

What Land Removal Criteria Should be Applied to Toronto’s Greenbelt?

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Executive Summary

Ontario's Auditor General was highly critical of the Ontario Provincial Government's process of removing or redesignating 15 land sites from the Toronto-centric Greenbelt containing approximately 7,400 acres (2,995 hectares). The process for identifying land parcels to be removed from the Greenbelt to expedite the housing supply was flawed. However, we disagree with the Auditor General’s assertion that enough land is available to meet the provincial government's goal of building 1.5 million homes over ten years without using some greenbelt lands to expedite the production of ground-related or missing middle housing in the short term.¹

This paper summarizes policy proposals made by Paul Cheshire and Boyana Buyuklieva (Cheshire/Buyuklieva) in 2019 for assessing the redesignation of a small portion of English Greenbelt lands for housing. It also assesses the relevance of their proposals to the current Toronto-centric Greenbelt controversy. A brief comparison of the fixed boundaries of the English and Toronto greenbelts with Portland, Oregon’s more flexible Urban Growth Boundary is included as relevant background.

It is still worthwhile examining this matter even though the Premier announced the subject lands will be put back into the Greenbelt. From looking at the English experience, it is likely that the redesignation issue will persist for the small portion of Toronto’s Greenbelt land where residential use clearly represents a priority use.

The following summarizes our findings and recommendations:

- The English Greenbelts are more singular in purpose (creating separation between cities) than the Toronto Greenbelt’s multi-purpose mandate which includes supporting agricultural lands as a predominant use;
- Ontario lacks data that quantifies and then prioritizes all Greenbelt lands by uses and acreages except for agricultural land uses by acreage. Since not all Greenbelt lands are of the same societal importance, it is important that this information be collected and prioritized accordingly;
- The Greenbelt Act’s goal of supporting agriculture as a predominant land use should not be interpreted as farmland always has priority over housing. Ultimately, the designation should be based on evaluating the costs and benefits of residential expansion versus the retention of farmland. Residential use, for example, should not be ruled out simply because of greenhouse gas emissions since both residential and farmland produce significant greenhouse gases;

¹ Ground-related housing includes single- and semi-detached houses and townhouses. Missing middle housing includes townhouses, stacked townhouses, low-rise apartments, and duplexes.

- Prime criteria for removing land from the Greenbelt should include (a) land surrounding commuter transit stations (GO train) and (b) land that can be readily serviced and made available quickly for residential development;
- Each of the nine GO commuter stations located in the Greenbelt should be subjected to a benefit cost analysis to determine the priority of developing all or a portion of land within an 800-metre radius for residential use;
- Greenbelt land located adjacent to existing settlement areas and able to be serviced in the short term should be inventoried and subjected to a benefit cost analysis to determine their priority for residential use; and
- A sizable tax should be imposed on the uplift in land value when the permitted use changes from Greenbelt to residential - Cheshire/Buyuklieva recommend a 20% tax on the market value of the development built on the new residential land.

Redesignating readily developable Greenfield lands for a range of housing types and developing suitable lands around Go stations would increase housing supply beyond what it would have been, creating societal benefits including helping to improve affordability.

Experience with the Urban Growth Boundary in Portland, Oregon, illustrates the potential benefits of a more flexible Greenbelt boundary over the fixed boundaries of Toronto and the English Greenbelts.

Introduction

Ontario's Auditor General was highly critical of the Provincial Government's process of removing or redesignating 15 land sites from the Toronto-centric Greenbelt containing approximately 7,400 acres (2,995 hectares). Her report concluded:

Although the government met the requirement of not reducing the total area of the Greenbelt, as required in the Greenbelt Act, 2005, we determined that the way the government assessed and selected lands for removal from and addition to the Greenbelt was not publicly transparent, objective or well-informed, and was inconsistent with the vision, goals and processes of the Greenbelt Plan, as well as previous amendments to the Greenbelt boundary. Further, we noted that opening the Greenbelt was not needed to meet the government's goal of building 1.5 million homes over 10 years.²

The process for identifying land parcels to be removed from the Greenbelt to expedite the housing supply was flawed. However, the Auditor General is incorrect in asserting that enough land is available to meet the provincial government's goal of building 1.5 million homes over ten years without using some greenbelt lands to expedite short-term production. The Auditor General ignores the need for a range of housing types (not just apartments), the limited inventory of shovel-ready (short-term) land for ground-related and missing middle housing, and the lengthy delays in bringing much potential land for development.

It is not unusual for greenfield land to take ten years or more to gain all approvals and servicing infrastructure once designated for residential use. Obtaining viable zoning for infill sites can often take years to obtain.³ A recent CUR report found that the inventory of shovel-ready (short-term)

² Office of the Auditor General of Ontario. "Special Report on Changes to the Greenbelt." August 2023. Page 8.

³ David Amborski and Frank Clayton. "The Holy Grail: Accelerating Housing Supply and Affordability by Improving the Land-use Planning System." CUR. November 1, 2021. Pages 6-7.

land in the Greater Golden Horseshoe was only 1.9 years for ground-related homes, far below the minimum of 4.0 years with annual monitoring required by the Provincial Policy Statement.⁴

The controversy between protecting all greenbelt lands and using some to counter a severe housing shortage and a lack of affordability is not unique to Canada. England, which has had greenbelts around major cities since 1955, is also going through a similar debate due to a critical housing shortage and affordability crisis. Both England and Toronto have fixed boundary greenbelts.

In contrast, metropolitan Portland, Oregon's more flexible Growth Management Boundary (equivalent to a Greenbelt) uses a rational approach to assess urban boundary expansions in response to expected growth and housing price pressures. Its urban boundary has expanded about three dozen times since its creation in the early 1970s.⁵

This paper summarizes policy proposals made by Paul Cheshire and Boyana Buyuklieva (Cheshire/Buyuklieva) in 2019 for assessing the redesignation of English Greenbelt lands for housing and their relevance to the current Toronto-centric Greenbelt controversy.⁶ There are four components to their proposal, which they call "policy magic", for a new approach to put England on the right track for solving the housing crisis in a way that would be to everyone's advantage:

1. Release for development all greenbelt land within 800 metres of any transit stations with a service of 45 minutes or less to a major city, but only if that land had no amenity or environmental value marker;
2. Introduce a Land Development Tax set at 20% of the market value of all development when sold;
3. Give the newly created "development rights" to the land around stations to the companies owning the infrastructure and the stations; and
4. Set up a Green Development Corporation drawing on the redevelopment experience of London's Docklands to expedite development decisions.

The first two Cheshire/Buyuklieva recommendations are supported in this paper. An additional criterion for guiding removal of Greenbelt land is recommended: lands that can be developed in the short-term. Transferring development rights to transportation companies or setting up a separate development corporation does not apply to Ontario's circumstances.

According to Cheshire/Buyuklieva, the benefits of their proposed approach include:

- By using only 1.8% of greenbelt land, the housing stock increases by 7% to 9% while at the same time providing some 4,700 hectares of new accessible green space for housing; and
- The land-value increase through taxation could be redirected to fund rail services, better infrastructure, services, and social housing.

⁴ Frank Clayton and David Amborski. "Expanding Housing Supply and Improving Housing Affordability in the GGH Are Pipedreams Without an Ample Inventory of Shovel-Ready Sites." Centre for Urban Research and Land Development. May 25, 2023. Pages 5 and 14.

⁵ Hadiseh Bajelan. "The Urban Growth Boundary of Portland, Oregon: Assessing Effectiveness – Housing and Affordability." Case-in-Point 2023. Page 2.

⁶ Paul Cheshire and Boyana Buyuklieva. "Homes on the Right Track: Greening the Greenbelt to Solve the Housing Crisis." Centre for Cities. September 2019.

Summary and comments on Cheshire/Buyuklieva's greenbelt proposals

The following section summarizes Cheshire/Buyuklieva's proposals as they apply to the extensive Greenbelts around five English city regions and offers comments on their applicability to the Greenbelt surrounding Toronto.

Purpose of Greenbelts: England is more unidimensional than in Ontario

Cheshire/Buyuklieva state that while the idea of English Greenbelts may have started as the "green lungs of the city", this was not why they were established. They say the name "Greenbelt" makes it sound like the designated lands are to provide recreational or amenity land for public enjoyment, but this is not true. The purpose of Greenbelts since 1955 is to stop settlements from merging, that is, to create empty spaces between cities. At the time, the Minister of Housing stated the metropolitan Greenbelt's principal function was to stop further urban development. This function was confirmed in the National Planning Framework 2012 and again in 2019.⁷

Comment

The vision for the Greenbelt around Toronto is more ambitious in scope than England's, including:

- *Supporting agriculture as the predominant use*
- *Protecting heritage and water resource systems*
- *Providing a diverse range of economic and social activities associated with rural communities, agriculture, tourism, and resource uses, and*
- *Building resilience to and mitigating climate change.*⁸

*The Greenbelt, Niagara Escarpment, and Oak Ridges Moraine Conservation Plans identify where urbanization should not occur to permanently protect the agricultural land base and the ecological and hydrological features, areas, and functions.*⁹

As will be seen, Cheshire/Buyuklieva support protecting heritage and water resources and other environmental land. From their writing, they would not interpret "supporting agriculture as the predominant use" to mean under no circumstance should agricultural land be converted to residential use to help alleviate a severe housing shortage and contribute to improved affordability.

Quantifying Greenfield lands by use: England has all the figures, Ontario does not

Cheshire/Buyuklieva refer intermittently to data on land uses in England as a whole, combined greenbelts, and individual greenbelts around city regions, including London's. The proportion of green belt land devoted to intensive arable farming (the kinds of agriculture seen around Toronto) varies from 37% in London to 74% in Cambridge. They note that golf courses proliferate on Greenbelt lands because building houses is impossible.

Separately, the national government publishes lands by category and acreage of use for individual Greenbelts.¹⁰ The broad uses include agriculture, forest, open land and water, outdoor recreation, and developed uses. In addition, there are subcategories under these general headings.

⁷ Cheshire/Buyuklieva, op.cit. Pages 6 and 7.

⁸ Ontario Greenbelt Plan (2017), May 2017. Pages 3-4.

⁹ Greenbelt Plan. Page 1.

¹⁰ Department for Levelling Up, Housing & Communities. "Land Use Statistics, England 2022." Live table P401. 27/10/2022

Comment

We could not locate a breakdown of the entire Ontario Greenbelt land area by use. However, a 2018 agricultural land study stated that in 2016, 38% of Ontario's greenbelt land was farmed (748,713 out of 1,990,924 acres).¹¹ This percentage varied from 15% and 21% for the Niagara Escarpment and the Oak Ridges Moraine to 64% for Protected Countryside subareas. To provide context, the farmland in the Greenbelt accounts for just 6.1% of the 12.4 million acres of farmland in the province.¹²

Uses of 748,713 acres of farmland in the Greenbelt included:

- field crops (65.2%)
- woodlands and wetlands (10.8%)
- natural pasture (5.8%)
- fruit, berries, and nuts (3.6%)
- vegetable crops (1.9%, and)
- all other uses (12.6%)¹³

The Greenbelt's share of Ontario farmland in 2016 ranged from less than 6% for field crops, woodlands and wetlands, and natural pastures to 53% for fruits, berries, and nuts and 11% for vegetables. Regarding farm cash receipts, the Greenbelt lands accounted for about 10% of the province.

Cheshire/Buyuklieva would likely agree with protecting lands used for fruit, berries, nuts, woodlands, and wetlands from urban development in Ontario's Greenbelt.

The need for a comprehensive and current land information system is critical for effective growth management of urban areas. According to Gerritt Knapp et al., the development of a regional land information system is one of the most important elements of the metropolitan Portland. Oregon's successful growth management programs.¹⁴

Prioritizing Greenbelt land uses – how does farmland rank?

Cheshire/Buyuklieva agree that environmentally valuable land, such as scarce habitats and scenically beautiful land, should be protected from development.¹⁵ Such land provides a public good that markets would not effectively provide.

However, they do not feel the same about land used for intensive arable farming. They state: "Intensive farmland is far from green because intensive farming is one of the most environmentally damaging of all land uses."¹⁶

¹¹ JRG Consulting Group. "Agriculture Trends and Updates: Understanding the Greenbelt's Unique Advantages." Greenbelt Foundation. July 2018. Page 10.

¹² Ibid. Page 11.

¹³ Ibid. Page 25. All other uses above include tame/seeded pasture (4.5%), nursery crops (1.3%), sod production (0.8%), Christmas trees (0.4%), summerfallow area (0.2%) and other lands (5.4%).

¹⁴ Gerrit Knaap, Richard Bolen, and Ethan Seltzer. "Metro's Regional Land Information System: The Virtual Key to Portland's Growth Management Success." Lincoln Institute of Land Policy, 2003. Abstract.

¹⁵ This environmentally valuable land includes National Parks, Sites of Special Scientific Interest (SSSI), Nature Reserves, Areas of Outstanding Natural Beauty (AONB) and, of course, land managed by the National Trust and parks for recreational use.

¹⁶ Cheshire/Buyuklieva. Op. cit. P 7.

Comment

Contrary to much public discussion, all the Greenbelt lands are not of equal societal value. Undoubtedly, most Ontarians would agree with protecting Niagara's fruit lands, the Holland Marsh's prime vegetable land, environmentally significant woodlands and wetlands, and parklands like Rouge Park.

However, protecting all 531,000 acres of farmland devoted to field crops and natural pasture (2016 figure) is a different matter given the urban growth land needs and the widespread desire to improve housing affordability, especially when these lands amount to just 5.5%-5.6% of all lands in these uses across the province.¹⁷

Cheshire/Buyuklieva's Criterion for land removal: existence of a commuter transit station in the Greenbelt or proximity to trunk municipal services

Cheshire/Buyuklieva start with all greenbelt land and so-called 'white land' (land outside built-up areas and not allocated for development) within a short walk (800 metres) of a commuter station and determines how much land could be released for housing. They then refine their estimates by only including stations where the commuting trip is no more than 45 minutes one way. They also exclude land where there are social, environmental, amenity or topographical reasons for not developing.

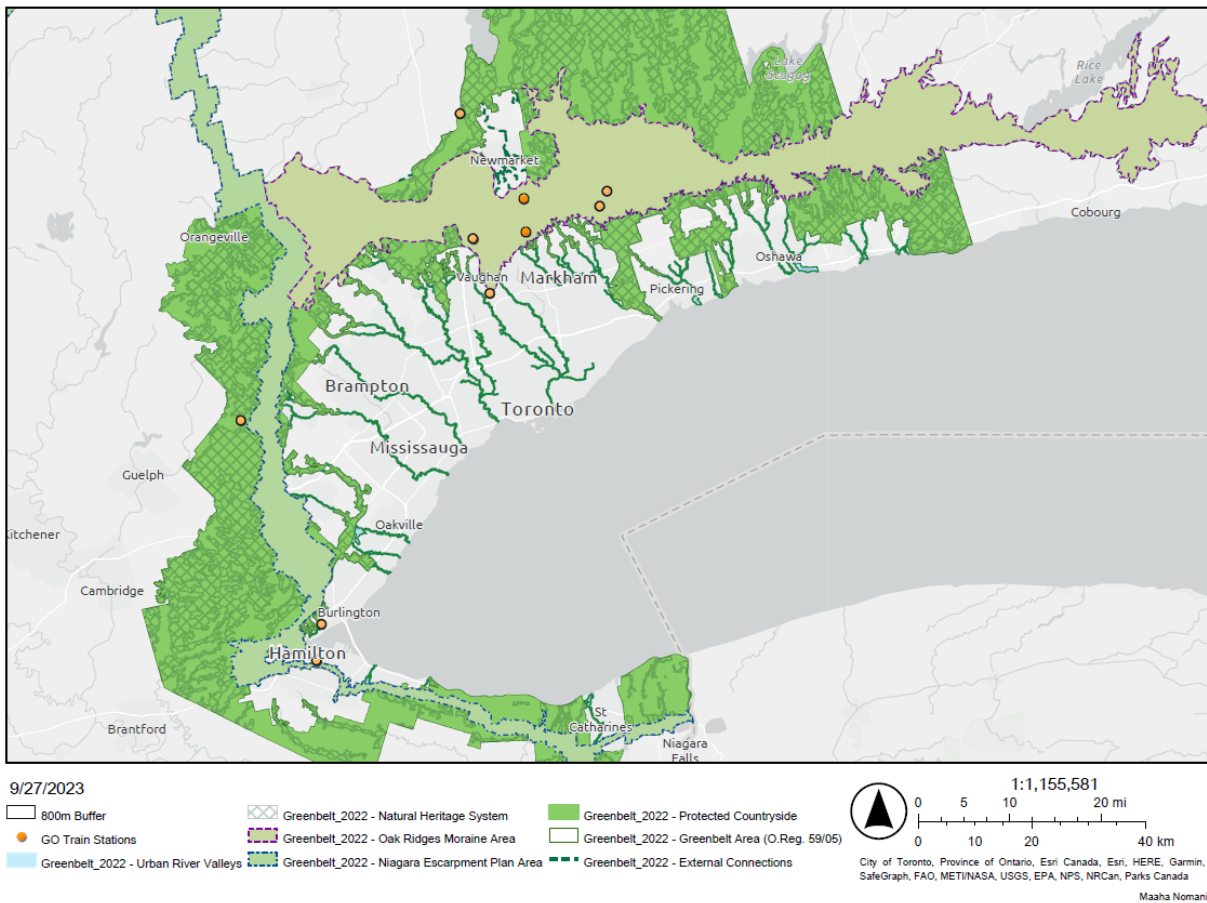
They estimate a total of nearly 25,000 ha of buildable land for the London city region – 68% of which is Greenbelt. Ten percent of this land is then assigned as protected for new accessible greenspace, leaving about 22,300 ha for development. The London city region has a mindboggling 319 commuter stations in the identified land serving 26 stations in central London, so the average amount of newly created building land is about 70 ha per station. Every station and the land around it are identified. Many stations are underground, but many more are on national rail lines.

Comment

Nearness to transit stations is an excellent basis for removing land from a greenbelt to address housing shortages and lack of affordability. Unfortunately, in the Toronto Greenbelt, there are only a small number of stations, unlike London, with its 319 Greenbelt stations. There are nine GO stations with Greenbelt lands within 800 metres of them (see Figure 1).

¹⁷ JRG Consulting Group. Op. cit. P. 25.

Figure 1: Go Train Stations Located in the Greenbelt, Greater Golden Horseshoe



The nine stations by location and name are (see Appendix maps):

- Seven stations in York region: Bradford, King City, Rutherford, Bloomington, Gormley, Lincolnville and Stouffville;
- Two stations in Halton region: Acton and Aldershot; and
- One station in the city of Hamilton.

Not all land surrounding these stations would be available for residential development. Only the land within an 800-metre radius of each station that does not have significant environmental or other high-ranking societal value should be considered for residential development. The determination of development land should be based on an analysis of economic, housing, social as well as environmental benefits and costs.

The Ontario Government’s initial criteria: lands at the edge of the Greenbelt and proximity to municipal hard services (e.g., sewer and water)

As noted, Cheshire/Buyuklieva have only one criterion to determine which land should be removed from a Greenbelt. They would likely agree with the locational and servicing readiness of Greenbelt land as a criterion for the Toronto-based Greenbelt.

Background and comment

In December 2022, the Province approved removing or redesignating approximately 7,400 acres (2,995 ha) from the Greenbelt area, a decision recently reversed. It was stated that the land was at the edge of the Greenbelt area and is serviced or adjacent to services. In other words, the land can be used to build housing in the near term.¹⁸ However, The Auditor General’s report stated the criterion of proximity to available or planned infrastructure was dropped early on in the site selection process because it could not be done without contacting municipalities.¹⁹

Removing a modest quantity of agricultural land from the Greenbelt to expand the housing supply in the short term, an important societal goal, is reasonable. The Province has established ambitious housing targets, and the Canada Mortgage and Housing Corporation (CMHC) has estimated that many thousands of new units are needed to restore affordability. There is an urgency to build as many housing units as possible to accommodate demographic changes and counter past shortfalls in production. Under conventional planning, it can often take ten years or more to bring housing units to market on designated residential land. If greenbelt land can be brought to the market much more quickly, more housing will be available sooner. It would also reduce pressure to develop land further out beyond the Greenbelt.

A difference in the residential densities applied to redesignated Greenfield land

Cheshire/Buyuklieva apply average densities per hectare (40 and 50 units per hectare) to the total building land they calculate for development within an 800-metre radius of commuter rail stations. The land excludes 10% of the area, which they assume is intended as new accessible green space. Applying their estimated total housing units to the adjusted developable land area for the London city region results in the following:

- Total housing units of 891,600 and 1,114,500, respectively, divided by 24,766 hectares = 36.0 and 46.2 units per gross hectare

While they do not break the total units into types, their discussion mentions that people have been trying to buy ground-related homes with a garden (a backyard) over the long term. A Planning Statement they reference for a new community outside the city of Cambridge, England, stated that up to 3,500 new dwellings within Phase 2 would be provided as a range of housing types, including terraced, semi-detached, detached, townhouses, and apartments.²⁰

Comment

These gross densities are much higher than what the Province estimated for the land removed from the Greenbelt last December:

- *50,000 homes divided by 2,995 hectares = 16.7 units per gross hectare*

Density calculations are tricky because of differences in what is included in the land measurement. The Province’s density would be higher, of course, if we were considering only development land within an 800-metre radius of transit stations.

¹⁸ Ministry of Municipal Affairs and Housing, “Proposed Amendments to the Greenbelt Plan.” Environmental Registry of Ontario. Decision posted December 21, 2022.

¹⁹ Auditor General’s Report. Op. cit. Page 9.

²⁰ Homes & Community Agency. “Northstowe Phase 2 Planning Application, Planning Statement.” August 2014. Page 11.

Cheshire/Buyuklieva propose the taxation of land value increases for Greenbelt lands converted to residential use

Cheshire/Buyuklieva proposed a tax on the market value of all new developments on the released Greenfield lands to capture the increased land value for social purposes, including local infrastructure and funding commuter rail. The tax would be 20% of the new developments' market value, whether commercial or residential. They estimate that allowing development in an 800-metre radius of the 319 commuter stations in the London city region alone would yield revenue between 66.0 and 82.5 billion pounds.

This new tax would replace existing financial obligations to fund infrastructure in England, such as Section 106 and the Community Infrastructure Levy, but would generate a sizeable additional revenue flow.

Comment

Taxing the land value created by upzoning greenbelt farmland for residential and other urban uses is a sensible proposition since action by the government created the additional value. This tax should not replace existing financial levies like development charges imposed on all new developments. Development charges alone amount to around 13% of the final value of homes built in the 905 regions.

For released greenbelt land in Ontario, it seems appropriate to retain all existing financial obligations and introduce a hefty new tax, given the value uplift in redesignating greenbelt land for residential use. The tax should probably be on the land value of the land after its redesignation. When the owner of the land sells the land after its redesignation (e.g., a speculator rather than a developer/builder or a legitimate farmer), a 50% tax on the value of the land should be considered.

Creating a public sector development corporation is not the way to go in Ontario

Cheshire/Buyuklieva recommend the creation of a “green development corporation” to facilitate and speed up the development of newly released greenbelt land in each city region. They say the London Docklands Development Corporation provides a good and successful example of how this can be achieved. However, they are not proposing the new development corporation buy the land.

Comment

The Province has the power through the Minister's Zoning Orders and negotiating agreements with developers to ensure that the released lands have housing built on them quickly. There is no need for a new development corporation.

Lessons from Portland Oregon's Urban Growth Boundary for Toronto Greenbelt land removals

Summary Description

Portland Metro manages the Portland region's Urban Growth Boundary created in the late 1970s. The boundary separates urban from rural land: “The boundary is one of the tools to protect farms and forests from urban sprawl and promote the efficient use of land, public facilities and services inside the boundary.”²¹

²¹ The summary is based on documents on the Metro Portland website including Urban Growth Boundary (Overview and History), UGB 101: Everything you wanted to know about the urban growth boundary, but were afraid to ask, and the 2018 Urban Growth Report. The quote is from the Overview.

Oregon law requires Portland Metro to evaluate the capacity of the urban growth boundary to accommodate a 20-year forecast of housing needs and employment growth at least every six years.²² Three dimensions of housing needs are examined: tenure (own or rent), type (single-family and multi-family) and effects on households in different income categories. Oregon's urban growth boundaries are not intended to be static. As previously noted, the urban growth boundary has been expanded on rural land about three dozen times.

Goals of Oregon's planning initiatives including urban growth boundaries is to encourage multi-family development in existing business districts and to offer a variety of housing options, not just single-family homes, on greenfield lands

As noted earlier, the development of a regional land information system is regarded as one of the most important elements of the metropolitan Portland, Oregon's successful growth management program.

Comment

Oregon has adopted a pragmatic approach to expansion of urban areas into rural land. Its requirement for municipalities like Metro Portland to prepare periodic Urban Growth reports is similar to the Ontario Governments' Land Needs Assessment reports that upper tier and single-tier municipalities were required to prepare for the 2021-2051 period.

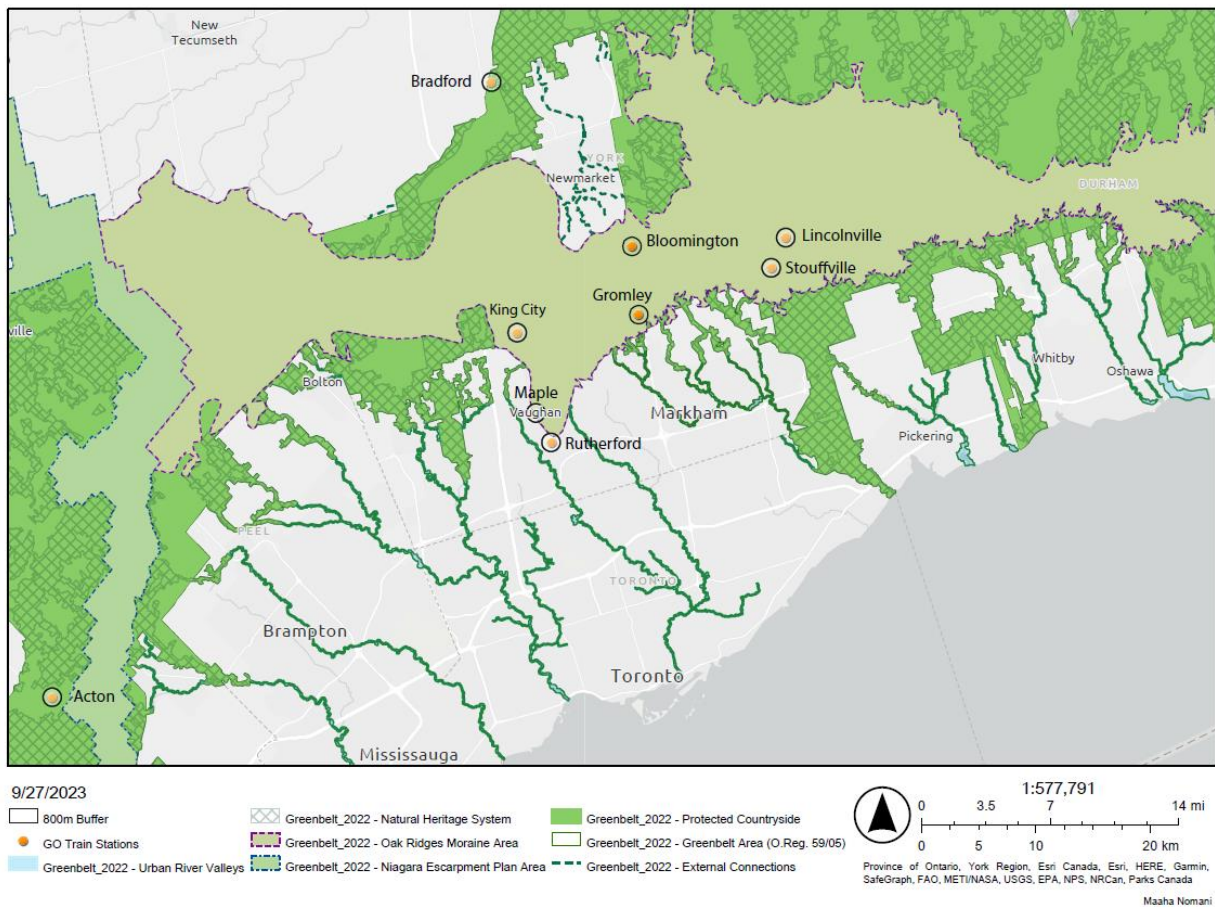
The main message for Ontario is that urban growth is dynamic and occurs both up and out even when the goal is to encourage increased densities and housing mix and it is important to have a comprehensive land information database including acreage data by detail use in the Greenbelt and the societal prioritization of the various uses.

Concluding comments

There is strong policy support for removing lands from the Greenbelt if they satisfy one or both criteria: the land surrounds a commuter transit station (GO train) or the land can be readily serviced and made available quickly for residential development. The value uplift from the removal of land should be subjected to a land value tax, with the proceeds used to fund infrastructure, including transit and affordable housing.

APPENDIX

Appendix Figure 1: Go Train Stations Located in the Greenbelt, Northern Greater Golden Horseshoe



Appendix Figure 2: Go Train Stations Located in the Greenbelt, Western Greater Golden Horseshoe

