

A Place to Grow

Growth Plan for the Greater Golden Horseshoe

Land Needs Assessment Methodology for the Greater Golden Horseshoe (2020)

Policy Authority

On May 2, 2019, the Government of Ontario released A Place to Grow: Growth Plan for the Greater Golden Horseshoe (“the Plan”). The Plan states that the Minister will establish a Methodology for assessing land needs to implement the Plan.

On June 16, 2020, the Minister released the Proposed Methodology for Land Needs Assessment in the Greater Golden Horseshoe for consultation. After considering comments received, the Minister formally issued this final Methodology on August 28, 2020 in accordance with policy 5.2.2.1 c) of the Plan. This methodology replaces the previous Land Needs Assessment Methodology for the Greater Golden Horseshoe that was issued on May 4, 2018.

This document establishes the Land Needs Assessment Methodology (“the Methodology”) pursuant to the Plan. Upper- and single-tier municipalities in the Greater Golden Horseshoe are required to use the Methodology in combination with the policies of the Plan to assess the quantity of land required to accommodate forecasted growth.

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1 Introduction

On May 2, 2019, the government released *A Place to Grow: Growth Plan for the Greater Golden Horseshoe* (“the Plan”) as part of “**More Homes, More Choice: Ontario’s Housing Supply Action Plan**”. The Plan, which came into effect on May 16, 2019, addresses the needs of a growing population, the diversity of the Greater Golden Horseshoe region, the people and local priorities. The Plan states that the Minister of Municipal Affairs and Housing will establish a standard methodology that upper- and single-tier municipalities in the Greater Golden Horseshoe are required to use in order to assess the quantity of land needed to accommodate projected growth to the Plan horizon. The Plan emphasizes the optimization of existing urban land supply and 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*.

It should be noted that where a word is italicized in this document, the definition of the word or phrase is to be understood as that reflected in the corresponding definition in the Plan. For non-italicized terms, the normal meaning of the word applies. Where a word or phrase is typically used in a planning context, the meaning associated with the use of that word or phrase within the planning context is intended to apply. Any references to specific policies and associated policy numbers in this document are references to the corresponding policies in the Plan.

Purpose

The Methodology relies on the forecasts contained in Schedule 3, the intensification and *designated greenfield area* targets and Plan policies for implementation. This document provides municipalities and other land use planning decision-makers with the requirements that must be completed as part of the *municipal comprehensive review* to determine the total quantity of land needed to accommodate forecasted growth to the Plan horizon, including the need for any *settlement area* boundary expansions, employment land conversions and the quantity of any *excess lands*.

Recognizing that local needs are diverse, the Methodology provides the key components to be completed as municipalities plan to ensure that sufficient land is available to: accommodate all housing market segments; avoid housing shortages; consider market demand; accommodate all employment types including those that are evolving; and plan for all *infrastructure* that is needed to meet the *complete communities* objectives to the horizon of the Plan.

Using the Methodology

It is important to note that not all components described in the Methodology have to be performed in the sequence indicated. A different sequence is acceptable as long as all components are completed at some point in the land needs assessment process.

The Methodology requires municipalities to use the growth forecasts contained in Schedule 3 of the Plan (or an alternate growth scenario as described below) and the intensification and *designated greenfield area* targets and Plan policies as the basis for assessing the need for land. If developing their own assumptions for these (e.g. alternate growth scenarios or alternative intensification and *designated greenfield area* targets), municipal staff may consult with provincial staff and utilize their own data sources as well as others such as but not limited to Statistics Canada's Census and subsequent Annual Demographic Estimates reports, Canada Mortgage and Housing Corporation building permits and housing starts, technical and supplemental reports for A Place to Grow forecasts, Ontario's Long-Term Report on the Economy and Ontario Population Projections. The use of alternative targets must be requested by Council and approved by the Minister prior to finalization of the land needs assessment.

In accordance with the Plan, upper- and single-tier municipalities are;

- encouraged to engage with the public and stakeholders in their implementation of the Plan;
- required to engage with Indigenous partners in their implementation of the Plan; and
- required to consult with their lower-tier municipalities in their implementation of the Plan through the *municipal comprehensive review*.

Municipal staff is also encouraged to consult with provincial staff throughout the *municipal comprehensive review*. This engagement and consultation will help expedite and simplify decision-making on official plans and official plan amendments that implement the land needs assessment.

The Plan forecasts reflect the baseline reference scenario to be used by municipalities and form the basis for establishing a market-based supply of housing. Lower projections for population, dwellings by type or employment are not permitted as they would lead to housing affordability issues and land shortages. These background assumptions enable the provision of a sufficient range and supply of housing to meet the projected needs of current and future residents.

While it may be necessary to adjust the housing projection in this analysis to meet the Plan targets, providing a market-based supply of housing while conforming to the Plan is an objective. The Plan forecasts also provide the basis for calculating land needs for employment opportunities in labour markets of the Greater Golden Horseshoe.

Time Frames

The time frame for municipal consideration for land needs for official plan purposes is the time horizon for land use planning contained in section 1.2.3. Municipalities shall plan for and designate a sufficient supply of land to accommodate an appropriate range and mix of land uses to meet projected needs to the Plan horizon. Given the complexity of completing the *municipal comprehensive review*, municipalities must designate all land required to the Plan horizon when using the Methodology through an official plan or official plan amendment. The objective is to provide sufficient land to accommodate all market segments so as to avoid shortages that would drive up land cost for both housing and employment uses.

Alternate Growth Scenarios

Schedule 3 of the Plan establishes the minimum population and employment growth forecasts that municipalities must use to assess land needs to the Plan horizon. Lower forecasts are not permitted as this may lead to affordability issues and land shortages.

Municipalities may develop and use an alternate growth scenario in the land needs assessment in order to account for future economic and social trends, particularly those that arise in the period in between Censuses or reviews of Plan forecasts. An alternate growth scenario refers to a forecast established by an upper- or single-tier municipality that exceeds the forecast for that municipality in Schedule 3. Municipal staff should engage provincial staff as they consider using an alternate growth scenario in the land needs assessment.

Municipalities must be able to demonstrate that alternate growth scenarios conform with the Plan. The scenario should also be justifiable considering both general trends in the province and specific conditions in the municipality. Municipalities must also be able to show that alternate growth scenarios provide for a range of housing choices to meet market demand and the projected needs of current and future residents, as well as provide the basis for realizing employment opportunities in labour markets of the Greater Golden Horseshoe.

Land Needs Assessment Geographies

Each upper- and single-tier municipality in the Greater Golden Horseshoe must consider land need for two types of geographies:

- **Community Areas:** Areas where most of the housing required to accommodate the forecasted population will be located, as well as most population-related jobs, most office jobs and some employment land employment jobs. Community areas include *delineated built-up areas* and *designated greenfield areas*.

- *Employment Areas*: Areas where most of the employment land employment jobs are (i.e. employment in industrial-type buildings), as well as some office jobs and some population-related jobs, particularly those providing services to the *employment area*. *Employment areas* may be located in both *delineated built-up areas* and *designated greenfield areas*.

2 Community Area Land Needs Assessment

Methodology Overview

The community area land needs assessment relies on the population forecasts contained in Schedule 3 of the Plan, or an alternate growth scenario, from which upper and single-tier municipalities shall estimate the households by dwelling type and housing need to the Plan horizon. The allocation of forecasted employment growth to the community area, as required under the *employment area* land needs assessment, is also considered as part of determining community area land need. The forecasted need is separated into housing within the *delineated built-up area* and *designated greenfield area*, along with community area jobs, and then translated into appropriate densities to ensure the minimum intensification and *designated greenfield area* density targets of the Plan (or alternative targets where approved by the Minister) will be achieved.

The result of the assessment is the total land required for community areas including housing, population-related jobs, and *major office* jobs to the Plan horizon. The *municipal comprehensive review* entails dialogue between upper-tier and lower-tier municipalities as well as public consultation.

The following are the components involved in the community area land needs assessment:

1. Population Forecasts
 - ☞ A population forecast by age group based on the forecasts contained in the Plan (or an alternate growth scenario developed by the municipality)
2. Housing Need
 - ☞ Through the use of household formation rates and propensities to occupy particular dwelling types, the population forecast is converted into a forecast of households by type of dwelling
 - ☞ The number of households by dwelling type in the base year is subtracted, yielding forecasted household growth by dwelling type to the Plan horizon
 - ☞ Household growth by type is adjusted for many factors, including but not limited to:
 - the units added since the land needs assessment base year;
 - the replacement of units that will be lost (e.g. demolitions, other uses);
 - changes in the level of vacancies;
 - market contingency factors; and
 - other mitigating factors.
 - ☞ The end result is the forecast of total housing need by dwelling type
3. Housing Needs Allocation

- ☞ The projected housing need can be allocated among the lower-tier municipalities (if applicable). If allocating, upper-tier municipalities should, in consultation with lower-tier municipalities and the public, make the allocation among the municipalities based on such factors as the planned urban structure, housing affordability, a mix of housing types, servicing capacity and the potential for intensification.
- 4. Housing Supply Potential by Policy Areas
 - ☞ Municipalities must determine potential housing supply in the *delineated built-up area*, *designated greenfield area*, and *rural lands, including rural settlements*.
- 5. Community Area Jobs
 - ☞ Utilizing the assessment of the *employment area* land needs, municipalities must prepare an inventory of employment lands for population related jobs and most of the *major office* in meeting the applicable density targets to achieve *complete communities*.
- 6. Need for Additional Land
 - ☞ Housing supply is deducted from the forecasted housing need. Additional housing by type required beyond the existing supply is converted to a land requirement by applying appropriate densities that include population-related employment allocations.
 - ☞ Conformity with the intensification and *designated greenfield area* density targets is confirmed or adjustments are made to ensure conformity with the Plan. This may require adjusting the mix of housing types while ensuring the provision of a market-based supply of housing to the extent possible. For the purposes of alternative intensification and *designated greenfield area* density targets, the ability to provide a market-based supply of housing is an important consideration in determining whether a target can be achieved.
 - ☞ The end result is the amount of additional land (if any) to be designated for new community area through expansion of the *settlement area*. In the case of *outer ring* municipalities, the community land needs assessment may also determine that there are *excess lands* in which case policy 2.2.1.6 applies.

Population Forecasts (Component 1)

A population projection by age group for the single or upper-tier municipality forms the starting point for projecting housing need and related land need. Municipalities may use either the Schedule 3 forecasts or an alternate growth scenario. In the latter case, the assumptions and analysis underlying the projection should be documented.

Housing Need (Component 2)

In this component the population forecast by age group is converted into a forecast of the number of households that will occupy each type of housing at a given point in the future and the growth over the forecast base year. The forecasts completed in Component 1 capture two main factors that drive household growth: population growth and changes in the age structure of the population. The forecasts from Component 1 should be used to determine several key factors in establishing housing need described below.

The results of the forecast process are:

- 🏠 Households by age - derived by applying age-specific household formation rates to the forecast of population by age group;
- 🏠 Households by age and dwelling type - derived by applying age-specific propensities to choose different types of dwellings to the forecasts of households by age; and,
- 🏠 Total households - the sum of all households

Household Formation Rates

In order to convert a population forecast into a forecast of households, a household formation rate must be calculated for each age group in the population. The household formation rate is the proportion of people within a given age group who will form households. Once a household formation rate for each age group has been calculated, the forecasted population is multiplied by the household formation rates to determine the total future number of households within an upper- or single-tier municipality to the Plan horizon.

Households by Dwelling Type

To forecast housing need, household forecasts by age are broken down by types of dwellings. Municipalities will apply age-specific propensities to occupy various types of housing to the forecasts by age, calculated as part of the household formation rates. Dwelling types should be grouped into the following categories:

- 🏠 Single/Semi-detached houses;
- 🏠 Row Houses – including all forms of townhomes except for back-to-back townhouses;
- 🏠 Apartments, which may be subdivided into:
 - Low-rise apartments - dwelling unit attached to other dwelling units including back-to-back townhouses, commercial units or other non-residential space in a building that has less than five storeys;
 - High-rise apartments - dwelling unit in a building which has five or more storeys; and,
- 🏠 Other dwellings - All others.

To assist in undertaking the dwelling by type analysis, the upper- or single-tier municipality may use their own data sources as well as others such as but not limited to Statistics Canada's Census and subsequent Annual Demographic Estimates reports, Canada

Mortgage and Housing Corporation building permits and housing starts, technical and supplemental reports for A Place to Grow forecasts, Ontario's Long-Term Report on the Economy and Ontario Population Projections. Applying these rates to the forecasts of households by age in the upper- or single-tier municipality yields forecasts of households by dwelling type.

Allocation of Housing Needs (Component 3)

To this point, all the analysis has been at the upper- or single-tier level. The projections can be distributed to the lower-tier municipalities and reflected in appropriate land use budgets and official plan designations.

Housing Supply Potential by Policy Areas (Component 4)

Upper- and single-tier municipalities must determine the housing supply potential in various geographies (*the delineated built-up area*, the *designated greenfield area*, and the rural area) in this component. This includes a consideration of housing supply potential in *strategic growth areas* (*urban growth centres* and *major transit station areas*) based on the minimum density targets for these areas established in the official plan.

Housing Supply Potential within the Delineated Built-up Area

Upper- and single-tier municipalities will estimate the potential for achieving the intensification target throughout the *delineated built-up area*. These opportunities establish the basis for *intensification* over the long-term and identify the sub-component of the overall growth that will be allocated in order to meet Plan targets. In this regard, municipalities may simply use the intensification target of the Plan and provide a breakdown of the units by type expected to be achieved. Should an intensification target higher than that applicable in the Plan be used, it is essential to establish a supply of the units that will be achieved within the Plan horizon, and the municipality should estimate the number of units by type likely to be created under current or anticipated conditions.

In order to establish a realistic supply of the units that will be achieved within the Plan horizon, the municipality should estimate the number of units by type likely to be created under current or anticipated conditions. Where applicable, the upper-tier municipality may work collaboratively with lower-tier municipalities to determine the potential to achieve housing by dwelling type through intensification within the forecast period.

Should the potential supply of units in the *delineated built-up area* be insufficient to meet the intensification target, municipalities can use this analysis as the basis for their request for an alternative target that will be appropriate given the size, location and capacity of the *delineated built-up area*.

Housing Supply Potential within the Designated Greenfield Areas

Upper- and single-tier municipalities must also determine housing unit potential by type within the *designated greenfield area*. Inventories should identify lands that are:

- ☞ subject to development applications or approvals;
- ☞ vacant, designated and available to receive development applications; and,
- ☞ vacant, not designated and available to receive development applications.

For lands subject to development approvals, this requires the inventory of proposed units by type based on municipal development approvals tracking resources. For vacant, designated and available lands, this requires estimating the units by type premised on the density permissions of the official plan. For vacant, not designated and available lands, it is appropriate to assume a density similar to comparable areas as long as this results in an estimate of dwellings by type.

Housing Supply Potential within Rural Areas

An estimate of rural dwelling units in *rural settlements* and outside of *settlement areas* should also be undertaken and included in the overall estimate of potential supply. While such units do not contribute to the achievement of the *designated greenfield area* density target, they do provide for supply to meet forecasted housing needs that must be accounted for prior to assessing the need for *settlement area* boundary expansion.

Community Area Jobs (Component 5)

Determining the Number of Jobs to be Located in the Community Areas at the Plan Horizon

In this component, municipalities are required to assess the community area jobs to be allocated to the *designated greenfield area*. This process will be used to determine whether the minimum number of residents and jobs that are planned to be accommodated in the existing *designated greenfield area* at the Plan horizon will allow the municipality to meet applicable density targets.

Need for Additional Land (Component 6)

In this component, municipalities should convert housing and community area job need requirements into the amount of additional land needed for community area land, which includes both housing and employment uses located in the community area.

With the information available, the amount of community area land for housing required to accommodate growth is determined by considering housing supply and demand for each dwelling type using the following components:

- ☞ Growth in housing need by dwelling type over the base year.

- ☞ The number of new units by dwelling type available throughout the *delineated built-up area* to meet the intensification target.
- ☞ The estimated number of new dwelling units by type that will be provided throughout the *designated greenfield area* to meet the minimum density target or in *rural lands*.
- ☞ With these deductions, the remaining dwelling units by type to be provided through *settlement area* boundary expansion is determined.
- ☞ The amount of new land required to accommodate *settlement area* boundary expansion is calculated by applying a gross density to each dwelling unit type category and population-related employment and *major office* jobs. The gross density must account for all uses in the community area (which includes roads, *public service facilities*, and other uses). The *designated greenfield area* density target (as per policy 2.2.7.3) must be calculated only excluding the features identified in that policy.

The area for *settlement area* boundary expansion is then adjusted upwards in a minor way, if necessary, to ensure logical boundaries of the *settlement area*. This will generally be an arterial or concession road or other man-made or natural definable feature. The intent is to establish logical settlement area boundaries and avoid partial neighbourhoods or irregular servicing boundaries. Such adjustments would require slight increases to the forecast assumed in implementing this assessment.

The combined people and jobs forecasted across the entire *designated greenfield area* (existing and any newly added *designated greenfield area*) is used to calculate the minimum *designated greenfield area* density. Should this density be lower than the minimum *designated greenfield area* density target in the Plan, municipalities must either:

- ☞ undertake adjustments to increase density through supporting analysis to show this can be done, while still providing a full range and mix of housing options to meet the market-based demand of housing that meets the current and future needs of residents or,
- ☞ use the supporting analysis above to demonstrate that the target cannot be achieved, while also ensuring a sufficient housing supply to reflect market demand. In the event that an alternative target is requested, municipalities must also demonstrate that the alternative target is appropriate and will support the diversification of the total range and mix of housing options as well as the achievement of a more *compact built form* in *designated greenfield areas* to the Plan horizon in a manner that is appropriate given the characteristics of the upper- or single-tier municipality.

Adjustments

Final adjustments to land need may be made in order to account for:

- ☞ Extremes of need because of unusually low or high vacancies at the time of analysis such as a vacancy adjustment related to maintaining a healthy rental vacancy rate over the planning horizon;
- ☞ Constrained land within the settlement area that requires additional infrastructure (e.g. servicing, transit, highways);
- ☞ Lands that may not develop within the horizon of the Plan due to other factors such as landowner choice to not develop for the purposes they are designated for;
- ☞ The length of the planning process to make lands ready for development; and,
- ☞ Other economic (e.g. provision for major businesses) and demographic (e.g. increases in immigration and emigration) considerations not anticipated in growth scenarios used in the initial municipal analysis.

3 Employment Area Land Needs Assessment

Methodology Overview

The *employment area* land needs assessment relies on the employment forecasts contained in Schedule 3 of the Plan, from which upper and single-tier municipalities would determine the forecasted number of jobs by type. As with the community area land needs assessment, not all the components are sequential in the *employment area* land needs assessment.

Municipalities may use their own data sources as well as others such as but not limited to Statistics Canada's Census, Ontario's Long-Term Report on the Economy and the technical and supplemental reports for A Place to Grow forecasts that provide employment by type projections in the preparation of the Plan. In practice, the *municipal comprehensive review* entails dialogue between upper-tier and lower-tier municipalities as well as public consultation.

The following are the components involved in the *employment area* land needs assessment:

1. Employment Forecasts
 - ☞ Upper- and single-tier municipalities will forecast employment using Schedule 3 forecasts or alternate growth scenarios as a minimum as well as the North American Industry Classification System (NAICS) by usual place of work, no-fixed workplace within the municipality and work at home.
 - ☞ Structuring employment forecasts into the four primary land use categories:
 - employment lands employment;
 - population-related employment;
 - *major office*; and,
 - rural-based jobs (may be within *rural settlements* but otherwise outside of *settlement areas*).
2. Employment Allocation
 - ☞ Allocate jobs by type to the different geographies.
3. Existing Employment Area Potential
4. Need for Additional Land
 - ☞ Determine the need for additional *employment area*.

Employment Forecasts (Component 1)

Upper- and single-tier municipalities will forecast employment growth to the Plan horizon. Municipalities may use either the Schedule 3 forecasts or their own forecasts contained within alternate growth scenarios as a minimum.

A forecast of employment by type for upper- and single-tier municipalities should be the foundation for determining both *employment area* land and the amount of jobs that are forecast in the community area to assist in determining land requirements. Employment forecasts by type are typically developed using the NAICS by usual place of work, no-fixed workplace within the municipality and work at home. Further, these forecasts must be structured into, at least, the four primary employment land use categories: *employment area* land, population-related, *major office*, and rural-based jobs (located outside *settlement areas*). Adjustments may be made to reflect the composition and nature of *employment area* land within the municipality.

Considerations

A growing trend in many municipalities is an increase in the number of people working out of their homes, both in traditional work at home industries and through online business ventures. This is particularly true for the business services and other services categories of the Census where the knowledge-based economy, trends in retail and goods movement and remote communications are making working at home a viable arrangement for increasing numbers of people. Municipalities should consider how work at home may be incorporated into the assumptions in order to estimate their *employment area* land requirements more accurately. Work at home data are collected in the Census of Canada.

Employment Allocation (Component 2)

In this component, municipalities must further refine the analysis of jobs by type to allocate them to the *rural lands* (including existing *employment areas* located outside *settlement areas*), community areas and *employment areas*. This allocation must occur to a lower-tier municipal level in the case of upper-tier municipalities.

All employment that is expected to occur outside of *settlement areas* including any existing employment areas outside *settlement areas* is allocated to the rural area. This includes all of the rural-based employment jobs determined in other components. A small share of employment land employment and a small share of population-related employment may also be allocated to the rural area to account for existing and future development in existing employment areas located outside of *settlement areas* and recreational and tourism activities.

The remaining jobs are allocated to community areas and *employment areas* within *settlement areas*. Within community areas, jobs should be further allocated between the *delineated built-up area* and *designated greenfield area*. The result of the allocation is the number of jobs to be planned for in each of *employment areas*, community areas and the rural area from the base year to the Plan horizon. The results of the community area jobs allocated to the *designated greenfield area* form the input into Component 5 of the community area land needs assessment.

In allocating community area jobs to the *delineated built-up area*, municipalities should consider opportunities to re-use existing buildings, to redevelop existing *employment area* land or to develop vacant areas on existing *employment area* land sites to realize a higher number of jobs than exists today. More recently, changing land values and locational considerations have led to the redevelopment of some industrial lands with much more intensive employment uses. The result is the potential to intensify the amount of employment within existing *employment areas*.

As in the case of providing for community area land needs, intensification should be recognized as a means of accommodating employment growth within existing *settlement areas*. Intensification offers benefits in terms of better utilization of existing *infrastructure*, revitalization of existing *settlement areas*, more *transit-supportive* and *compact built form*, and reduced consumption of agricultural lands.

Existing Employment Area Potential (Component 3)

In this component, employment potential on existing lands designated *for employment area* type employment must be determined.

This is done by preparing an inventory of *employment area* lands including:

- ☞ an inventory of employment uses utilizing density assumptions or an intensification analysis for built lands; and,
- ☞ an estimate of current and future employment potential by applying appropriate density assumptions by employment area.

Densities can be derived from measuring an upper- or single-tier municipality's current density levels for the various employment types. These can be refined by a trend analysis of density changes over time. This information can be used in conjunction with assumptions regarding future density trends or policy-led decisions regarding employment types and density in order to identify appropriate density assumptions. In this regard, land-extensive or lower-density employment uses such as logistics and warehousing would have a lower minimum density and larger land requirement than offices or other employment uses. It is essential to prepare density assumptions to ensure there is no shortage of land to accommodate the full range and mix of employment opportunities to meet the forecasts of the Plan.

Need for Additional Land (Component 4)

After an upper- or single-tier municipality has an employment land jobs forecast and an estimate of the potential of designated *employment areas*, it may identify the amount of

additional land required to accommodate the forecasted employment through *settlement area* boundary expansion, if necessary.

Unaccommodated Employment Area Jobs

By subtracting the jobs that can be accommodated in existing *employment areas* (from Employment Area Component 3) from the total forecast *employment area* jobs (from Employment Area Component 2), the total number of *employment area* jobs to be accommodated on additional land is determined.

Additional Employment Area Land Requirements

Once density assumptions have been established, a calculation can be made to determine the additional amount of land the municipality will require. This is done by dividing the *employment area* jobs that will not be accommodated in existing *employment areas* by the relevant density assumptions. This will result in the amount of additional land a municipality needs to provide for the expansion of its *settlement area* boundary in order to accommodate its *employment area* land need.

It must be recognized that *employment area* lands have different qualities and potential to achieve jobs; 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 Implementing the Land Needs Assessment

Results

The result of the land needs assessment is a total quantum of land needed (or *excess lands*) at the upper- or single-tier municipal level. This provides a critical input to the *municipal comprehensive review* process through which the appropriate locations of any proposed *settlement area* boundary expansions, identifications of *excess lands*, or potential conversions of *employment areas* to non-employment uses will ultimately be determined.

It should be noted that the result of the community area land needs assessment is a total amount of land needed or *excess lands* at the upper- or single-tier municipal level. Municipalities will consider whether any lands in *employment areas* may be appropriate for conversion to non-employment uses to satisfy community area land needs prior to proposing a *settlement area* boundary expansion. Any proposed conversions would be subject to the requirements of policy 2.2.5.9. Municipalities would determine whether a *settlement area* boundary expansion to create new *designated greenfield area* is needed or whether there are *excess lands*, where applicable.

Where the outcome of the *employment area* land needs assessment indicates a need for additional *employment area* lands, municipalities will consider whether a *settlement area* boundary expansion is required under policy 2.2.8.2. Where the outcome of an *employment area* land needs assessment indicates a surplus of land in *employment areas*, municipalities may consider conversions of lands within employment areas to non-employment uses under Plan policies, where there is a corresponding need for community area land.

The *municipal comprehensive review* is a new official plan or official plan amendment initiated by an upper- or single-tier municipality under section 26 of the Planning Act that comprehensively applies the policies and schedules of the Plan. Upper- or single-tier municipalities have the choice of phasing their *municipal comprehensive review* or achieving conformity as part of one single new official plan or plan amendment.

Upper- and single-tier municipalities are required by policy to delineate *settlement area* boundaries and designate all employment areas in their official plans. Lower-tier municipalities are required to bring their official plans into conformity with the applicable upper-tier official plan within one year of the municipal comprehensive review being finalized and taking effect.

Engagement with Provincial Staff

Upper- and single-tier municipal staff may involve Ministry of Municipal Affairs and Housing staff in their land needs assessment work at various stages to ensure that the components of the Methodology are addressed. Upper- and single-tier municipal staff may consider meeting with Ministry of Municipal Affairs and Housing staff to review the key inputs to the Methodology such as forecasts (including alternate growth scenarios), intensification target, *designated greenfield area* density target, employment and housing analysis and census related data to obtain feedback about their conformity with policy requirements.

Upper- and single-tier municipalities are encouraged to work with Ministry staff throughout the *municipal comprehensive review process*. This dialogue may provide an opportunity to identify any elements of the *municipal comprehensive review* that require clarification, or additional information to help minimize lengthy approval times for the *municipal comprehensive review*. It will also provide an opportunity to address any outstanding information requirements before submitting the documentation to the Ministry as a part of the approval process for the implementing official plan or official plan amendment.

It should be noted that ministry staff review of draft municipal land needs assessment materials does not confer an approval status, nor is it intended to pre-empt the municipality's established processes for seeking council endorsement of outcomes.

Ministry of Municipal Affairs and Housing

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