

*“Promoting better urban policy through economic understanding”*

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**Re: Comments on Proposed Amendment 1 to the Growth Plan for the Greater Golden Horseshoe (GGH), ERO number: 013-4504**

On behalf of the Centre for Urban Research and Land Development at Ryerson University (“CUR”), we welcome this opportunity to provide comments and suggestions regarding the proposed changes to the **2017 Growth Plan for the Greater Golden Horseshoe** (“2017 Growth Plan”) which were posted on the Ministry’s website on January 15, 2019.

We are strong supporters of regional planning given that the forces determining growth and prosperity and the spatial distribution of economic activity are regional in scope and do not coincide with the political boundaries of municipalities.

Researchers at CUR have done considerable research into the impact of the Growth Plan (mainly regarding the 2006 plan but also with regard to the 2017 plan) within the context of the overall land use planning framework in the Greater Golden Horseshoe (GGH) and the Greater Toronto and Hamilton Area, including its adverse effects on housing market affordability and the resulting economic impacts. We have also have proposed changes for countering these adverse impacts. This research includes:

- [\*Why There is a Shortage of New Ground-Related Housing in the GTA, June 2015\*](#)
- [\*Affordable Housing and Land Supply Issues in the Greater Toronto Area - What the Academic Literature Tells Us, November 4, 2016\*](#)
- [\*The Need to Make Housing Affordability a Primary Goal in Regional Planning for the Greater Golden Horseshoe, November 8, 2016\*](#)
- [\*Action Plan for Improving Housing Affordability in the Greater Golden Horseshoe, July 17, 2018\*](#)

## Overview

We concur with the goal of streamlining growth management in the Greater Golden Horseshoe to achieve a more streamlined planning process, more land for housing, and more housing and jobs near transit. Research conducted by CUR since our foundation has unambiguously demonstrated that the land use planning system abetted by the Growth Plan provisions has been a significant and growing cause of rising housing prices since the mid-2000s in the region as well as a cause of greater income and wealth disparity and has acted as a drag on the region’s pace of economic growth.

## **We propose three key changes to the Amendment 1 proposals**

### **1. Replace Policy 2.2.6.2 from the 2017 Growth Plan**

We suggest that Policy 2.2.6.2 in the 2017 Growth Plan should be dropped to ensure that Policy 1.4.1 of paramountcy of the Provincial Policy Statement (PPS) concerning the provision that municipalities maintain a continuous supply of residential sites with servicing capacity of a minimum of three years as well as a continuous minimum 10-year supply of land at all times to accommodate projected housing demand.

This policy should be replaced with text that emphasizes the enforcement of Policy 1.4.1 of the PPS with an explicit mention that Policy 1.4.1 applies to each housing unit type germane to the municipality.

### **2. Drop the requirements that municipalities are to use the 2017 Provincial Land Methodology for residential lands**

We also suggest that the Minister use his authority under Policy 2.2.1.5 to instruct municipalities to cease using the planning-driven methodology for forecasting residential land needs introduced by the previous government and replace it with a requirement to use a market and economic-driven approach like the methodology typically used by housing market analysts (which by the way is the approach used in the methodology introduced by the Province back in 1995).

### **3. Define Major Transit Station Areas as approximately 800 metres**

Lastly, we suggest that the areas surrounding Major Transit Stations be delineated as a radius of 800 metres rather than 500 to 800 metres.

## **More housing of the types being demanded by the population**

We support the thrust of the proposed changes to increase the supply of a range of housing types as a mechanism for bringing greater affordability to the residents of the GGH and ameliorate other negative economic impacts inherent in the 2017 Growth Plan. We also support the proposals to introduce more flexibility to facilitate market-driven land use changes where these are to the economic benefit of the region at large and to enlarge the densification radius around major transit stations.

## **Policy 2.2.6 should be revised to acknowledge the supremacy of the PPP policies 1.4.1**

A concern we have with the proposed changes in Policy 2.2.6 is that they fall short in ensuring municipalities support housing choice in response to housing need and demand in a timely fashion. There is a critical need to ensure an ample supply of serviced sites in both greenfields and built up areas to meet the growing demands for housing ranging from ground-related (singles, semis and townhouses) to duplexes and low-rise, mid-rise and high-rise apartments, both in the shorter-term (three to five years) and the medium-term (10 years).

We would urge the Province to consider dropping Policy 2.2.6.2 (starting with “Notwithstanding policy 1.4.1 of the PPS...”). Replacement text should mention the paramountcy of the PPS and make sure municipalities have a clear understanding of their responsibilities to maintain a continuous minimum supply of serviced or readily serviceable sites for new housing by unit type (including so-called missing middle units, i.e., units types including duplexes, triplexes and quadraplexes, stacked townhouses and apartment structures of four storeys or less), both in the short and the medium term.

### **Differentiated minimum intensification targets**

Changing the minimum intensification target in the 2017 Growth Plan of a uniform 60% for delineated built-up areas throughout the GGH to flexible targets reflecting differences amongst the municipalities is sensible as it recognizes the significant differences that exist. It is also in accordance with the recognition that the GGH encompasses nine distinct economic regions (census metropolitan areas) with their own housing markets and economic bases – regional planning policies for the GGH should always take these economic regional differences into consideration.

### **Lower and differentiated density targets**

The minimum density target for designated greenfield lands of 80 persons and jobs per hectare throughout the GGH in the 2017 Growth Plan was unrealistic both in terms of the kinds of housing units that would have to be built and the regional economic differences noted in the preceding paragraph. Introducing a flexible minimum target between 40 and 60 persons and jobs per hectare will yield a housing mix more in tune with what homebuyers and renters prefer: more ground-related housing units and fewer high-rise apartments.

### **Enlargement of Major Transit Station Areas**

We support extending the area around any existing or planned higher-order transit station or stop to approximately an 800-metre radius from the previous 500 metres. We urge tightening the definition of Major Transit Station Area from the suggested 500 to 800 metre radius to read just “approximately 800-metres”. Hopefully with this expanded radius municipalities can encourage the development of more missing middle housing types in the outer parts of the area.

### **Policy changes to employment areas**

Regarding employment areas, we opine that low-density industrial areas within major transit station areas should be densified to accommodate office buildings and other multi-storey commercial, institutional uses and residential uses to increase the numbers of transit users.

We like the idea of Provincially Significant Employment Zones since they recognize that important economic zones like the Pearson Airport Hub zones, Meadowvale (401/407) and Milliken/Markham (404/407) overlap two or more municipalities.

We also support the reduced rigidity proposed for changes in certain employment area lands in between Municipal Comprehensive Reviews.

We urge caution for the Province in the designation of Provincially Significant Employment Zones. This protection should be limited to viable employment areas and not to areas with obsolete or low-priority industrial uses which are ripe or becoming ripe for conversion to other uses like housing.

### **Methodology for assessing resident land needs**

There is a definite need for a methodology for assessing residential land needs but the methodology introduced by the previous provincial government in early 2017 should be abandoned because it completely ignores market and economic realities. Oddly enough, while the methodology now in place bases residential land requirements on meeting planning dictates, its methodology for assessing employment and office land needs incorporates a market-based focus.

In CUR, 2016, we supported use of a standard methodology for projecting residential land needs as long as it is market based, that is, it assesses the demand for various types of housing using forecasting techniques now employed by industry analysts and that land supply is appropriated measured ([Feedback on the Province's Proposed Methodology for Land Needs Assessment for the Greater Golden Horseshoe \(GGH\)](#)). We recommended then and recommend now that the Province should resurrect and update the methodology guide it released in 1995 as it still represents a very meaningful framework for ascertaining residential land requirements.

If you have any questions or comments on the contents of this letter, please let us know.

Regards,



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