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The Regional Municipality of Durham Information Report

From: Commissioner of Planning and Economic Development
Report: #2021-INFO-89
Date: August 20, 2021

Subject:

Update on the Status of the Region's Municipal Comprehensive Review ("Envision Durham").

Letter from the Building Industry and Land Development Association (BILD), August 3, 2021.

Recommendation:

Receive for information.

Report:

1. Purpose

- 1.1 As mandated by the Province, all upper and single-tier municipalities within the Greater Golden Horseshoe are currently in the process of undertaking a Municipal Comprehensive Review (MCR) of their respective official plans, in part, to bring them into conformity with "A Place to Grow: Growth Plan for the Greater Golden Horseshoe" (the Growth Plan).
- 1.2 As noted in previous staff reports, an MCR is a major undertaking that examines every aspect of the Region's land use planning framework. In addition to reviewing the guiding policies for each and every component of the Official Plan, the MCR will also determine the extent to which the Region's urban area boundaries will need to

expand to accommodate Durham's population and employment forecasts to 2051, i.e. 1.3 million population and 460,000 jobs¹.

- 1.3 A considerable amount of work has been done to date in terms of background discussion papers and consultation. Moving forward, work is well underway on the future land supply analysis through the completion of a Growth Management Study (GMS).
- 1.4 The GMS is being completed in two phases. Phase 1 involves the completion of a Land Needs Assessment (LNA) to determine how much of the 2051 population and employment forecasts can be accommodated within the existing urban areas. Any growth that cannot be accommodated with the existing urban areas will trigger a requirement for additional land by way of urban area boundary expansions. Determining the quantum (the total amount) of additional urban land will be the main outcome of Phase 1 which will be completed by the end of 2021.
- 1.5 Phase 2 will determine where any required urban boundary expansions should take place. Only the amount of land necessary to achieve the 2051 Growth Plan forecasts can be included with an urban area boundary. It is not permissible to designate more land than can be justified by the analysis. Phase 2 is expected to be completed by Spring of 2022.

Factors and Issues To Be Determined Through the LNA Process

- 1.6 In undertaking the LNA process, staff and the Region's consultants (Urban Strategies and Watson & Associates) are following the "Provincial Land Needs Assessment Methodology for the Greater Golden Horseshoe (2020)", established to implement "A Place to Grow – Growth Plan for the Greater Golden Horseshoe". The Methodology is not a prescriptive document, but is a tool to be used in combination with the policies of the Growth Plan to assess the quantity of land required to accommodate forecasted growth. The Methodology was developed to implement the Growth Plan, and reminds users and decision-makers that "the Plan emphasizes the optimization of existing urban land supply represents an intensification first approach to development and city-building, one which focuses on making better use of our existing infrastructure and public service facilities."² The Methodology also

¹ These forecasts were assigned by the Province on August 28, 2020 through Amendment 1 to the Growth Plan. A municipality may request a higher forecast if sufficient justification exists, but otherwise the forecasts are fixed.

² Government of Ontario: Land Needs Assessment Methodology for the Greater Golden Horseshoe (2020), page 4

recognizes that “local needs are diverse, (and) the Methodology provides the key components to be completed as municipalities plan to ensure that sufficient land is available to: accommodate all housing segments; avoid housing shortages; consider housing demand; accommodate all employment types including those that are evolving; and plan for all infrastructure that is needed to meet the complete communities objectives to the horizon of the Plan”.³ These components are intended to inform a “market-based” approach to determining land need.

- 1.7 The Methodology recognizes that municipalities may develop their own assumptions for various elements of their land needs assessments, including designated greenfield area density targets, intensification targets, employment area densities, etc.). The use of the provincial forecast of at least 1.3 million residents and 460,000 jobs by 2051 is required.
- 1.8 There are a host of factors that are being analysed as part of the Growth Management Study. Because of the amount of work involved, the LNA is being presented through four separate but interrelated reports, as follows:
- 1.9 **Region-Wide Growth Analysis** (released on July 2, 2021): presents region-wide population and employment forecasts, various trends in demographics, unit mix, housing prices and built form. This technical report analyses Durham’s growth potential and informs key inputs and assumptions for the overall LNA.

This report:

- Concludes that the Growth Plan 2051 population and employment forecasts for Durham do not need to be increased;
- Establishes that approximately 240,900 households will be required between 2016 and 2051;
- Establishes the overall region-wide persons per unit (PPU) forecast, including PPU forecast by density category, to 2051 through a headship rate analysis;
- Presents a population and housing forecast by major age group and by structure type from 2021 to 2051, with 356,300 new residents (67%) within low and medium density units, and 178,500 new residents within high density units (33%) by 2051. Given the lower persons-per-unit that are accommodated within apartments, approximately 48% of units by 2051 were assumed within this structure type.

³ Government of Ontario: Land Needs Assessment Methodology for the Greater Golden Horseshoe (2020), page 4

1.10 **Housing Intensification Study:** will evaluate the supply and demand for housing within the Region's Built-Up Areas. The term "Built-Up Areas" specifically refers to lands within the existing urban areas that, on June 16, 2006, were either developed or actively under development.

Key outcomes to be determined through this report include:

- Recommended intensification target for the Region with consideration of the minimum target of 50% established by the Growth Plan;
- Projected dwelling unit supply by housing type for key intensification areas including Urban Growth Centres, MTSAs, Regional Centres, Regional Corridors and Waterfront Places;
- Dwelling unit supply by forecast-based demand for housing type.

1.11 **Employment Strategy:** will assess trends in employment and will analyze the current state of the Region's Employment Areas to assess the Region's capacity to accommodate forecast employment growth to the year 2051.

Key outcomes to be determined through this report include:

- Recommendations on Employment Area conversion requests;
- Recommended density target for Employment Areas;
- Supply of designated Employment Areas and recommendations on additional urban land to accommodate employment land related jobs to 2051.

1.12 **Community Area Urban Land Needs:** will evaluate the existing state, current trends, and long-term development potential of Designated Greenfield Areas, (DGA, i.e. lands between the urban area boundary and the 2006 built-up area boundary).

Key outcomes to be determined through this report include:

- Recommendations on urban area land required to accommodate residential units and population related jobs to 2051; and
- Density targets for Designated Greenfield Areas for the Region with consideration of the minimum target of 50 residents and jobs combined per hectare established in the Growth Plan.

1.13 And finally, a **Land Needs Assessment Recommendations Report** which will distill the key outcomes, technical analysis and related recommendations in the above four reports to determine how much additional urban land is required to accommodate the forecast population and job growth to 2051.

Letter from BILD, August 3, 2021

- 1.14 The Building Industry and Land Development Association (BILD) is a key stakeholder in the MCR process, and Durham Chapter BILD members are important partners in Durham's future success. Clearly its members have a vested interest in the outcome of the LNA work.
- 1.15 BILD has requested that its consultant members have an opportunity to discuss and collectively assess the reports' inputs with its authors, prior to the advancement of any additional policy directions and decision. In response to BILD's letter, Chair Henry wrote to BILD on August 13, 2021 to advise that Mayor Ryan, as Chair of the Planning and Economic Development Committee, will be in contact to convene a meeting to discuss next steps.
- 1.16 Staff have committed to engaging with BILD following the release of each of the technical reports, to allow for meaningful dialogue and information exchange. Since each report is extensive and detailed, they are being released publicly through the weekly Council Information Packages, followed immediately by posting the document on the Envision Durham website, with an email to all stakeholders advising of its release. This approach provides a period of time and equal opportunity for all interested stakeholders to review and comment on the material prior to staff bringing recommendations forward to the Planning and Economic Development Committee.
- 1.17 The BILD letter identifies concerns that the Region's consultants' work is occurring without completing the required calculation of household formation rates and households by dwelling type. Based on BILD's review of the first report, BILD has recommended that the Region revisit its current analysis and follow the mandated steps of the provincial Land Needs Assessment and its requirement that a market-based supply of housing be delivered.
- 1.18 The Region's consultants have properly followed the provincial LNA Methodology required to establish forecast population and household formation by structure to the 2051 planning horizon. The remaining three technical reports provide the background information that BILD is looking for regarding how the Methodology was followed. Since the background information and analysis is embedded in these remaining reports, staff will aim to release them sooner than noted previously in order to enable full information exchange and dialogue.

2. Previous Reports and Decisions

2.1 See Appendix 1.

3. Relationship to Strategic Plan

3.1 By planning for growth in a sustainable, progressive, and responsible manner, the Land Needs Assessment and supporting technical reports address the following strategic goals and priorities in the Durham Region Strategic Plan:

a) Under Goal Area 2, Community Vitality:

- 2.1 Revitalize existing neighbourhoods and build complete communities that are walkable, well connected, and have a mix of attainable housing; and
- 2.5 Build a healthy, inclusive, age-friendly community where everyone feels a sense of belonging.

b) Under Goal Area 3, Economic Prosperity:

- 3.1 Position Durham Region as the location of choice for business;
- 3.2 Leverage Durham's prime geography, social infrastructure, and strong partnerships to foster economic growth; and
- 3.4 Capitalize on Durham's strengths in key economic sectors to attract high-quality jobs.

c) Under Goal Area 4, Social Investment:

- 4.1 Revitalize community housing and improve housing choice, affordability and sustainability.

4. Conclusion

4.1 Although the LNA Methodology spells out the steps and inputs to inform the process, a number of its assumptions are not "prescribed". For example, differing views on forecasting housing demand to a 30-year time horizon through a "market-based" approach is one issue noted in BILD's letter; however, it may also be noted that the term "market-based" is not defined in the LNA Methodology.

4.2 As Council begins to decide where future growth will take place, it will need to do so against the backdrop related topics, each of which may be the subject of varying views on matters such as:

- Which employment conversion requests can be supported;
- Which urban area boundary expansion requests can be supported;
- How climate change considerations will inform the decision-making process⁴.

4.3 It is intended that the outcome of the MCR process will be a new Official Plan for the Region, to replace the one that was approved in 1992 and amended nearly 200 times to date. The provincial deadline to complete the MCR is July 1, 2022; however, as staff have advised previously, it will not be possible to have a new Official Plan approved within this term of Council. Ministry staff have verbally advised Regional staff that not meeting the deadline will be acceptable as long as concerted efforts are ongoing to complete the process in a timely manner.

Respectfully submitted,

Original signed by

Brian Bridgeman, MCIP, RPP
Commissioner of Planning and
Economic Development

⁴ On January 29, 2020, Regional Council declared a climate emergency. The declaration indicated that environmental sustainability and climate change be recognized as a strategic priority in the Regional Strategic Plan and the updated Regional Official Plan.

2. Previous Reports and Decisions

2.1 Several Reports have been prepared related to Envision Durham and Growth Management related topics:

- On May 2, 2018 Commissioner's Report [#2018-COW-93](#) requested authorization to proceed with the municipal comprehensive review of the Durham Regional Official Plan;
- Over the course of 2019, six theme-based Discussion Papers were released seeking public input on a range of topics. The Discussion Papers can be found on the project webpage at durham.ca/EnvisionDurham
- On June 2, 2020 Commissioner's Report [#2020-P-11](#) recommended evaluation criteria and a submission review process for the consideration of Employment Area conversion requests.
- On July 29, 2020 Commissioner's Report [#2020-P-14](#) outlined Amendment #1 to A Place to Grow: Growth Plan for the Greater Golden Horseshoe, including recommended comments to the Province on the updated 2051 growth forecasts for the Region of Durham and the updated Land Needs Assessment Methodology.
- On December 1, 2020 Commissioner's Report [#2020-P-27](#) provided proposed policy directions and boundary delineations for existing and future Major Transit Station Areas.
- On March 2, 2021 Commissioners Report [#2021-P-7](#) provided proposed policy directions related to all key components of Envision Durham, including initial directions for the Urban System and growth related topics for review and comment. Also included was a Growth Opportunities and Challenges Report prepared by the Region's consultants, which serves as a starting point for the LNA and related technical studies.
- On July 2, 2021 Commissioners Report [#2021-INFO-71](#) presented the Region-Wide Growth Analysis. The purpose of the report is to analyze the region's long-term population, housing, and employment growth forecast within the context of provincial and regional policy, historical trends, and predicted future influences.