
From: Van Dusen, Regina **On Behalf Of** Regional Clerk
Sent: July 31, 2020 2:48 PM
Subject: Regional Council Decision - Proposed Amendment 1 to the Growth Plan and updated Land Needs Assessment Methodology

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On July 30, 2020 Regional Council made the following decision:

1. Council endorse this report and Attachment 2 as the Region's submission to the Province in response to Environmental Registry of Ontario (ERO) postings # 019-1679: Proposed Land Needs Assessment Methodology for A Place to Grow: Growth Plan for the Greater Golden Horseshoe and # 019-1680: Proposed Amendment 1 to A Place to Grow: Growth Plan for the Greater Golden Horseshoe, and that the Province be advised that:
 - a. as York Region is forecast to continue to accommodate the highest share of growth within the Greater Golden Horseshoe, support for this growth is required from the Province through:
 - i. timely infrastructure approvals for projects, particularly the Upper York Water Reclamation Centre,
 - ii. sustainable revenue tools to ensure growth pays for the costs of growth,
 - iii. programs and initiatives to improve housing affordability, and
 - iv. the allocation of funds to York Region from the Non-Resident Speculation Tax
 - b. the Region supports extending the planning horizon to 2051 under the Reference Scenario (2.02 million people and 900,000 jobs) on the basis of having the ability to phase urban expansion to align with infrastructure and financial planning and to ensure delivery of complete communities
 - c. employment land conversions within Major Transit Station Areas should be considered through a Municipal Comprehensive Review
2. The Regional Clerk forward this report and the attachments to the Ministry of Municipal Affairs and Housing, the Clerks of the local municipalities and local Members of Provincial Parliament.

The original staff report is attached for your information.

Please contact Paul Bottomley, Manager, Policy, Research, and Forecasting at 1-877-464-9675 ext. 71530 if you have any questions with respect to this matter.

Regards,

Christopher Raynor | Regional Clerk, Regional Clerk's Office, Corporate Services

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Our Mission: **Working together to serve our thriving communities – today and tomorrow**

The Regional Municipality of York

Regional Council
Planning and Economic Development
July 30, 2020

Report of the Commissioner of Corporate Services and Chief Planner

Proposed Amendment 1 to the Growth Plan and updated Land Needs Assessment Methodology

1. Recommendations

1. Council endorse this report and Attachment 2 as the Region's submission to the Province in response to Environmental Registry of Ontario (ERO) postings # 019-1679: Proposed Land Needs Assessment Methodology for A Place to Grow: Growth Plan for the Greater Golden Horseshoe and # 019-1680: Proposed Amendment 1 to A Place to Grow: Growth Plan for the Greater Golden Horseshoe, and that the Province be advised that:
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 - c. employment land conversions within Major Transit Station Areas should be considered through a Municipal Comprehensive Review
2. The Regional Clerk forward this report and the attachments to the Ministry of Municipal Affairs and Housing, the Clerks of the local municipalities and local Members of Provincial Parliament.

2. Summary

This report provides Council with comments on the June 16, 2020 provincial release of proposed Amendment 1 to A Place to Grow: Growth Plan for the Greater Golden Horseshoe (Growth Plan) and proposed Land Needs Assessment Methodology for the Greater Golden Horseshoe (Land Needs Assessment methodology). The Growth Plan sets out a long-term framework for managing growth, including population and employment forecasts for upper- and single-tier municipalities. The Land Needs Assessment methodology provides direction for determining the quantity of land needed to accommodate growth to the planning horizon revised to 2051.

Key Points:

- Province is proposing changes to the Growth Plan and a revised land needs assessment methodology with comments due by July 31, 2020.
- Province continues to forecast York Region as the highest growth municipality in the Greater Golden Horseshoe but needs to support high growth municipalities with timely infrastructure approvals, enhanced revenue tools to ensure growth pays for the costs of growth, and initiatives to improve housing affordability. Forecasts for the purposes of land use planning cannot be done in isolation of infrastructure approvals from other Provincial ministries.
- The proposed reference forecast is most appropriate for York Region. Given the current economic downturn and the amount of time likely required for recovery, and the current delays in approvals for major infrastructure, staff would be concerned with the ability to achieve a forecast higher than the proposed reference scenario.
- Treating the Schedule 3 forecast as a minimum and the ability for higher forecasting by municipalities negates the reason and certainty for having a Growth Plan to forecast across the Greater Toronto Hamilton Area (GTHA) - municipalities need certainty for forecasting municipal services and inter-regional needs like transit, not just land budgeting.
- Province's intent to introduce flexibility into Land Needs Assessment has increased subjectivity for interpretation and alignment with Growth Plan principles.
- Implementation of the Growth Plan forecast will require a well-coordinated, integrated, and phased approach to land use planning, infrastructure needs, municipal service delivery, and public sector financial planning.

3. Background

Province is requesting comments on long-awaited proposed Land Needs Assessment Methodology and more changes to the 2019 Growth Plan

The Growth Plan provides a long-term framework for managing growth, including where and how to grow in Greater Golden Horseshoe. The Growth Plan sets out population and employment forecasts for upper- and single-tier municipalities. Policy direction on infrastructure

planning and protecting resources is incorporated in the Growth Plan as part of an integrated approach to growth management. The current Growth Plan came into effect in May 2019; population and employment forecasts were last updated in 2013. York Region's Official Plan and all land use planning decisions must conform to the Growth Plan.

The Land Needs Assessment methodology provides municipalities with direction to determine the quantity of land needed to accommodate growth to the horizon of the Growth Plan. The Land Needs Assessment methodology was originally released in May 2018. There have been numerous reviews of the Growth Plan and Land Needs Assessment methodology that have disrupted and prolonged the Region's Municipal Comprehensive Review.

On June 16, 2020, the Ministry of Municipal Affairs and Housing released ERO postings 019-1680: [Proposed Amendment 1 to A Place to Grow: Growth Plan for the Greater Golden Horseshoe](#) and 019-1679: [Proposed Land Needs Assessment Methodology for the Greater Golden Horseshoe](#). The Province is requesting comments on both proposals by July 31, 2020.

Amendment 1 proposes updates to growth forecasts and extends the planning horizon from 2041 to 2051

As discussed in a memorandum to Regional Council on [June 25](#), Amendment 1 proposes updated population and employment forecasts under three growth outlooks: a Reference Growth Forecast, a High Growth Scenario, a Low Growth Scenario, and extends the planning horizon from 2041 to 2051. When finalized by the Province, one forecast will be set out in the Growth Plan. The proposed population and employment figures for York Region under each scenario are summarized in Table 1.

Other proposed changes in Amendment 1 include a policy change to allow municipalities to convert lands within a provincially significant employment zone and a Major Transit Station Area (MTSA) outside of the Municipal Comprehensive Review process as well as technical amendments to ensure alignment with the Provincial Policy Statement, 2020. Municipalities must at all times, have enough land with servicing capacity to provide at least a three-year supply of residential units available through lands suitably zoned in lower-tier municipalities. Municipalities shall also plan to maintain the ability to accommodate residential growth for a minimum of 15 years.

Table 1
Amendment 1 Forecast Scenarios for York Region

Scenario	2051 Population	2051 Employment
Reference	2,020,000	990,000
Low Growth	1,930,000	950,000
High Growth	2,110,000	1,040,000

*All scenarios have 2031 and 2041 York Region population figures of 1,590,000 and 1,790,000, respectively, and employment of 790,000 (2031) and 900,000 (2041)

Province is proposing a less prescriptive approach to land needs assessment

The new Land Needs Assessment Methodology (LNA) proposes a simplified approach to community and employment land needs assessment to reduce complexity. Unlike the existing 138-page, comprehensive step-by-step document released in 2018, the proposed methodology outlines high level key components municipalities are required to address as part of their land budget process in only a few pages. The proposed methodology retains the outline of the 2018 methodology but removes all the detailed technical steps.

4. Analysis

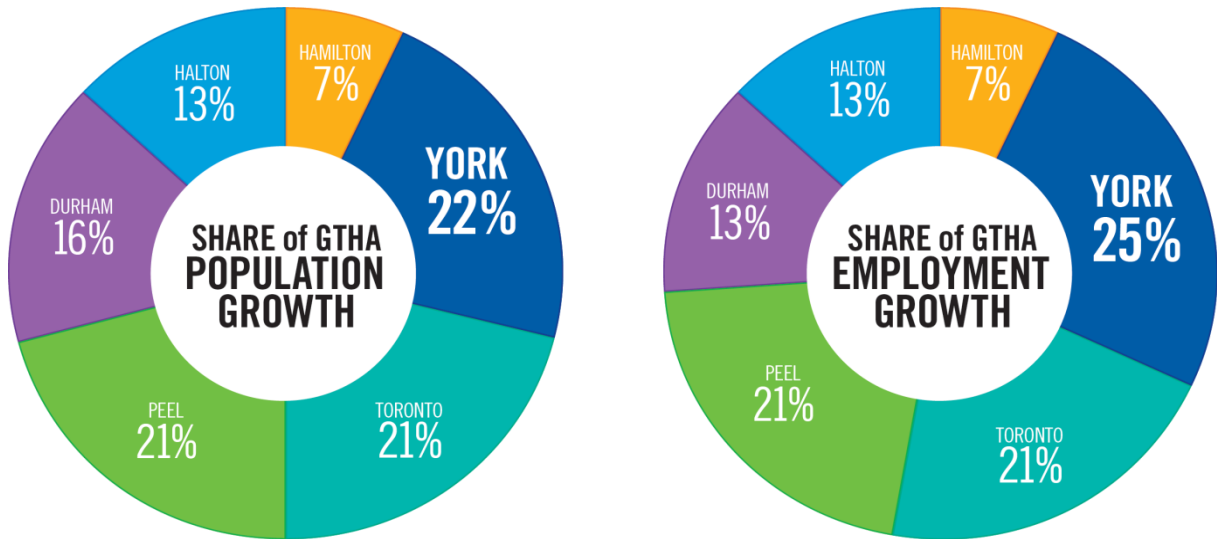
The following summarizes staff comments on proposed Amendment 1 to the Growth Plan and updated Land Needs Assessment Methodology. Once the methodology is finalized by the Province, the Region will be required to conform to the changes as part of the current Municipal Comprehensive Review.

The Province continues to forecast York Region as having the highest share of growth among municipalities in the Greater Golden Horseshoe

Updated forecasts to 2051 continue to recognize York Region as a top destination for population and employment growth. Despite slower growth than anticipated in Growth Plan's 2013 forecasts, the updated Provincial forecasts appear to recognize the Region's high standard of living, diverse employment base, and Council's investment in major transit infrastructure and city building initiatives as having a favourable forecast outlook for both population and employment growth. As shown in Figure 1, York Region is forecast to attract the highest share of growth of any municipality in the GTHA over the 2016-2051 planning horizon under the reference scenario. Under this scenario, the GTHA is expected to grow to 11.2 million people and 5.4 million jobs by 2051 and York Region is projected to attract 22% of GTHA population growth and 25% of employment growth. Growth by GTHA municipality is shown in Attachment 1. While Toronto and Peel Region have each been allocated higher 2041 population forecasts in background work by Hemson Consulting (Hemson), 2041 figures in York Region and other GTHA municipalities have been reduced.

Figure 1

2016-2051 Growth shares by GTHA municipality (Reference Forecast)



In its background report, Hemson attributes strong population growth over the planning horizon to increasing growth in new urban areas and a continuation of intensification in existing built-up areas. Population growth is anticipated to be fuelled by in-migration from Toronto and immigration. Like many municipalities in the GTHA, York Region is expected to benefit from strong immigration to Canada and increasing numbers of non-permanent residents. Each of these growth factors is likely to continue to increase over the next 30 years.

In recognition of the Region's strong economic base, a healthy supply of developable employment lands, and major transit infrastructure such as the Toronto-York Spadina Subway extension to Vaughan and the future Yonge North subway extension to Richmond Hill, the Region's employment forecast is also expected to continue to remain strong. In fact, according to Hemson, by 2051 the Region is forecast to experience net in-commuting (more people coming into the Region for work than leaving) for the first time.

Economic outlook for the Greater Golden Horseshoe remains positive despite longer-term consequences of COVID-19 to some industries and individuals

While the immediate economic impacts from coronavirus disease (COVID-19) are anticipated to be severe, the long-term effects of the pandemic on the Ontario, national and global economies are uncertain at this time. Hemson's report and a recent White Paper by Watson & Associates Economists (Watson) identify that despite the longer-term consequences of COVID-19 to some industries, firms, and individuals, the economic outlook for the Greater Golden Horseshoe remains positive. The Region will continue to be attractive to newcomers, mainly international migrants who represent a key driver of population growth to the GTHA.

In the short term, on-going border restrictions, travel-related health fears, and the global economic downturn are expected to reduce immigration levels in 2020. This has the potential to reduce population growth levels and soften the housing market in areas of Ontario where population growth is most heavily dependent on immigration.

In addition to its broader impacts on the economy, COVID-19 is also anticipated to accelerate changes in work and commerce as a result of technological disruptions which were already in play prior to the pandemic. These trends are anticipated to have a direct influence on commercial and industrial real estate needs over the near and longer terms.

Achieving the proposed reference forecast for population would require annual growth to return to pre-2010 levels

The population forecast of 2.02 million to 2051 under the reference scenario proposes to add approximately 810,000 people to the Region's mid-2020 estimate of 1.21 million people. In 2051, the Region's urban structure will be significantly more urban with many high density nodes. Achieving the 2051 figure would require average annual growth of approximately 26,100 people per year between 2020 and 2051. As shown in Table 2, this figure exceeds short term historical average annual growth (2010-2020) in York Region but growth required to meet the reference forecast is relatively in-line with longer term averages over the past 35 years. While the reference forecast requires annual growth slightly lower than the current forecast, it will require a return to average annual growth in line with the late 1980s to early 2000s to achieve. To do so would require commitment and expedited approval of major infrastructure by the Province as well as a commitment from stakeholders to address the Region's housing affordability challenges. Forecasts for the purposes of land use planning cannot be done in isolation of infrastructure approvals from other Provincial ministries.

Table 2
Proposed forecast vs historical average annual population growth and average annual growth rates

Historical short term (2010 to 2020)	Historical long term (1986 to 2020)	Existing 2041 forecast (1.79M) (2020 to 2041)	Proposed 2051 forecast (2.02M) (2020 to 2051)
16,500 (1.5%)	24,900 (3.6%)	27,600 (1.9%)	26,100 (1.7%)

Achieving the high scenario (2.11 million) in York Region by 2051 would require average annual growth of approximately 29,100 people per year. Given the current economic downturn and the amount of time likely required for recovery, staff would be concerned with the ability to achieve a forecast higher than that proposed in the reference growth scenario. There are also significant implications if the growth is not delivered such as overbuilding infrastructure and not collecting enough development charges.

Commitment from the Province to approve infrastructure and address housing affordability will be key to the Region's ability to achieve proposed population forecasts

Achieving and sustaining growth required to achieve the 2051 forecast will require coordination and cooperation of the Federal, Province, local municipalities, and other industry partners to implement solutions to factors contributing to slower growth in the Region in recent years. Implementation of the Growth Plan forecast will require a well-coordinated, integrated, and a phased approach to land use planning, infrastructure needs, municipal service delivery, and public sector financial planning.

While staff will continue to explore each of these factors in more detail through the Municipal Comprehensive Review, the following are three priorities which will help position the Region to accommodate its population forecast to 2051:

1. Timely approval and delivery of critical infrastructure to support growth: Council has consistently requested the Province advance infrastructure projects, particularly the Upper York Sewage Solution (Upper York) and Yonge North Subway Extension. To date, the Region has invested significantly in infrastructure improvements, including over \$100 million towards Upper York. The Upper York was submitted to the Province for Environmental Assessment approval in 2014. Necessary approval and delivery of the Upper York is required for currently planned development and will unlock population growth potential for approximately 80,000 people including designated and potential housing growth in East Gwillimbury, Newmarket and Aurora.

Similar to the recent opening of the Toronto-York Spadina Subway Extension to Vaughan, the Yonge North Subway Extension will be a catalyst for high-density residential and non-residential development along the Yonge Street Corridor; unlocking significant development potential in Richmond Hill/Langstaff Centres. Delays in these projects will make it challenging to achieve population, employment, and development charge collection projections based on Growth Plan forecasts.

Action by the Province to streamline and fast-track infrastructure approvals is required. It is recommended the Province develop a streamlined approval process for water and wastewater infrastructure comparable to recent legislative changes to facilitate transit projects and Metrolinx undertakings. These tools recognize timely delivery of transit infrastructure as a priority for the Province and provide a streamlined process to fulfill environmental assessment requirements limited to six months.

2. Solutions to affordable housing issues in the Region: Affordability is a likely factor contributing to reduced growth rates in York Region, particularly reduced intra-provincial migration. To achieve affordability, many households are moving to other GTHA municipalities and outer-ring municipalities in the Greater Golden Horseshoe. Delivering affordable housing options continues to be a challenge for York Region, local municipalities, the development industry and social services.

As presented in the [2019 Measuring and Monitoring Affordable Housing in York Region](#) report, Regional Official Plan affordability targets have not been met for the second

year in a row, with only 14% of all new housing units in 2019 considered affordable at the provincial threshold. Regional Council has previously requested the Province allocate funds from the Non-Resident Speculation Tax, collected in York Region, to support York Region rental housing incentives. Assistance from the Province and all stakeholders to increase supply of rental and more affordable ownership housing options will be essential to sustain population growth and house the Region's growing workforce moving forward. Staff will be reporting further on this to provide Council with options to assist with housing affordability solutions.

3. Streamlining the Planning Process: Find solutions with provincial, local municipal, and industry partners to streamline the planning and development approvals process. It has been ten years since approval of urban expansion lands in the 2010 Regional Official Plan (ROPAs 1,2,3) and many of these areas are now receiving secondary plan approval and development applications. Working with all partners to streamline these processes will bring housing supply in approved growth areas to market more quickly and provide for a broad range and mix of housing options for existing and future York Region residents. As presented in a [memo](#) to Regional Council in June, the Region currently has a housing supply of approximately 26,900 draft approved units and almost 5,000 registered unbuilt units across all nine local municipalities. In addition, over 50,000 units are subject to planning applications to create additional supply as approvals are obtained. Together, this represents over ten years of growth. Regional staff have initiated discussions with local partners and stakeholders and are committed to finding efficiencies in the planning approval process. That said, delay in approval of the Upper York Water Reclamation Centre is impacting final approvals for a number of these units.

Lower than expected growth creates financial challenges and hinders the Region's ability to deliver vital infrastructure

The Growth Plan includes principles directing municipalities to plan for forecasted growth in an integrated manner that co-ordinates land use planning, infrastructure planning and financial planning. Managing and accommodating growth for a high growth municipality such as York Region requires significant infrastructure investment that involves financial risk.

Development charges is the primary source of revenue to fund growth-related infrastructure. Forecasts of population and employment growth are primary inputs to infrastructure plans, the development charge rate calculation and revenue projections. Slower than anticipated growth delays capital cost recovery through development charges, increases development charge debt pressures and contributes to lower than expected assessment growth revenue. All of these implications negatively affect the Region's ability to grow in a fiscally sustainable manner. Ultimately, this could result in the need for a review of the Region's capital program.

Further legislative changes are required to ensure fiscally sustainable growth

The proposed changes under the Province's recently tabled Bill 197, *COVID-19 Economic Recovery Act, 2020*, restores the development charge eligibility of all of the Region's growth-related infrastructure services. While this is a positive step, further legislative changes are required to ensure fiscally sustainable growth.

Starting on January 1, 2020, development charge rates are frozen at a site plan or zoning bylaw amendment application, which can be years in advance of payment. This creates a significant disconnect between the cost of infrastructure needed to service growth and the rates charged. This provision limits the ability of the Region to fund vital new growth-related infrastructure projects required to achieve the new Growth Plan forecasts, such as the Yonge North Subway Extension and the Upper York, in a fiscally sustainable way. In addition, under the *Development Charges Act, 1997*, the Yonge North Subway Extension would be limited to a 10-year planning horizon, which could delay cost recovery through development charges.

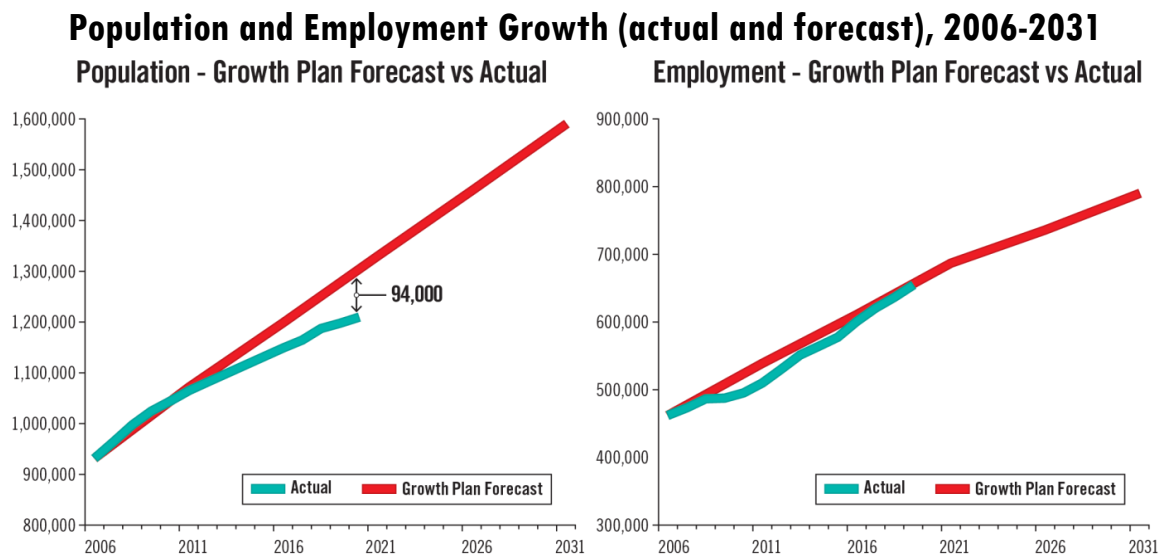
To address these issues and to ensure that growth indeed pays for growth, additional legislative changes are needed. These include:

- Repeal of provisions in the *Development Charges Act, 1997* related to freezing of development charge rates; and
- Prescribe the Yonge North Subway Extension as a discrete service, not subject to a 10-year planning horizon.

Flexibility to adjust the 2031 and 2041 forecast provides the Region opportunity to recalibrate the short and medium term outlook to reflect population growth which is 94,000 people behind the current Growth Plan forecast

Proposed Amendment 1 to the Growth Plan provides municipalities with the ability to adjust the pace of growth within the planning horizon as long as 2051 forecasts are met by the horizon. Regional staff are supportive of this provision and the ability to recalibrate forecasts to 2031 and 2041 as presented in the background work for the Province by Hemson Consulting. As shown in Figure 2, the Region was approximately 94,000 people behind the current Growth Plan population forecast as of mid-2020.

Figure 2



In addition to timely Provincial approval of infrastructure and solutions to housing affordability challenges, growth will need to be phased over the planning horizon as infrastructure comes

on line. Understanding and accounting for the cyclical nature of growth in the Region, particularly in the context of infrastructure delivery timing, will be critical for achieving prudent alignment of land use and financial planning. The Province is requested to acknowledge that the phasing of urban expansion may be required where long-term growth potential is constrained by municipal water and/or wastewater servicing infrastructure delivery or capacity. Specifically, the Province is requested to clarify timing of the Upper York Reclamation Centre approval as it relates to achieving the reference population forecast in York Region. Notwithstanding additional growth, the Upper York project is critically necessary for existing planned development in the Region.

York Region is well positioned to meet or exceed the proposed employment forecast

Proposed Amendment 1 to the Growth Plan continues to forecast strong employment growth for York Region. Achieving the proposed reference forecast of 990,000 jobs by 2051 would require average annual growth of approximately 10,500 jobs compared to an annual average of 15,300 jobs since 2008. York Region is well positioned to meet or even exceed employment growth of this magnitude due to strategically located employment lands, Council's strategic investments in capital infrastructure, the Region's central location in the GTHA, recent policies to encourage office development, and the diversity of the Regional economy.

Although uncertainty associated with COVID-19 may impact employment growth over the short term, historical trends demonstrate the resiliency of the Regional economy to recover. As shown in Figure 2 above, York Region is on pace to meet or exceed the existing Growth Plan employment forecast. Further, since the Region was established in 1971, employment growth has outpaced population growth, increasing at an average rate of 5.6 per cent per year compared to 4.1 per cent per year for population. The more likely impacts to employment growth moving forward will be the nature of employment growth by type as COVID-19 is likely to result in an increase in employees working from home which may reduce the relative need for future non-residential building space.

Implications on broader inter-Regional planning initiatives should be considered by the Province prior to incorporating a policy permitting municipalities to plan beyond Schedule 3 forecasts

Starting in the late 1980s with the Office for the Greater Toronto Area, municipalities and the Province have recognized the importance of a standard set of forecasts to facilitate comprehensive planning for the Greater Toronto Area (GTA). All municipalities agreed to use these forecasts as the basis for long term planning in the GTA. A definitive forecast to plan for in each upper- and single-tier municipality establishes consistency when planning for future land use and infrastructure needs in the context of the broader regional market. The proposed policy in Amendment 1 which allows municipalities to plan beyond their Growth Plan Schedule 3 forecasts could complicate the ability to undertake GTHA level regional planning. Provincial forecasts are prepared under the assumption that the GTHA is one market area. If some municipalities opt to use higher forecasts than those presented in Schedule 3 and designate lands accordingly, other municipalities may be challenged to achieve their forecasts.

Staff are not supportive of this proposed provision and encourage the Province to consider implications on broader inter-Regional planning initiatives such as Regional transit, subways, environmental assessments for water wastewater projects, and other initiatives before including this policy in the Growth Plan. At a minimum, the Province should consider incorporating clear criteria which would require municipalities to demonstrate the need and rationale in planning for figures higher than the 2051 forecasts in the Growth Plan.

Proposed policy allowing employment conversions within Major Transit Station Areas and provincially significant employment zones outside the Municipal Comprehensive Review challenges the ability to assess requests comprehensively

The proposed policy change in Amendment 1 which would allow municipalities to convert employment lands within Major Transit Stations Areas (MTSAs) and provincially significant employment zones outside of the Municipal Comprehensive Review would mean conversion requests in these areas could be considered at any time on an individual basis. This is contrary to the provincially mandated comprehensive assessment of conversion requests currently being undertaken by Regional staff in the Municipal Comprehensive Review. A comprehensive assessment of conversion requests is important to ensure a broad range of factors including employment area viability, supply, and other Regional interests are considered prior to developing a recommendation for consideration by Regional Council.

Of the Region's 72 proposed MTSAs, 14 are located within provincially significant employment zones. MTSAs within employment areas play an important role in supporting Regional Corridors by contributing to a healthy live-work balance. Further, existing or planned concentrations of employment within MTSAs contribute to making these areas viable for employment, destinations for transit users and increase ridership. It is important that requests for conversion in MTSAs be assessed carefully and comprehensively.

Province's intent to introduce flexibility into Land Needs Assessment has increased subjectivity when aligning forecasts with Growth Plan principles

The Land Needs Assessment methodology was first introduced in 2018 and provided municipalities in the Greater Golden Horseshoe with a consistent step by step approach to forecasting and land budgeting. Development of the methodology was supported by many municipalities who had advocated for a standardized approach to determining land needs after a range of different approaches were taken for 2006 Growth Plan conformity, and in some cases challenged through lengthy Ontario Municipal Board hearings at considerable expense and delay. The proposed methodology removes all the detailed technical steps. By reducing direction in the proposed revised methodology, a high level of subjectivity has been re-introduced and is likely to result in different approaches being taken across municipalities.

While the proposed methodology places increased emphasis on considering the market in developing forecasts, it does not provide direction on how to align market demand with other Growth Plan principles. Where possible, the Land Needs Assessment methodology should mirror policy direction from the Growth Plan in achieving principles of prioritizing intensification and higher densities in strategic growth areas, making efficient use of land and infrastructure and support transit viability. The Growth Plan articulates the need to prioritize intensification and higher densities in strategic growth areas, make more efficient use of land and

infrastructure, and support a range and mix of housing options, including affordable housing. Balancing the market with Growth Plan principles will be an important component of Land Needs Assessment work in all municipalities. The Province should acknowledge that the level of detail provided through the Land Needs Assessment process should correspond with the magnitude of growth and level of complexity in growth management issues faced by each of the respective upper- and single-tier municipalities across the Greater Golden Horseshoe.

Staff are assessing factors related to the rate of growth and working with partners to accelerate growth which has already been approved

Given recent population growth in York Region has been lower than the current Growth Plan forecast, and the importance of appropriate phasing of growth discussed above, staff are exploring approaches to mitigate the impact of lower than expected growth. This includes better alignment of the timing of infrastructure investment with the actual rate of growth through the budget process as well as exploring potential changes to the development charges calculation methodology. Hemson's background report indicates the Schedule 3 forecasts are often modified in growth-related infrastructure plans, as well as development charge studies and related financial plans to assess and mitigate the risk of slower than anticipated growth taking place. Staff are also working with municipal partners and stakeholders to seek opportunities to accelerate approved growth.

Work on the Regional Official Plan update continues and staff will assess any impacts once the amendments are finalized by the Province

This report summarizes comments on proposed Growth Plan amendments and the land needs assessment methodology; Attachment 2 provides additional minor comments not addressed in this report.

Following the commenting period, the Province will finalize the updates. As outlined in the proposed documents, York Region will need to conform to any changes as part of its current Municipal Comprehensive Review. The more flexible methodology leaves more for the Region to finalize in terms of inputs and assumptions, the implications of which are not fully known at this time. Working with stakeholders such as local municipalities and the building industry is an important component of the Region's process.

Staff will continue to advance the Regional Official Plan update over the summer months and preliminary growth management work will consider the proposed reference forecast and direction provided in the draft land needs assessment methodology. Once final amendments are brought forward by the Province, detailed forecasting and land budgeting will be undertaken. The final numbers are required to align infrastructure and complete financial planning for growth management of the forecast.

5. Financial

As part of the current Municipal Comprehensive Review, Regional population and employment forecasts will be updated to conform to 2051 forecasts, once finalized. The growth forecast will be used to inform the next update of the Regional development charges bylaw. The current

bylaw is set to expire in mid-2022. The misalignment of growth forecasts with infrastructure delivery and actual growth could result in financial implications to the Region and local municipalities.

Consultant services for certain aspects of the Municipal Comprehensive Review are being utilized as part of the approved work plan. Work associated with the implementation of Amendment 1, including updated population and employment forecasts, is included within the approved Planning and Economic Development budget.

6. Local Impact

The proposed changes to the Growth Plan and Land Needs Assessment have direct implications for local municipalities. A component of the Municipal Comprehensive Review involves distributing updated population and employment forecasts to local municipalities. Local municipalities are key stakeholders in the forecast assignment to each local municipality and development of future growth.

Local municipal staff are working alongside the Region to update local official plans to reflect the policies in the Regional Official Plan generated through the Regional Municipal Comprehensive Review, once approved. Under the Planning Act, local municipal official plans are required to update to conform to the Regional Official Plan within one year of it coming into effect.

7. Conclusion

This report provides a summary of staff's comments on proposed changes to the Growth Plan and Land Needs Assessment Methodology. Updated forecasts continue to recognize York Region as a top destination for population and employment growth by positioning the Region as the highest growth municipality in the Greater Golden Horseshoe. While staff believe the reference forecast scenario is achievable, it will require a return to annual growth rates in-line with the late 1980s to early 2000s. It will depend on cooperation of the Province, local municipalities, and other industry partners to implement solutions to factors contributing to the pace of growth in the Region. Provincial approval of Upper York Water Reclamation Centre has become critical to support currently planned growth, let alone the proposed extended forecast. On the ground solutions to housing affordability issues and finding efficiencies in the planning process will all be important in achieving the reference population forecast.

Staff will continue developing the updated forecast assignment for local municipalities and the land needs assessment. This will be presented to Council for consideration in Q1 of 2021. Staff will update Council on the Municipal Comprehensive Review work plan in more detail in the coming months once Growth Plan Amendment 1 and the Land Needs Assessment methodology are finalized.

It is recommended this report and Attachment 2 be submitted to the Province as the Region's submission in response to the Environmental Registry of Ontario (ERO) postings # 019-1679: Proposed Land Needs Assessment Methodology for A Place to Grow: Growth Plan for the

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

Recommended by: **Paul Freeman, MCIP, RPP**
Chief Planner

Dino Basso
Commissioner of Corporate Services

Approved for Submission: **Bruce Macgregor**
Chief Administrative Officer

July 21, 2020
Attachments (2)
eDOCS # 11153459

Growth Plan Amendment 1 Greater Toronto and Hamilton Area Population and Employment Forecasts – Reference Scenario

Population

Municipality	2016*	2051	Growth	Growth Share
York	1,145,000	2,020,000	875,000	22%
Peel	1,433,000	2,280,000	847,000	21%
Toronto	2,819,000	3,650,000	831,000	21%
Durham	666,000	1,300,000	634,000	16%
Halton	565,000	1,100,000	535,000	13%
Hamilton	552,000	820,000	268,000	7%
GTHA	7,180,000	11,170,000	3,990,000	100%

Employment

Municipality	2016*	2051	Growth	Growth Share
York	544,000	990,000	446,000	25%
Peel	695,000	1,070,000	375,000	21%
Toronto	1,608,000	1,980,000	372,000	21%
Durham	224,000	460,000	236,000	13%
Halton	263,000	500,000	237,000	13%
Hamilton	229,000	360,000	131,000	7%
GTHA	3,564,000	5,360,000	1,797,000	100%

* Based on 2016 Census, Statistics Canada

Additional York Region Comments on Amendment 1 to the Growth Plan and updated Land Needs Assessment Methodology

Amendment 1 to the Growth Plan

Policy / Topic Area	Comment
Policy 2.2.5.10 – Policy with criteria for assessing conversion of employment land outside of a municipal comprehensive review.	If this policy is maintained, the Province should clarify in writing that policy 2.2.5.10 applies on a one time basis between now and the next Municipal Comprehensive Review, not between Municipal Comprehensive Reviews beyond the 2022 conformity date.
Section 4.2.8 – Policies dealing with Mineral Aggregate Operations, wayside pits, and quarries	The Province should not remove the existing prohibition on new mineral aggregate operations in habitats of endangered and threatened species. Concern that this policy seems to imply that mineral aggregate operations are already permitted within key natural heritage and key hydrologic features. It is precisely in the urban/near urban areas where habitats of endangered and threatened species should be protected.
Section 4.2.8 - Policies dealing with Mineral Aggregate Operations, wayside pits, and quarries	Recommend that a requirement be added for municipalities carrying out source protection programs under the Clean Water Act to be directly engaged by the Ministry on license/permit applications for an aggregate site that could pose a significant drinking water threat. Municipalities should have input into the conditions of these instruments to ensure drinking sources are not adversely impacted and protect public health.
Schedule 3 Forecast Mock A and B – two potential options for presentation of Schedule 3 forecasts. Option A contains 2031, 2041, and 2051 which Option B shows only 2051.	Recommend proceeding with Mock B of Schedule showing only the 2051 end point and not the 2031 and 2041 interim years as York Region staff understand that these no longer need to be achieved.