





CITY OF HAMILTON

CITY MANAGER'S OFFICE
Strategic Initiatives Division

 Report to: Chair and Members Strategic Planning and Budgets Committee	 Submitted by: Glen Peace City Manager
 Date: September 16, 2005	 Prepared by: S. Robichaud 546-2424, ex 5579

 **SUBJECT:** Growth Related Integrated Development Strategy – Project Update
(CM05025(a))

 **COMMENDATION:**

- (a) That Report CM05025(a), Growth Related Integrated Development Strategy – Project Update, be received;
- (b) That the GRIDS project timelines, attached as Appendix “A”, be adopted and that the increased costs in the amount of \$50,000 for the 2003 Council approved GRIDS programme (\$1.2 million) be approved and funded from development charge studies reserve #110221.

Glen Peace
City Manager

 **EXECUTIVE SUMMARY:**

The purpose of this report is to provide Council with an update on the status of GRIDS, including an analysis of the detailed growth forecasts for the City of Hamilton and to provide and update on Provincial initiatives related to GRIDS.

Three alternative urban structures are being assessed through GRIDS: accommodate all growth within the existing urban area; through appropriately distributed urban expansions; or, an intensified urban structure based smaller urban expansion and renewal in nodes and corridors. The location of where growth could occur, when and how much growth

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could occur is being developed and assessed. This information will be presented to Council in the Fall, 2005 when preliminary infrastructure implications are available.

GRIDS is the City of Hamilton's first integrated growth management strategy, and much of the information being used in GRIDS is being created for the first time. The scale and scope of the GRIDS work is also being developed to address the Provincial Policy Statement and provide the information that will be required once the Province of Ontario initiates the *Places to Grow* sub-area growth strategy planning process. The complexity of the work combined with unforeseen delay in the release of Provincial requirements makes it necessary to extend the timelines for the completion of GRIDS. The additional time required to complete GRIDS will provide City of Hamilton staff with the flexibility to ensure that key Provincial requirements will be met to avoid having to redo GRIDS-related work once *Places to Grow* comes into effect in December, 2005 (tentative).

BACKGROUND



The purpose of this report is to provide Council with an update on the status of GRIDS, to provide an overview of the analysis of the detailed growth forecasts and associated land use requirements and to update Council on the status of various Provincial initiatives related to GRIDS.

In October, 2003, Council adopted the study design for the City of Hamilton's growth strategy, which is known as the Growth Related Integrated Development Strategy (GRIDS). GRIDS is an integrated planning process to identify a broad land use structure, associated infrastructure, economic development strategy and financial implications for the growth options for the City of Hamilton over the next 25 – 30 years by achieving a balance among social, economic and environmental considerations.

The GRIDS growth options are being developed in 3 phases:

1. development and assessment of alternative growth concepts for the City of Hamilton;
2. development and assessment of the short list of growth options;
3. identification of preferred growth option and associated infrastructure (hard and soft) requirements and financing strategy.
- 4.

GRIDS program work is presently in Phase 2.

The alternative growth concepts were previously considered by Council in March, 2005 and August 2005. Public consultation occurred from April, 2005 – July, 2005 on the growth concepts, together with the Triple Bottom Line (TBL) evaluation framework and technical policy directions for the infrastructure master plans. In August, 2005, Council adopted the staff recommendation that the following growth concepts be carried forward into the GRIDS process:

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- No urban boundary expansion – all growth will be accommodated within the existing urban area within existing planned but unbuilt areas and through *much more extensive* residential intensification;
- Appropriately distributed development – growth that cannot be accommodated within existing planned but unbuilt areas and through minimum residential intensification targets consistent with *Places to Grow*, will be accommodated through an expansion to the urban area. *The form and location of this expansion will be based on the 9-Strategic directions adopted by Council; and,*
- Nodes and corridors – growth is directed towards the downtowns and identified nodes connected by transit/transportation corridors. Growth will also be accommodated within existing planned but unbuilt areas and through residential intensification targets consistent with *Places to Grow*.

To translate these concepts into geographically based growth scenarios that identify the amount of growth, the timing (of and when) growth (would occur) and its location at a level of detail useful for infrastructure planning, it was necessary to develop detailed population, household and employment projections for each neighbourhood and community in the City based on:

- Existing planning development;
- Additional growth that may be attributed to residential intensification; and finally,
- The location and scale of newnew neighbourhoods and communities.

At the time of the preparation of the study design timelines in 2003, a more proactive role by the Province of Ontario was not foreseen. Specifically, the Province has since:

- Expanded growth planning requirements in the Provincial Policy Statement,
- Prepared population, household and employment forecasts for the City of Hamilton which are integrated with those for (and) the Greater Golden Horseshoe;
- Enacted the Greenbelt, which greatly changed (scoped) where the City of Hamilton could grow; and,
- Initiated the Places to Grow process.

These Provincial initiatives have required the reallocation of staff resources and research priorities from the primary focus of completing the background for studies and analysis to adhere to the GRIDS approved study design to undertake and assessment of the implications of the Provincial initiatives and/or to respond to Provincial requests for information and feedback.

An overview of the Provincial initiatives is presented below:

Provincial Policy Statement Changes: In 2004 the Province initiated major reforms to the Provincial Policy Statement (PPS) that governs municipal planning decisions throughout Ontario. These reforms took effect on March 1st, 2005. Most significantly, these reforms now demand ‘consistency’ with Provincial policy requirements requiring a far higher level of technical precision and justification in urban growth decisions than had previously been the case. Provincial policies now strongly emphasize urban intensification, greater land use diversity (mixing uses in one district) and

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redevelopment to be priorities over conventional urban expansions to address growth historic trends. Policies to plan and phase urban expansion in accordance with a predefined infrastructure investment strategy are now mandatory. Individual, private urban expansion initiatives are prohibited and detail justification is required to show that all reasonable alternatives have been considered before urban expansions are permitted to impact prime agricultural areas.

Growth Forecasts: Beginning in the Summer, 2003, work commenced on growth forecasts for the GTA and Hamilton with intensive input from municipal planning representatives. This work was to be completed by September, 2004.

The GTA-H forecasts set detailed and would be a uniform set of forecasts for growth planning purposes to be used by the Province of Ontario and the Cities of Hamilton and Toronto and the Regions of Durham, York and Peel.

Population, household and employment forecasts represent the cornerstones for the GRIDS planning process. During the course of the Provincial study (Hemson forecasts), it became clear that there would be significantly more growth within the GTA-H than previously projected. The forecasts prepared by the Centre for Spatial Economics (CSE) for the City of Hamilton in 2002 could not be used for GRIDS. To assess the magnitude of growth, it was necessary to wait until the Hemson forecasts for Hamilton were finalized for the purpose of the detailed technical inputs used in developing the GRIDS growth options.

The Hemson forecasts projected a population of up to a maximum of 700,000 in 2031 whereas the CSE forecasts projected a population of 625,000 in 2031.

The Hemson forecasts were finalized in January, 2005 and adopted by Council for use in the GRIDS project in March, 2005.

Greenbelt: In December, 2003, the Province of Ontario enacted a temporary freeze of all non-urban lands in the GTA, Hamilton and Niagara. freeze was enacted while the Province prepared the greenbelt. The draft greenbelt was released in Fall, 2004 and came into effect in February, 2005. Staff resources were diverted during the consultation phase for the greenbelt and to assess and evaluate the implications of the draft version and final version of the greenbelt.

Final Greenbelt Plan boundaries significantly impact all urban expansion options and a number of conventional infrastructure concepts previously considered important for GRIDS. Additional time was necessary to develop new alternatives.

Places to Grow: In the Summer, 2004, the Province of Ontario announced their intent to develop a regional plan for the Greater Golden Horseshoe known as *Places to Grow* (P2G). The information and knowledge being developed though the GRIDS process is being provided by staff as input into the P2G process. As the Province proceeds in developing the P2G plan, staff are required to monitor Provincial direction and adjust workplans in anticipation to ensure that the results of GRIDS will align with P2G. Consultation with Provincial staff indicates that the scope and direction of final P2G Plan content continues to evolve in ways which may significantly impact GRIDS options and

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results. The originally anticipated release of a final draft P2G Plan in early summer of 2005 has been delayed.

It is City of Hamilton staff's understanding that the draft P2G plan will probably not be released until mid-October, 2005. Public consultation will occur in the late Fall, 2005 and the final version of the P2G plan, to which all GRIDS proposals must conform, is now not anticipated to be released until year end 2005.

As per the greenbelt, staff resources were required during the consultation phase for the P2G. Staff resources were required to assess and evaluate the implications of the draft versions of P2G and adjust the sub-components of the GRIDS workplan to ensure that the potential requirements of P2G will be met. For example, the draft P2G plan requires municipalities to develop and implement a residential intensification strategy such that by 2015 to accommodate 40% of projected household growth. However, the definition of what will specifically constitute intensification has not been finalized. City staff submitted extensive technical information to Provincial staff in June, 2005 to expedite their consideration of this issue (in Hamilton), but clear directions are still not forthcoming for detailed input into GRIDS growth options.

The combined effect of the Provincial growth forecasts, the greenbelt and P2G has been to divert staff resources from the primary focus of completing the background studies and analysis to adhere to the GRIDS approved study design. In addition, it is necessary for staff to meet with Provincial staff to ensure that the GRIDS related work aligns with potential Provincial requirements which can delay the development and implementation of project workplans.

Notwithstanding the degree of uncertainty created by the various Provincial initiatives, work on GRIDS has proceeded. To develop the GRIDS growth options, a GRIDS working group was created and was comprised of staff from:

- Development Planning;
- Long Range Planning;
- Economic Development;
- Public Works (CPI);
- Public Works (Water and Waste Water); and,
- Policy & Program Development (Public Health & Community Services).

Consultants retained to assist with GRIDS and the Infrastructure Master Plans are also part of the working group. The development of the growth options required the following information:

- Growth forecasts (population, household and employment) for 250+ sub-areas of the City;
- Constraint mapping;
- Vacant Residential Land inventory assessments specific to each land parcel;
- Residential intensification opportunity analyses for the entire urban area; and,
- Comprehensive evaluation of Commercial land requirements.

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The development of the growth options is a reiterative process whereby growth areas are proposed, evaluated from an infrastructure (both hard and soft) perspective and adjustments are made to generate realistic growth areas. The Public Works Department have advised that approximately 8 weeks would be required to evaluate the growth areas and provide the technical information on which to develop the final short list of growth options. The Public Health and Community Services Department will also be providing additional information relating to the human services requirements for the growth options.

In August, 2005, Long Range Planning completed the first comprehensive, small area forecasts for the City of Hamilton based on the best available information. This information was translated into GIS mapping. This information was made available to the team members and consultants on August 29th, 2005. The information was produced at a more complex level of geographic and technical detail than originally anticipated to better inform the various infrastructure master plans. It will enable the City of Hamilton to fully participate in an informed fashion in the discussions with the Province of Ontario in the *Places to Grow* sub-area growth strategy process.

As a result of the data transfer occurring on August 29, 2005, the timelines for GRIDS must be revised. The revised timelines are:

Short List of Growth Options

- Council workshop – early October, 2005
- Committee of the Whole – late October, 2005
- Public Information Centres – late October, 2005/Early November, 2005

Analysis of Feedback on Short List of Growth Options

- November, 2005

Preferred Growth Option

- Development of preferred Growth Option – November, 2005
- Documentation and analysis of preferred Growth Option – December, 2005 to January, 2006
- Council workshop – early February, 2006
- Committee of the Whole – late February, 2006
- Public Information Centres – early March, 2006
- Presentation of Preferred Growth Option and supporting documentation– Late March, 2006

It is staff's understanding that the final draft *Places to Grow* plan will be released in October, 2005. Depending on the scope and provisions in the final draft plan, there may be further implications for the timelines for completing GRIDS if additional work, or further refinement of existing work, is required. Based on recent discussions with Provincial staff, it would appear that the data bases and level of information/analysis that has been completed, or is currently being developed, meets or exceeds Provincial requirements.



FINANCIAL/STAFFING/LEGAL IMPLICATIONS:

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There are no legal or staffing implications with this report as GRIDS related work has already been incorporated into departmental workplans. The existing infrastructure master plans and the Official Plan Review and programmed to continue into 2006.

In 2003, approximately \$1.2 million was identified as the total cost to complete GRIDS and to date the total project is within this budgeted amount. GRIDS is funded from the development charges as the GRIDS program is 100% growth related. The extension of GRIDS into the first-quarter, 2006 will require an additional amount of \$50,000 for salaries, computer and other office equipment costs. Costs for consulting services, printing, public consultation and other components of GRIDS will be completed within the existing approved GRIDS budget as these are fixed costs.

 **POLICIES AFFECTING PROPOSAL:**

N/A

 **CONSULTATION WITH RELEVANT DEPARTMENTS/AGENCIES:**

Throughout the GRIDS process, there is ongoing consultation with all affected Departments, including Corporate Services, Public Works, Planning and Development, Public Health and Community Services and Economic Development.

This report was circulated for review and comment to the following Departments for their review and comment: Finance and Corporate Services, Planning and Development Department (Economic Development Division and Long Range Planning Division), Public Health and Community Services Department (Program Policy and Planning Division) and Public Works Department (Capital Planning and Implementation Division and Water and Waste Water Division). Their comments were incorporated into this report.

 **KEY STRATEGIC COMMITMENT:**

GRIDS is an integrated planning process to identify a broad land use structure, associated infrastructure (hard and soft), economic development strategy and financial implications for the growth option(s) for the City of Hamilton. As such, GRIDS supports the following strategic initiatives:

- A City of Growth and Opportunity;
- A Great City in Which We Live;
- A Healthy, Safe and Green City;
- A City Where People Come First; and,
- A City that Spends Wisely and Invests Strategically.

 **COMMENTS:**

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1. There is a high degree of alignment between to goals and objectives of the Provincial *Places to Grow* initiative and GRIDS. In this regard, staff liaise on a regular basis with Provincial staff, in particular with staff from the Ministry of Municipal Affairs and Housing and Ministry of Public Infrastructure Renewal. To implement the *Places to Grow* plan, the Province will undertake sub-area growth strategies that are more detailed Provincial plans. The information and knowledge being developed through GRIDS will enable the City of Hamilton to participate in an informed fashion in the SAGS process.

It is important to note that in accordance with the provisions of the *Places to Grow Act*, which is the enabling legislation for Places to Grow plan, an official plan is required to conform with the growth plan (ie the Places to Grow plan and subsequent sub-area growth strategies) and that any decision under the *Planning Act* or the *Condominium Act, 1998* shall conform with a growth plan. To avoid having to redo GRIDS work, staff have had to extrapolate what the Province may require in the development of the sub-area growth strategies and ensure that the GRIDS work will met these requirements. Through on-going discussions with Provincial staff, City of Hamilton staff have attempted to seek confirmation that the GRIDS work will comply with Provincial requirements.

2. There are 3 phases in the development of the GRIDS growth options: development and assessment of growth concepts; development and assessment of the short list of growth options; and, the identification of the preferred growth option and associated infrastructure (hard and soft) requirements and financing strategy.

The creation of the growth options is based on existing planning development, additional growth attributed to residential intensification and finally new neighbourhoods and communities.

During the public consultation the Spring, 2005, on the growth concepts, the public suggested the following considerations in mapping the growth options:

- Nodes and corridors should be located around specific features such as major recreational hubs, transportation hubs and arterials, existing built up areas, areas of decline (as an opportunity for revitalization), newer growth areas, existing dense areas and employment areas. Employment areas should be located along major transportation routes;
- Nodes and Corridors/Downtowns should include not only primary nodes such as downtown Hamilton, and secondary nodes such as Stoney Creek, Dundas and Ancaster, but also sub nodes based on employment, institutional and recreational opportunities;
- Provision should be made in the growth options to allow for a limited degree of development within each community (rural settlements too) in order to reduce stress on transportation systems;

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- Areas to that should be avoided for future development included the Niagara Escarpment (specifically Dundas and Red Hill Valley), environmentally significant areas and prime agricultural land; and,
- Connections among nodes should be a key attribute of option selection (transportation and socio-economic).

These concepts, in addition to the 9-strategic direction, will be used in the mapping of the growth options.

3. The creation of the shortlist of growth options has required the translation of the growth concepts into geographically based growth scenarios. These scenarios must identify the amount of growth and when growth would occur. To do this, it was necessary to develop detailed population, household and employment projections based on:

- Existing planning development;
- Additional growth attributed to residential intensification; and finally,
- New neighbourhoods and communities.

Within the existing urban area, based on existing dwelling units, dwelling units the vacant land supply and the 40% residential intensification requirement of *Places to Grow*, the population of the urban area will increase by 100,000 people from 480,000 in 2006 to 580,000 in 2031. This growth will not be uniformly distributed across the urban area but rather will be concentrated primarily in Flamborough (i.e. Waterdown), Glanbrook (i.e. Binbrook), and Upper Hamilton as shown below.

Table 1: Projected Population Growth (Urban Area), 2006-31

Urban Area	2006 Population	2031 Population	Population Growth
Ancaster	30,300	38,600	8,300
Dundas	24,300	25,700	1,400
Flamborough	15,100	31,900	16,800
Glanbrook	8,900	28,400	19,500
L. Stoney Creek	43,900	52,900	9,000
U. Stoney Creek	18,100	28,700	10,600
L. Hamilton	193,000	205,800	12,800
U.Hamilton	146,600	169,200	22,500
TOTAL	480,300	581,200	100,900

In addition, within the rural areas (farm, non-farm rural residential and rural settlement areas, the population will be between 30,000 – 40,000 people.

However, an analysis of how growth will occur within each of these areas demonstrates the implications of declining household size combined with the importance of residential intensification. Specifically, between 2006 and 2031 the average household size is projected to decrease. As such, the population

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within existing neighbourhoods will decline. A declining household size means that more dwelling units are required to accommodate the same population, or if additional dwelling units are not created, then the population within a given area will decline.

At present, Census data indicates between 18% and 20% of all bedrooms in low density housing in the City are unused. This trend is forecast to accelerate in future, contributing significantly to urban sprawl as well as a decline in the population of all existing residential neighbourhoods. The decline in population can only be offset by residential intensification whereby additional households more suited to the lifestyle needs of the residents of existing communities will be added; thereby freeing up older dwellings to the families for which they were originally built.. This will result in a net increase in the overall population of the City compared to doing nothing.

There are existing, planned but vacant lands within the urban area. These areas will contribute to the overall population growth as development occurs over the next 25 years. Preliminary growth analyses indicate that much of this vacant land will have problems developing in a timely and efficient fashion without major changes to City policy and development industry practices.

The Provincial Policy Statement defines residential intensification (occurs where there is) as a net increase in residential units. The City of Hamilton’s Residential Intensification study has taken a more conservative interpretation of “intensification” to give maximum policy flexibility in the development of final growth option policies. GRIDS/Official Plan review studies also confirm that without strong and continuing employment growth in both developed and suburban districts, the opportunities for intensified forms of housing will be severely constrained. A breakdown of population growth is shown below:

Table 2: Components of Projected Population Growth, 2006-31

<u>Urban Area</u>	<u>Existing Neighbourhoods</u>	<u>Developing Neighbourhoods</u>	<u>Residential Intensification</u>	<u>Net Change</u>
Ancaster	-2,400	8,800	1,900	8,300
Dundas	-1,900	1,300	2,000	1,400
Flamborough	-1,200	16,200	1,800	16,800
Glanbrook	-700	20,200	0	19,500
L. Stoney Creek	-3,400	5,600	6,800	9,000
U. Stoney Creek	-1,400	12,000	0	10,600
L. Lower Hamilton	-14,600	2,900	24,500	12,800
U. Upper Hamilton	-11,200	11,200	22,500	22,500
TOTAL	-36,800	78,200	59,500	100,900

NOTE: These population projections are for the urban area only.

With a declining average household size, all of the existing urbanized portions of the City of Hamilton will experience a net loss of population. Net population growth in the urbanized areas will only occur where there are vacant, but

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undeveloped lands, or through residential intensification. In fact, residential intensification will account for all of the population growth within the former City of Hamilton.

By 2031, it is projected that within the existing urban area of the City of Hamilton, the population will be approximately 581,000 based on the minimum 40% level of intensification proposed in the draft Places to Grow plan. An additional 38,000 people will reside in the rural area for a total population of about 620,000. The development of the short list of growth options provides options for how, where and when the additional growth can be accommodated as a first step in assessing the TBL implications of alternative growth strategies for assessing the implications of the City of Hamilton growing by an additional 40,000 – 80,000 people.

4. Building upon the work completed for the evaluation of the growth concepts, a more detailed evaluation framework based on the principles of community well-being, ecological well-being and economic well-being is being developed concurrently with the growth options. The evaluation framework will be presented for Council consideration with the growth concepts.



CONCLUSION:

Based on the above, it recommended that the revised GRIDS timelines and funding requirements in the amount of \$50,000 be adopted.

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Attachments

GROWTH RELATED INTEGRATED DEVELOPMENT STRATEGY REVISED TIMELINES

Task Name	2002				2003				2004				2005				2006			
	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A
<i>Communications/Consultation</i>	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	
<i>Study Design Development</i>	█	█	█	█	█	█	█	█												
<i>Establish Directions</i>					█	█	█	█												
<i>Complete Background Studies/Inventories</i>		█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	
<i>Formulate Evaluation System and Criteria</i>									█	█	█	█	█	█	█	█				
<i>Creation of Development Options</i>											█	█	█	█	█	█				
<i>Evaluation of Development Options</i>													█	█	█	█				
<i>Identification of Preferred Option</i>																	█	█	█	
<i>GRIDS Documentation</i>																	█	█	█	
<i>Master Plan Phase</i>																	█	█	█	

NOTE: Communications and consultation is an on-going component of the GRIDS project.