



The Future of Housing in the GTHA The Impact of Land Use Policy

Commentary

Building Industry and Land Development Association
Malone Given Parsons Ltd.

November 20, 2018



About Malone Given Parsons Ltd.

Malone Given Parsons Ltd. (MGP) has been providing planning, economic and development management expertise to the public and private sectors since 1978. The firm is one of the largest planning consulting firms in Canada offering partner level specialized expertise in urban and regional planning, master planning, development approvals, retail and commercial market analysis, economic development and growth management strategies, and land economics.

The firm has been actively involved as lead planners for new Greater Toronto and Hamilton Area (GTHA) community areas that now house over half a million people and is engaged in leading planning efforts throughout the region's New Community Areas. This front-line experience gives practitioners' insights into how policy implementation works on the ground. MGP has also developed a comprehensive GIS database describing land use designations and development status throughout the GTHA that enables the quantification of land use areas subject to the Growth Plan policies.

MGP's combination of experience and data provide a unique platform from which to offer evidence-based comment on the implications of the Growth Plan for the Greater Golden Horseshoe, 2006 (2006 Growth Plan) and the Growth Plan for the Greater Golden Horseshoe, 2017 (2017 Growth Plan).

More information on MGP is available from <http://www.mgp.ca/>

About the Building Industry and Land Development Association (BILD)

With 1,500 member companies, BILD is the voice of the home building, land development and professional renovation industry in the Greater Toronto Area and Simcoe County. The building and renovation industry provides \$33 billion in investment value and employs 271,000 people in the region. BILD is proudly affiliated with the Ontario and Canadian Home Builders' Associations.

BILD members are city builders. They build and renovate the residential and commercial buildings across the GTA where residents work, live and play. As an organization, BILD's primary role is to advocate with local and provincial governments for responsible and informed policy that recognizes the important role our membership plays in meeting the residential and commercial building needs of a growing region.

BILD educates and equips political partners and staff with up-to-date data and facts on the industry, and its contribution to the local and national economy. We facilitate information sharing and discussions between the industry, stakeholders and governments of all levels to inform effective policy decisions for the home-buying public, businesses of the GTA and our members. Lastly, BILD, on its own and in partnership with academia and trusted consultants, produces commentaries, research reports, and compiles statistics to provide the public, government officials and other third parties with reliable information on the industry and key trends.

More information on BILD is available from <http://bildgta.ca/>

Executive Summary

Malone Given Parsons Ltd. (MGP) has undertaken a comprehensive analysis of Designated Greenfield land supply throughout the GTHA and Simcoe County for the Building Industry and Land Development Association (BILD). This work has determined that there is currently 12,800 hectares of vacant Designated Greenfield Community land (that is not yet committed to development) for new residential housing to meet demand within the 2031 planning horizon. This area represents 4.5% of the total settlement lands in the GTHA and is down from the 6% of the total (17,200 hectares) observed in a similar study by MGP in 2017.

The analysis enables an examination of the impact of Ontario's Growth Policies on land use in the region. Since the early 1990s there has been a shift to more compact development patterns and a greater integration of transit and land use planning in the GTHA. In concert with the Provincial Policy Statement (PPS), policy has increased environmental protection for future generations. Ontario's Growth Plans for the Greater Golden Horseshoe (GGH) (2006 and 2017) target development of complete communities that are compact, transit-supportive, and that make efficient use of investments in infrastructure and public service facilities. Unfortunately, these policies have also had unintended consequences that are challenging good planning and significantly lengthen and encumber the land development process in the region, which in turn is impacting housing supply and affordability.

Specifically:

- The 2006 Growth Plan and related Planning Act changes introduced complex planning requirements that municipalities struggled to meet, in some cases missing legislated deadlines by over a decade. In addition to the creation of a new process, the implementation of the Growth Plan was significantly delayed by a lack of guidance material. This caused uncertainty and multiple appeals of municipal implementation. This all combined to slow the inclusion,
- planning, and development of the Designated Greenfield Community lands required to meet the Growth Plan forecasts - meaning that much of the land that is required to be developed for new housing within the 2031 planning horizon will not be developable within that timeframe.
- The Growth Plan for the Greater Golden Horseshoe (2017 Growth Plan) further compounds this situation by introducing new requirements for higher densities on Designated Greenfield lands. In doing this, the 2017 Growth Plan also removed consideration of projected housing needs from the analysis for new land requirements, in essence requiring density without considering actual need for housing by type of unit. It further required a new, more extensive and lengthy Municipal Comprehensive Review (MCR) to identify requirements for new lands to meet forecasted needs.
- Based on the above, we can expect a shortfall of Designated Greenfield land for new residential development for the remainder of the period to 2031. This will continue to drive increases in land value. This inflationary pressure, absent of changes and broader economic shifts, will likely extend beyond the 2031 planning horizon.
- Density targets for new community areas are well in excess of those realized in large portions of the Built-Up area within stable neighbourhoods (or "the yellow-belt"). This will have the unintended consequence of pushing density away from existing infrastructure and higher order transit, while leaving large areas within the Built-Up area below the 2006 Growth Plan minimum density target of 50 people and jobs/hectare associated with basic level of transit service.
- There remains a significant opportunity to optimize existing investment in infrastructure by pursuing policies that encourage gentle densification across the large swaths of "stable neighbourhoods" in the GTHA. This could

be addressed by more directly encouraging intensification throughout the Built-Up area.

It is possible to address these situations by fine-tuning the existing Growth Policies. This can be done by:

- Simplifying and streamlining the process that municipalities must undertake for conformity to 2017 Growth Plan requirements.
- Cutting bureaucratic red tape and eliminating double work by removing requirements for studies and impact assessments that are duplicates of those already required under the Provincial Policy Statements (PPS).
- Eliminating complexity and giving municipalities the time to catch up by restoring the intensification and density targets from the 2006 Growth Plan. In addition, allowing for a simplified process for assessing requests for different targets when there are specific regional (upper-tier) challenges to delivering growth (such as a lack of infrastructure or transit investment).
- Making sure future housing requirements are considered when determining future land needs, specifically including the assessment of projected housing needs by type to meet the Provincial Policy Statement requirements for an appropriate mix and range of housing when conducting Land Needs Assessments for new Community Areas.
- Encouraging gentle intensification across the region by clarifying and amending the Growth Plan policies to encourage intensification through the entire Built Up area of the GTHA. This will allow for a greater variety of housing options and greater integration of transit and land use planning in the yellow-belt.
- Optimizing investment in transit and infrastructure by reinforcing the policies for minimum densities and higher-density permissions in Urban Growth Centers and Major

Transit Station Areas. This should be balanced by allowing municipalities the autonomy to define these areas through the local planning process.

- Providing greater certainty for future development by identifying the agricultural and rural lands in the inner-ring (the so-called 'Whitebelt') as a future urban reserve in the Growth Plan. This will allow infrastructure and other technical studies to anticipate servicing and downstream impacts from development of these lands, and expedite the development timeframe for future expansions.

Introduction

In 2005, the Ontario Government introduced two new complementary policies that built on 2003 election promises. These policies were to protect the environmentally sensitive Oak Ridges Moraine and the lands now known as the Greenbelt, and to direct future development in the Greater Toronto and Hamilton Area (GTHA) in a way that balanced future housing, transportation and regional public service facilities with “regional needs for farmland and natural areas”¹. These were the Green Belt Act 2005 and Places to Grow Act 2005 – the latter resulting in the policy document Places to Grow 2006. (2006 Growth Plan)

This joint Building Industry and Land Development Association (BILD) and Malone Given Parson Ltd. (MGP) commentary builds on the 2018 “Greater Toronto and Hamilton Area Land Supply Analysis”² by MGP. It does not touch on issues pertaining to the Greenbelt. The commentary does, however, examine some of the ways that the conditions introduced by the 2006 Growth Plan policies (and those of its direct descendant, 2017 Growth Plan for the Greater Golden Horseshoe, 2017) have distorted land use and planning in the GTHA. This in turn has impacted the housing market and has contributed to the inflation of housing values.

This document is a plain language distillation of the key observations from the MGP Land Supply Analysis.

The 2018 Greater Toronto and Hamilton Area Land Supply Analysis

A full copy of the Analysis is available here.

MGP has undertaken an extensive analysis of land supply throughout the GTHA and Simcoe County. This is a follow up to a similar analysis undertaken by MGP in 2017 entitled “Getting the Growth Plan Right”³. This year’s analysis references current (2018) data, the 2017 report references 2016 data.

The study has built on the digitization of all upper, lower and single-tier Official Plans through to a secondary plan level of detail (where available). The study also uses mapping of Provincial Plans, infrastructure, and environmental feature boundaries derived from public data sources, as a basis for a complete analysis of the status of ongoing development approvals as of October 30, 2017.

The study:

1. Has inventoried and analyzed Designated Greenfield areas, region by region and municipality by municipality. It categorizes land by usage type separating “community areas” from “employment areas” and then removes “non-developable land” from the calculation. Non-developable lands are areas such as rights-of-ways and natural heritage features where development and building cannot occur.
2. Removes already “committed lands” from the calculation to determine a true picture of “vacant” Designated Greenfield areas. Committed lands are lands that have already been built out with new development, lands where construction is already underway or lands with a draft plan of subdivision approval or registration.
3. Additionally provides:
 - Data sourced from Statistics Canada 2016 Census on occupied dwellings by type by city/region.
 - Data sourced from Statistics Canada 2016 Census on persons per unit (PPU) by city/region.
 - An analysis of population density by city/region.
 - A mapping of higher order transit corridors relative to land supply.

1 https://www.placestogrow.ca/index.php?option=com_content&task=view&id=4&Itemid=9

2 “Greater Toronto and Hamilton Area Land Supply Analysis”, Malone Given Parsons Ltd., October 2018

3 Getting the Growth Plan Right, Malone Givens Parson Ltd., March 2017

The Housing Challenge

The Greater Toronto and Hamilton Area (GTHA) is in the midst of unprecedented growth. By 2041 the population of the Greater Toronto Area (GTA) alone is anticipated to grow to 9.7 million people⁴ or approximately 115,000 new residents per year. With housing inventories at near ten-year lows⁵ (see graph below) and the time it takes to bring new housing to market, increasing housing for the growing population will remain a generational and defining issue.

Housing a growing population in the region, at prices that average residents can afford, is predicated on the supply of new homes (single-family houses, middle density, such as stacked townhomes and mid-rise apartments, and high-rise apartments).

Situating this housing can either be done by infill, on vacant land, replacing a pre-existing structure within an established community, or as an entirely new community (neighbourhood) on Designated Greenfield community vacant lands.

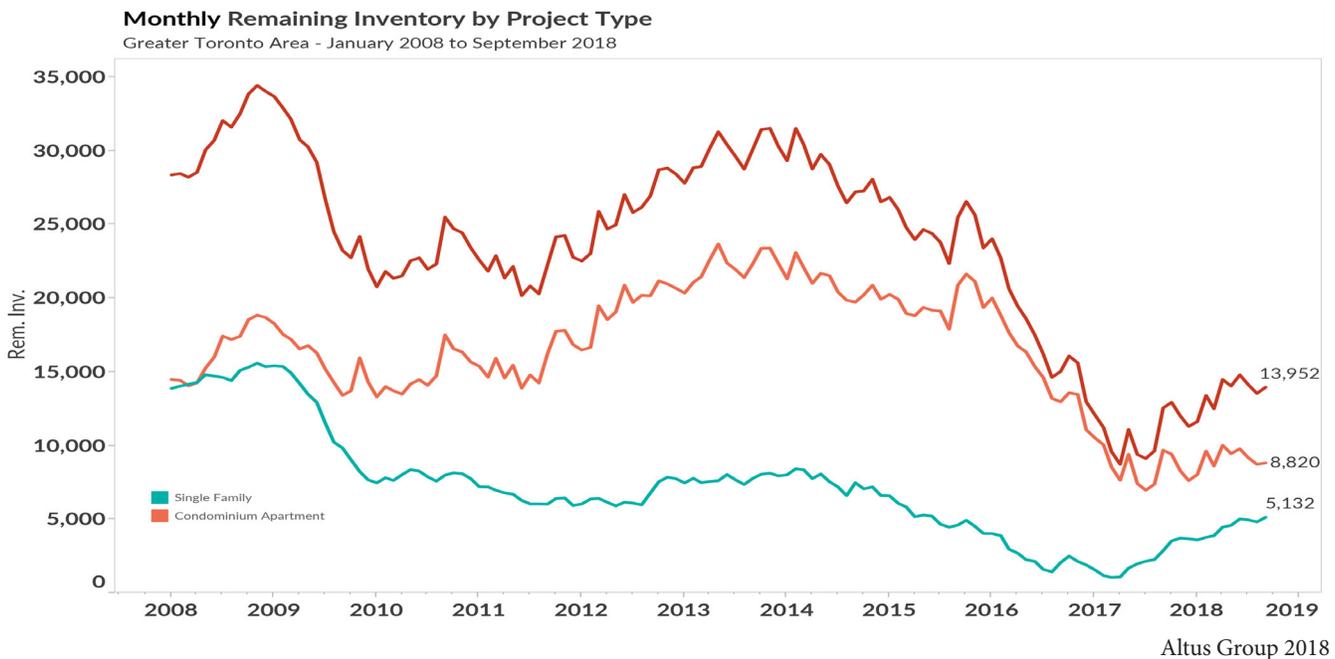
Building within an existing neighbourhood through re-development is subject to all municipal planning, zoning and fulfilling conditions of approvals.

In addition, there may be provincial or conservation authority requirements or restrictions that apply.

Designated Greenfield Community lands are generally vacant lands to accommodate new and future housing identified within a municipality's Official Plan under Ontario's Planning Act. They too are subject to a lengthy development approvals process.

Consequently, successfully meeting the future housing challenge is largely dependent:

- On being able to build more housing within established communities and areas, at densities higher than current levels.
- On the supply of available, vacant designated community greenfield lands for new housing.



⁴ <https://www.fin.gov.on.ca/en/economy/demographics/projections/>

⁵ Monthly Remaining Inventory by project type, January 2008-August 2018, Altus Group

A Note on the Planning Process in Ontario

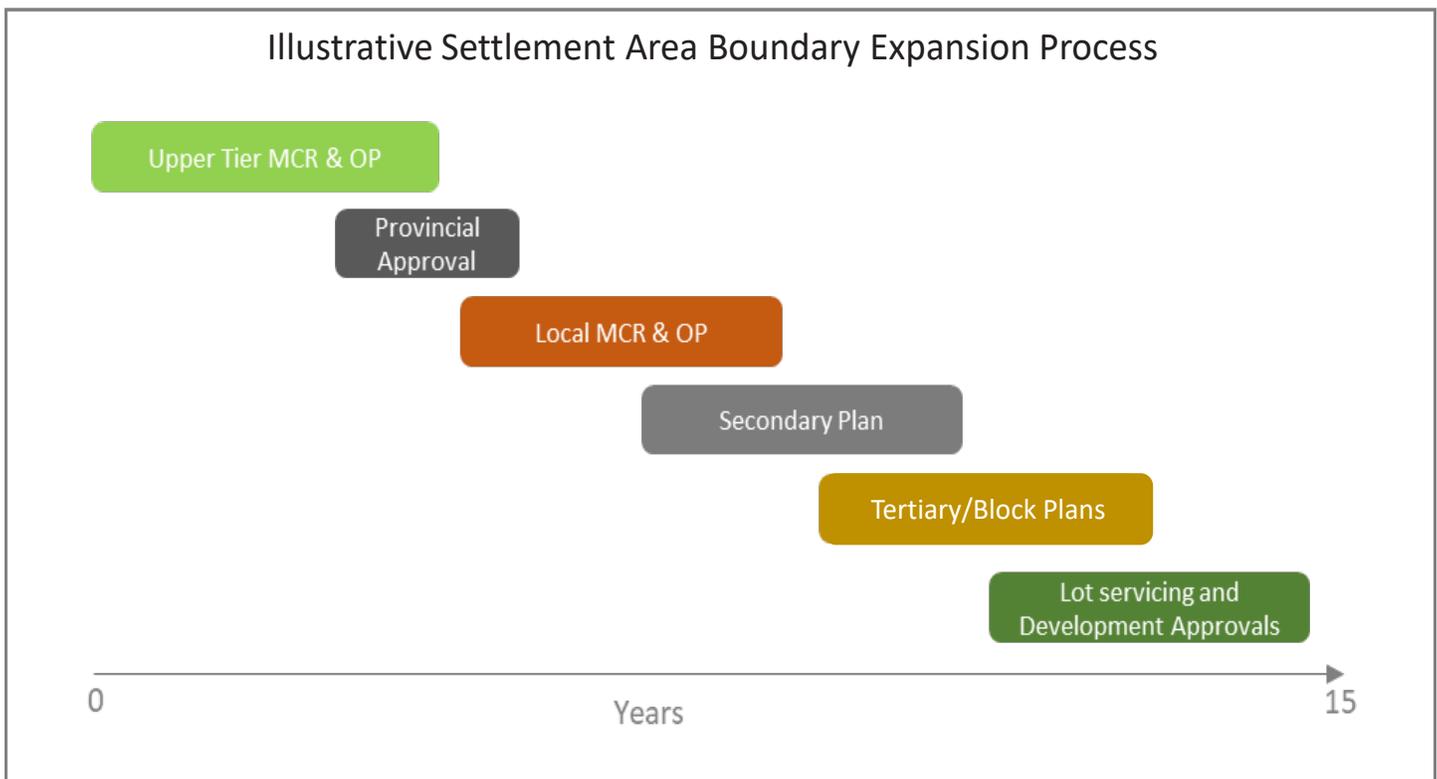
A common misconception of members of the public is that raw land can be designated for the construction of residential homes in an expeditious manner, or that new residential condominium apartments can be built anywhere, anytime.

The reality is that land use planning and development in Ontario is governed by a complex process under Ontario's Planning Act. This process entails multiple levels of policy planning (municipal led-study and plan making) then development planning (developer-led detailed land use plans leading to building permits) within which development must be demonstrated to be in conformity with municipal (both lower and single/upper-tier) and provincial plan policies and consistent with the Provincial Policy Statement.

In this process, municipal councils, the public, developers, planners, landowners and other experts engage in consultation and discussion and play an important role in shaping communities - existing, expanding and new. As is often the case, significant comments or concerns are raised through each part of the process requiring time to assess, respond and re-engage all stakeholders prior to resolving matters of concern or technical issues.

Provincial and municipal policy planning is to be revisited every 10 years, with an accompanying requirement that municipalities update zoning bylaws within three years of completion of the municipal official plan update.

Layered on top of the requirements of the Planning Act, and depending on the region of Ontario,



additional provincial plans may provide more requirements. In the case of the GTHA the 2017 Growth Plan and its predecessor the 2006 Growth Plan apply.

In summary these plans:

- Direct, future growth to Built-Up areas where the capacity exists to best accommodate the expected population and employment growth, and to enable more transit-oriented densities. This is supported with specific density targets.
- Identify and enable the conservation of natural system and prime agricultural areas, including enhancing the protection of these valuable resources.
- Support the protection of water, air, and cultural heritage.

Under the Planning Act, in order to add new lands, either for use as new municipal community or employment lands, a town or city must go through a process referred to as “Settlement Area Boundary Expansion” (see figure on the next page). In this process local governments must undertake an Upper Tier (Regional) Municipal Comprehensive Review (MCR) and an update of the Upper Tier Official Plan, followed by a Lower Tier (municipal) MCR and an update of the municipality Official Plan. After these processes are completed, and barring any appeals, then secondary plans, tertiary plans (block plans where required) and development applications of the normal development process can be undertaken. While timeframes vary, these processes typically take between 10 and 15 years to complete and can include over a dozen agencies, provincial ministries, federal government departments, ratepayers and stakeholder groups.

The net impact of the Planning Act and supporting plans is that land supply and use are highly regulated in Ontario. Increasing the supply of new land for housing is subject to a process that can take as long as a decade or more.

Observation # 1: Supply of Designated Community Greenfield Lands is Shrinking, with the Land Easiest to Develop Already Largely Having Been Used.

Based on the analysis undertaken in the MGP report, and as of October 30, 2018, there are 12,800 hectares of “vacant” residential Designated Community Greenfield land that have not yet been “committed”. This represents 4.5% of the total 285,000 hectares of Settlement Area lands in the GTHA.

This figure is down from the 17,200 hectares or 6% of the total of Settlement Area lands in the GTHA measured in the 2017 report (based on 2016 data sets).

This Designated Community Greenfield vacant land supply is a “net” number designated as new community areas to accommodate growth to 2031. It accounts for and excludes all areas that cannot be developed such as wetlands, woodlands and other “take-outs”, as well as all employment area lands that prohibit residential development.

Of the 28,700 hectares that were available to the 2031 planning horizon as total developable community areas, 55% has been committed, with 40% already built out, 8% under construction or registered and 7% having draft approval. It is important to note that these were the easier lands to develop, with enough infrastructure and generally having been approved prior to the 2006 Growth Plan.

Land Supply Table

Provincial Growth Plan Areas, Committed and Vacant Greenfields (ha)

	Toronto	Durham Region	York Region	Peel Region	Halton Region	Hamilton	Total GTHA	Simcoe County
Total Growth Plan - Gross Area	60,900	55,500	73,200	71,400	45,800	30,900	337,700	488,100
Whitebelt	0	11,100	6,100	10,900	10,400	3,700	42,200	434,000
Built-Up Area	60,900	31,200	46,400	49,700	23,000	21,600	232,800	35,300
Gross Designated Greenfield Area	0	10,600	18,100	10,000	8,800	3,400	50,900	17,300
Non-Developable Area	0	4,100	7,600	1,700	2,500	500	16,400	8,600
Net Community Area	0	4,700	7,500	5,200	3,800	2,200	23,400	6,000
Net Employment Area	0	1,800	2,900	1,800	2,300	700	9,500	2,600
Net Uses to be Determined	0	0	0	1,300	100	0	1,400	100
Gross Expansion Area	0	2,600	2,600	800	3,600	2,200	11,800	1,500
Non-Developable Area	0	600	400	200	700	300	2,200	400
Net Community Area	0	1,300	1,700	400	1,800	100	5,200	1,000
Net Employment Area	0	400	500	200	1,200	700	3,000	200
Net Uses to be Determined	0	300	0	0	0	1,100	1,300	0
Total Developable Area - Net Area	0	8,500	12,700	8,800	9,200	4,800	44,000	9,900
Total Community Area	0	6,000	9,200	5,600	5,600	2,300	28,700	7,000
Total Employment Area	0	2,200	3,400	2,000	3,500	1,400	12,500	2,800
Total Uses to be Determined	0	300	0	1,300	100	1,100	2,800	100
Total Committed Land	0	3,400	6,200	4,400	2,800	1,800	18,500	4,700
Community Area	0	3,100	5,300	3,800	2,100	1,500	15,800	4,100
<i>Built</i>	0	1,600	4,000	3,100	1,800	1,000	11,500	2,000
<i>Under Construction/Registered</i>	0	500	800	500	300	300	2,400	400
<i>Draft Approved</i>	0	1,000	500	200	0	200	1,900	1,700
Employment Area	0	300	900	600	700	300	2,700	500
<i>Built</i>	0	100	600	500	500	100	1,700	200
<i>Under Construction/Registered</i>	0	0	100	100	100	100	400	100
<i>Draft Approved</i>	0	100	200	0	100	100	500	200
Total Vacant Land	0	5,100	6,500	4,400	6,400	3,000	25,500	5,200
Community Area	0	2,900	3,900	1,800	3,500	800	12,800	2,800
<i>Application in Progress</i>	0	800	500	300	600	100	2,400	700
<i>OP Designated</i>	0	2,100	2,700	1,300	1,100	600	7,800	2,100
<i>No Approved Planning</i>	0	0	700	200	1,800	0	2,700	100
Employment Area	0	1,900	2,600	1,400	2,800	1,200	9,800	2,200
<i>Application in Progress</i>	0	300	100	300	200	100	1,000	100
<i>OP Designated</i>	0	1,600	2,000	1,100	1,400	1,100	7,300	2,100
<i>No Approved Planning</i>	0	0	500	0	1,200	0	1,600	0
Uses to be Determined	0	300	0	1,300	100	1,100	2,800	100

Observation #2: Introduction of the 2006 Growth Plan Created Constraints to Keeping Pace with the Province's 2031 Planning Horizon:

In order to achieve the stated objectives, the 2006 Growth Plan introduced a series of requirements for municipalities in the planning process, including (but not limited to):

- Apply an intensification target which specified that by 2015, and each year thereafter, a minimum of 40% of new residential development is to occur within the built-up area of each upper tier (i.e. region) or single tier municipality (i.e. Toronto).
- Designate urban cores as “urban growth centres” and apply a minimum people and jobs density that varies based on the urban growth centre (e.g. downtown Toronto – 450 people and jobs per hectare).
- Apply a density target of 50 people and jobs for Designated Greenfield vacant land.

- Develop and implement through their Official Plans and supporting documents a strategy and policies to phase-in and achieve the intensification targets.
- Undertake planning and approval of secondary plans building on the approved Official Plans.

In addition, the 2006 Growth Plan created a policy intent for intensification around major transit station areas (MTSA) but did not provide specific guidance/targets to municipalities.

The collective impact of the above and other instituted requirements resulted in significant delays in the normal municipal planning cycle. The 2009 deadline for completing this work for Designated Greenfield areas was broadly missed, with municipal work taking five years or more past the government deadline. In fact, at time of writing, or nearly a decade after the 2009 deadline, some municipalities in the GTHA have yet to complete the required work. This has had a significant impact on the pace of development.

It is also worthwhile to note that the levels of community resistance to increased density levels, as required in the plan, also created a delay in the pace of this work and development.

As a result, and with the exception of Seaton and West Whitby, none of the expansion areas approved to meet land needs to 2031 in the GTHA (or 11,800 hectares) have commenced development. Most of these expansion areas will not be complete by 2031, failing to provide the required housing to meet requirements within the 2006 plan forecasts.

The delay in developing significant portions of the Designated Greenfield area has become one of the main constraints for delivering new housing to keep pace with the province's 2031 planning horizon. Plainly stated, while the overall supply of land aligns with growth projections of the 2006 Growth Plan to 2031, the timing for development of much of these lands is likely not achievable by 2031, as approvals to implement the 2006 Growth Plan are 10 years or more behind schedule.

Observation #3: Introduction of the 2017 Growth Plan for the Greater Golden Horseshoe Further Compounds the Delays Created by the 2006 Plan.

In 2015, the provincial government began consultations to update the 2006 Growth Plan. This, despite the fact that work was still ongoing in municipalities to conform to the original requirements. This further compounded the delays outlined in Observation # 2 (above), as municipalities slowed or halted conformity work in anticipation of updated requirements in the proposed new plans.

Once finalized and published, the 2017 Growth Plan then required municipalities to:

- Apply a new intensification target which specified for the next MCR, and each year until 2031, a minimum of 50% of new residential development should occur within the built-up area of each upper tier (i.e. Region) or single tier municipality (i.e. Toronto). By 2031, and each

year thereafter, the minimum increases to 60%.

- Continue to designate urban cores as “urban growth centres” and apply a minimum people and jobs density that varies based on municipality.
- Plan to a new increased density level of 80 people and jobs per hectare for Designated Greenfield lands.
- Undertake a new conformity exercise, including an MCR to demonstrate single, upper and lower tier compliance to the plan for the new 2041 planning horizon.

In addition, the 2017 Growth Plan provided specific guidance to municipalities for development around MTSA's. Specifically, major transit station areas on priority transit corridors or subway lines will be planned for a minimum density target of:

- 200 residents and jobs combined per hectare for those that are served by subways;
- 160 residents and jobs combined per hectare for those that are served by light rail transit or bus rapid transit; or
- 150 residents and jobs combined per hectare for those that are served by the GO Transit rail network.

It is worthwhile to note that the 2017 Growth Plan requirements also create a degree of uncertainty for municipalities and industry on how to handle projects that were in process, but not yet built, at the time the requirements of the plans changed.

The 2017 Growth Plan optimistically calls for a 2022 deadline to complete the conformity exercise. With an MCR taking on average five years or more to complete, the attendant uncertainty and confusion surrounding the transition from 2006 to 2017 Growth Plan requirements and the fact that many municipalities in the GTHA have not yet commenced this process, the trajectory of conformity to the 2017 Growth Plan requirement, and its constraining impact is looking eerily similar to the 2006 Growth Plan experience.

Implications for Housing Affordability and Supply:

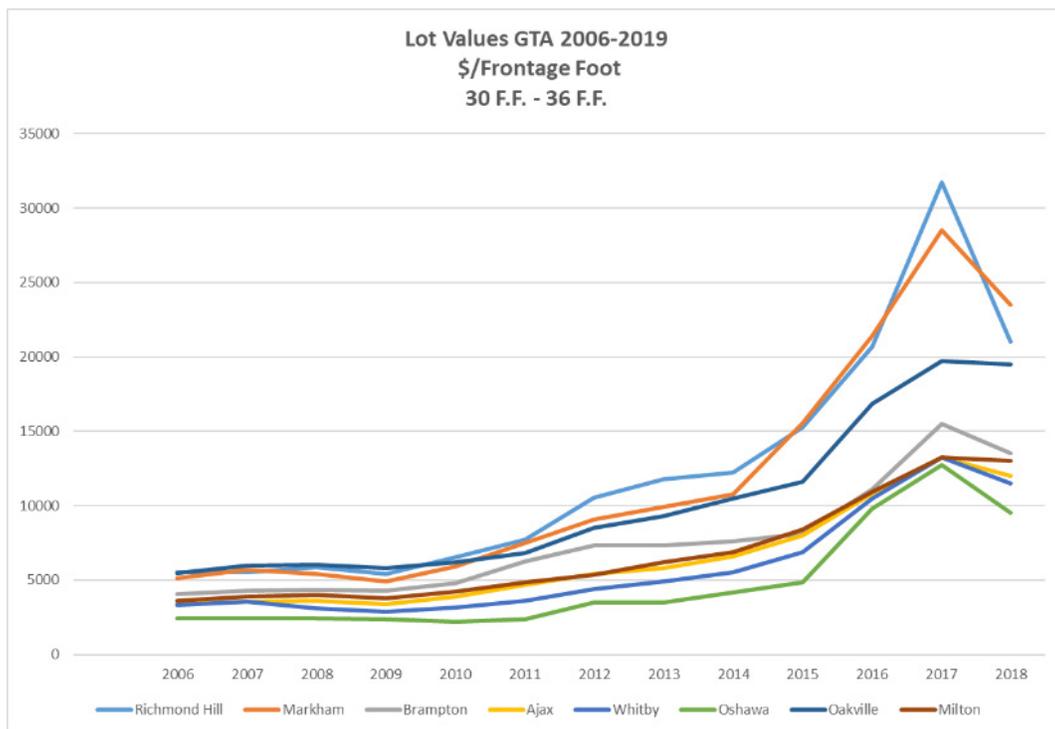
Since 2006 lot values around the region have tripled⁶ and in some cases nearly quadrupled (see graph below). While values have moderated somewhat, and to different degrees in the first half of 2018, this steep increase in values over the past decade is a direct reflection of:

- The decreased availability of the provision of serviced, permit-ready land for grade-related housing (singles, semis and townhouses), and;
- The increasing requirements for planning, environmental and technical studies and approvals have greatly increased the length of time required to take Designated Greenfield lands to the housing construction stage. The need for new servicing infrastructure also extends the time to make land development ready. Sometimes, development charges may not be in place to fund the required services, meaning developers must pay for the work themselves (upfronting the work). Depending on the area, it could take upwards of 10 years before a piece of land is ready for development.

The shortage and subsequent price escalation are thus key contributing factors to the increase in housing prices in the GTHA.

Based on the usage trend noted between the 2017 and 2018 MGP studies, and assuming development in Designated Greenfield areas continues at a similar rate:

- We can expect to experience a severe shortage of Designated Greenfield land for new residential development by mid-next decade (2025) or earlier.
- There will continue to be value escalation in land/lot values further impacting home prices in the GTHA.
- The layering on of the 2017 Growth Plan requirements and the time it takes to develop a new piece of land means that these inflationary pressures will likely extend beyond the 2031 planning horizon. This will increase the challenge of housing the anticipated 115,000 new residents expected in the region every year.



MCAP 2006-2018

Observation # 4: 2017 Targets will Direct Density Away from Transit

MGP’s analysis includes both a density analysis and a mapping of higher order transit corridors relative to land supply.

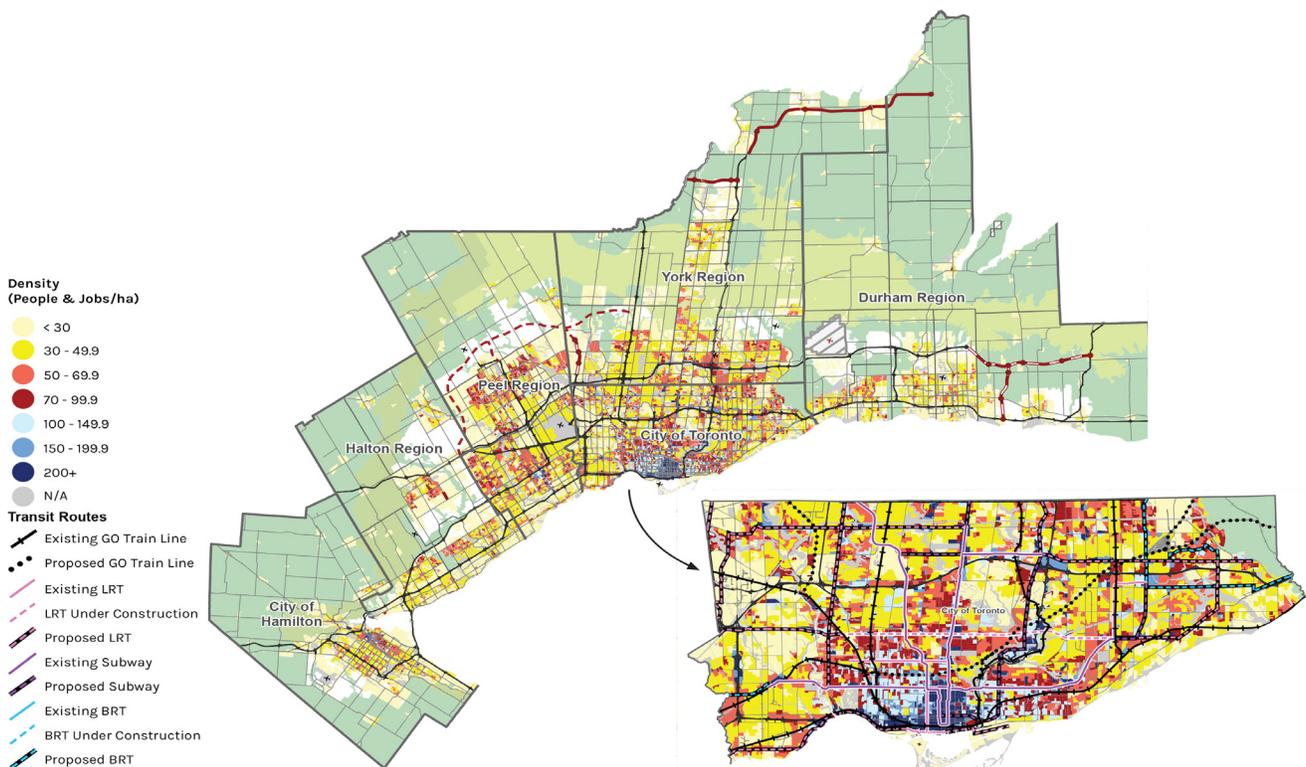
The density analysis demonstrates the core (urban growth center) of the City of Toronto to be highly dense at 200+ people and jobs per hectare or higher, large areas with a density of 30 to 50 people and jobs per hectare throughout Toronto and regional suburbs (existing communities), to areas with higher densities in the urban growth centers of the cities surrounding the GTA.

Existing communities with low density comprises 70% of the GTHA. This “Yellow Belt” of stable neighbourhoods is composed primarily of single and semi-detached units, with densities of 50 people and jobs per hectare or below. These neighbourhoods are highly resistant to intensification, with gentle density and intensification within these communities generally

precluded by policies and community resistance (NIMBYISM) and the resulting political intervention at the municipal level. This makes intensifying in existing communities difficult, time consuming, and expensive.

As a result, densification is occurring principally in urban cores or increasingly under the 2017 Growth Plan in the lands located near the fringes of the GTHA. The 2017 Growth Plan Designated Greenfield area density targets of 80 residents and jobs per hectare is being applied to 12,800 hectares of vacant Community Area lands at the outer most parts of the GTHA. These areas are located at the edge of the GTHA and few of these fringe locations are near existing or planned frequent transit, much less higher order transit. Directing higher densities to these areas is a recipe for traffic congestion and more automobile reliance by putting too much density too far from existing or planned transit – directly opposite to the stated goal of the plan(s).

Population and Employment Distribution



Observation # 5: Significant Opportunity for Gentle Density Across Wide Areas of the GTHA.

An examination of the density and higher order transit in the GTHA shows vast swaths of the GTHA, in proximity to higher order transit, with population densities ranging from less than 30 people and jobs per hectare, to between 30 and 50 people and jobs per hectare.

If the primary objective of the 2006 Growth Plan and subsequent 2017 plan is to intensify built-up areas, particularly those areas in walking distance to transit, then policies to encourage higher densities in these areas should be pursued. Missing middle type housing (townhomes, stacked townhomes and low-rise apartments) represents an opportunity to provide gentle density increases within the built-up area of the GTHA.

Again, like the observation above, community resistance to change and to increased density in existing neighborhoods makes intensifying in existing communities difficult, time consuming, expensive and highly subject to political intervention at the municipal level.

Implications on Infrastructure, Transit and Land Use

Current applications of density targets to Greenfield Residential Areas under the 2017 requirements and lack of policies to support gentle densification in existing communities are resulting in a development pattern with high density in the core and at the fringes of the GTHA, and low density in between.

The implications of this are:

- For large areas of the GTHA, existing infrastructure and transit are under leveraged with low population densities. Increasing the density of these areas represents an opportunity to maximize the potential of land and investment in existing infrastructure.
- Pushing higher density to the urban fringe, away from higher order transit and further away from existing infrastructure increases capital costs for new infrastructure and undermines a core objective of the Growth Plan. In fact, perversely, it will have the opposite impact of increasing reliance on the automobile, increasing traffic congestion and increasing the need for new infrastructure in the form of new roads and highways.



Conclusions:

The policies and implementation of the Places to Grow 2006, and the Growth Plan for the Greater Golden Horseshoe, 2017, have had a number of significant impacts on land use and planning in the GTHA. This in turn, has had consequences on the housing market and has contributed to the inflation of housing values.

Specifically, the requirements of the plans have:

- Created delays in planning that constrain land supply for new grade-oriented family housing.
- Directed density away from transit and infrastructure.
- Called for increased density in stable communities (around higher order transit) but failed to provide mechanisms for that development to occur in a consistent and predictable manner.

Given the challenges of housing a rapidly growing population, and current housing supply shortfalls, there are a number of policy fixes that the provincial government should consider as a priority.

Recommendations:

- 1. Make more Designated Community Greenfield vacant land available for development at a faster pace**, simplify the processes for conformity for municipalities. This can be done by:
 - Restoring the intensification targets and density targets from the 2006 Growth Plan
 - Allow for a simplified process for assessing requests for different targets when there are specific regional (upper-tier) challenges to delivering growth (such as a lack of infrastructure or transit investment).
- 2. Cut bureaucratic red tape and reduce duplication in the planning and approval process** by removing requirements for agricultural impact, sub-watershed studies and other studies that duplicate those required under the Provincial Policy Statements.
- 3. Avoid pushing too much density to fringe areas and away from transit**, provide for 40% intensification target and a Designated Greenfield target of 15 units per hectare (equivalency of 50 residents and jobs/ha) in the 2006 Growth Plan (or a lower alternative target), where consideration of an alternative target will include the availability or lack thereof of infrastructure and public Service Facilities.
- 4. Encourage moderate or gentle intensification across the region by clarifying and amending the Growth Plan policies to encourage intensification through the entire Built Up area of the GTHA.** This will allow for a greater variety of housing options and greater integration of transit and land use planning in the yellow-belt.
- 5. Maximize investment in transit and infrastructure** by reinforcing the policies for minimum densities and higher-density permissions in Urban Growth Centers and Major Transit Station Areas. This should be balanced by allowing municipalities the autonomy to define these areas through local planning processes.
- 6. Provide greater certainty for future development by identifying the agricultural and rural lands in the inner-ring (the so-called 'Whitebelt') as future urban areas in the Growth Plan.** This will allow infrastructure and other technical studies to anticipate servicing and downstream impacts from development of these lands, and expedite the development timeframe for future expansions.

Definitions

Application in Progress

Lands according to the most recent subdivision status mapping available by municipality that have a subdivision application submitted but not yet approved. (MGP)

Built

Land with completed housing or housing foundations as seen in the most current satellite imagery available in Google Earth. (MGP)

Built-up Area (BUA)

All land within the delineated built boundary (Growth Plan, 2017) and land within the Undelineated Built-up Areas as defined by MGP according to lower-tier/single tier official plans. (MGP)

Committed Land

Lands that are either built, under construction, registered or draft approved. That is, they are far enough along in the development process that it would be unreasonable to re-open plans following the approval of a new Growth Plan. (MGP)

Community Area

Lands designated in the lower-tier/single-tier municipal official plans that currently accommodate urban type uses, including residential areas, commercial uses and mixed-use areas. (MGP)

Delineated Built Boundary

The limits of the developed urban area as defined by the Minister in consultation with affected municipalities for the purpose of measuring the minimum intensification target for The Growth Plan. (2017 Growth Plan)

Density

The measurement of the number of people and jobs as per the 2016 Census by dissemination area for every hectare of developable land. (MGP)

Designated Greenfield Area (DGA)

Lands within settlement areas but outside of delineated built-up areas that have been designated in an official plan for development and are required to accommodate forecasted growth to the horizon of the Growth Plan. (2017 Growth Plan)

Draft Approved

The status given to subdivision proposals by the approval authority that amounts to a commitment to go ahead with the subdivision, if all conditions of draft approval have been met prior to the lapsing date. (MMAH)

Duplex

One of two dwellings, located one above the other, may or may not be attached to other dwellings or buildings. (Statistics Canada)

Dwelling Type

Refers to the structural characteristics and/or dwelling configuration; that is, whether the dwelling is a single-detached house, an apartment in a high-rise building, a row house, a mobile home, etc. (Statistics Canada)

Employment Area

Lands designated in the lower-tier/single-tier municipal official plans that currently accommodate employment uses, including business parks, industrial areas and office areas. (MGP)

Expansion Area

Designated greenfield lands that were brought into the settlement area post 2006. (MGP)

Higher Order Transit

Transit that generally operates in partially or completely dedicated rights-of-way, outside of mixed traffic, and therefore can achieve levels of speed and reliability greater than mixed-traffic transit. Higher order transit can include heavy rail (such as subways and inter-city rail), light rail, and buses in dedicated rights-of-way. (Growth Plan, 2017)

Housing Suitability

Refers to whether a private household is living in suitable accommodations according to the National Occupancy Standard; that is, whether the dwelling has enough bedrooms for the size and composition of the household. (Statistics Canada)

No Approved Planning

Land without an approved urban land use designation according to local official plan or secondary plan land use schedules. (MGP)

Non-Developable Land

Land that is unavailable for development, including natural heritage features and areas, cemeteries, major highways, railways and rights-of-way for electricity transmission lines. (MGP)

OP Designated

Refers to vacant land with an urban land use designation according to the lower tier/single tier Official Plan. (MGP)

Private Dwelling

Refers to a separate set of living quarters with a private entrance either from outside the building or from a common hall, lobby, vestibule or stairway inside the building. The entrance to the dwelling must be one that can be used without passing through the living quarters of some other person or group of persons. (Statistics Canada)

Registered

The status given to plans of subdivision that have received final approval from the proper authority and created exact, surveyed boundaries and dimensions of parcels that can be legally used for the sale of lots. (MMAH)

Settlement Area

Urban areas and rural settlement areas within municipalities (such as cities, towns, villages and hamlets) that are:

- a. built up areas where development is concentrated, and which have a mix of land uses; and
- b. lands which have been designated in an official plan for development over the long-term planning horizon provided for in the Growth Plan. (Growth Plan, 2017)

Townhouse

Includes row houses, stacked and/or back-to-back townhouses, and apartments or flats in a duplex as defined by Statistics Canada. (MGP)

Vacant Land

Lands that are currently unbuilt. It includes lands that may have an application in progress, that is OP designated or has no approved planning as defined by MGP. (MGP)

Undelineated Built-Up Areas

Settlement areas for which the Minister has not delineated a built boundary pursuant to the Growth Plan. (2017 Growth Plan)

Under Construction (U/C)

Lands that, according to the most recent satellite imagery available in Google Earth, are in the process of being prepared for development. That is, they have been cleared, staked, and/or are beginning construction of the road network or servicing lines. (MGP)

Uses to be Determined

Refers to designated greenfield lands that do not have an urban land use designation as defined in local or secondary plans but rather are study areas/future development areas. (MGP)

Whitebelt

The lands between the outer edge of the settlement area boundary of the GTHA and the inner boundary of the Greenbelt Plan area. These lands are not subject to the policies of the Greenbelt Plan nor the Growth Plan. (MGP)