicing, would be planned and demonstrated to avoid, or if avoidance is not possible, minimize and mitigate any potential negative impacts on watershed conditions and the water resource system, including the quality and quantity of water;

e) key hydrologic areas and the Natural Heritage System for the Growth Plan should be avoided where possible;

f) prime agricultural areas should be avoided where possible. To support the Agricultural System, alternative locations across the upper- or single-tier municipality will be evaluated, prioritized and determined based on avoiding, minimizing and mitigating the impact on the Agricultural System and in accordance with the following:

i. expansion into specialty crop areas is prohibited;

ii. reasonable alternatives that avoid prime agricultural areas are evaluated; and

iii. where prime agricultural areas cannot be avoided, lower priority agricultural lands are used;

g) the settlement area to be expanded is in compliance with the minimum distance separation formulae;

h) any adverse impacts on the agri-food network, including agricultural operations, from expanding settlement areas would be avoided, or if avoidance is not possible, minimized and mitigated as determined through an agricultural impact assessment;

6.2.3 Location Considerations from Greenbelt Plan

The Greenbelt Plan sets out where and how future growth should be accommodated and where urbanization should not occur.

Section 1.2.1 sets out the Vision for the Greenbelt Plan:

> The Greenbelt Plan is a broad band of permanently protected land which:
>
> - Protects against the loss and fragmentation of the agricultural land base and supports agriculture as the predominant land use.
> - Gives permanent protection to the natural heritage and water resource systems that sustain ecological and human health and that form the environmental framework around which major urbanization in south-central Ontario will be organized.

Section 3.1.3, policy 6 of the Greenbelt Plan deals with the continuity of lands classified as Prime Agricultural Areas:

> 6. The geographic continuity of the agricultural land base and the functional and economic connections to the agri-food network shall be maintained and enhanced.

Section 3.1.4, policy 7 deals with land use compatibility of agricultural uses with non-agricultural uses on Rural Lands.

> 7. Where agricultural uses and non-agricultural uses interface, land use compatibility shall be promoted by avoiding or, if avoidance is not possible, minimizing and mitigating adverse impacts on the Agricultural System, based on provincial guidance. Where mitigation is required, measures should be incorporated as part of the non-agricultural uses, as appropriate, within the area being developed.
>
> 8. The geographic continuity of the agricultural land base and the functional and economic connections to the agri-food network shall be maintained and enhanced.

Section 3.1.6 of the Greenbelt Plan deals with Agricultural System Connections, stating that:

> To strengthen the connections between the Agricultural Systems of the Greenbelt and the rest of the GGH, municipalities, farming organizations and other agencies and levels of government are encouraged to collaborate with each other to support the Agricultural System. As well, consideration should be given to activities and changes in land use, both within and in proximity to the Greenbelt, and how they relate to the broader agricultural system and economy of southern Ontario. Municipalities should plan appropriately to ensure both functional and economic connections are maintained and strengthened in conjunction with natural heritage systems, water resources, growth management and infrastructure to maximize synergies and support a viable agrifood sector.