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Hamilton

August 9, 2007

Mr. Larry Clay
Director, Municipal Services Office – Central
Ministry of Municipal Affairs and Housing
777 Bay Street, 2nd Floor,
Toronto, ON M5G 2E5

Dear Mr. Clay:

Re: Airport Employment Growth District & Comprehensive Review Studies

You may recall that earlier this year, my staff made a number of attempts to arrange a meeting with you to discuss the City's Growth Related Integrated Development Strategy (GRIDS). For a variety of reasons the meeting could not take place. We had wanted to review most of the issues raised in your letter in that forum. Perhaps we should renew efforts to have this discussion in early September.

The City's approach to addressing PPS, Growth Plan and OMB settlement for Airport Employment Growth District (AEGD) involves parallel streams of analysis and document preparation.

A. Comprehensive Review Process

GRIDS applied growth forecasts set out for Hamilton by the GGH Growth Plan, Schedule 3. To the greatest extent possible, given the evolution of Provincial policy during the GRIDS program, the City sought to apply and further detail Provincial forecasts, density and intensification policies in its strategic growth analyses. In 2005, we retained Hemson Consulting to prepare a 'comprehensive review' as required by the 2005 Provincial Policy Statement. Their land budget and comparative analysis of employment land options was included in the final 'Preferred Growth Option' adopted by City Council in May of 2006. Hemson's report, *'Comprehensive Employment Land Study'* was finalized later in the year, but its presentation to City Council was delayed by the municipal election until February 2007.

In June 2006, the GGH Growth Plan set further study parameters for a municipal comprehensive review not foreseen when Hemson was retained for the

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'*Comprehensive Employment Land Study*'. The City is now 'backtracking' to address those new requirements. Our study strategy is as follows:

1. Council's GRIDS decision was met with attempts by a variety of landowners not favoured in the 'Preferred Growth Option' to challenge the outcome at the OMB. The City continues to receive new applications for conversion of employment lands to other (notably major retail) uses by major development interests intent on using the OMB to resolve the associated issues. For Hamilton, the PPS and Growth Plan requirements for 'comprehensive review', combined with Bill 51 amendments removing the right of appeal, combine to induce a major OMB hearing over the GRIDS strategy, urban boundary issues (land budget & urban structure) and comprehensive review (site retentions and conversions) from multiple appeals that have and will most certainly be made. We intend to merge work on these two issues in preparation for such hearing.
2. We have retained consultants to further refine the urban structure policies and development concepts inherent to the GRIDS 'Preferred Growth Option'. This will detail basic land use, urban design and phasing objectives for each component of that urban structure along with its associated population, employment and intensification targets. Conceptual designations of nodes and corridors are being refined by 'ground truth' analyses.
3. We have also retained consultants to conduct analysis on the site conversion components of the comprehensive review. City staff has already identified approximately 225 candidate parcels based on conversion applications in process, designated parcels surrounded by incompatible development, land previously converted for non-employment uses under non-conforming zoning, intensification districts identified in GRIDS as well as abandoned/under-used industrial properties on the fringes of the City's major industrial areas.
4. Despite Hamilton's reputation for leadership in brownfield redevelopment, a comprehensive inventory of local brownfield sites has never been assembled. Consultants have been retained to define all properties within the urban boundary that may be impacted by potential site contamination based on current or past land uses. This inventory may overlap with sites identified in #3 above. This study is to generate a new data base for establishing realistic assumptions on redevelopment potential, support administration of current subsidy programs and aid in site planning and land budget purposes. The latter is important because brownfield renewal projects assisted by City subsidies in the last decade have only yielded a gross density of 16.3 persons/jobs per ha.

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5. City Council raised a series of issues in considering the '*Comprehensive Employment Lands Study*' in February 2007. Peer review consultants have also been retained to reassess assumptions made by the Hemson study concerning the office employment forecast and employment land densities for current and future lands.

Employment policy issues in Hamilton have more in common with traditional industrial cities in the USA than other communities in Central Ontario. Over 40% of Hamilton's manufacturing employment has disappeared in the last two decades resulting in a huge decline in employment densities. The City has also lost much of its former private office employment and the core area now faces approximately 30% vacancy in 'higher' class office space. In our opinion, trend data are useless in reconciling MPIR job forecasts to local employment planning objectives. Hemson made a series of assumptions in an attempt to reconcile this conflict, which your letter implies Ministry staff is not supporting. City staff is very interested in achieving a 'meeting of the minds' on how to deal with such land budget realities to achieve a successful outcome from everyone's perspective.

6. At the conclusion of # 3, 4 and 5 above, the land budget analysis now contained in the '*Comprehensive Employment Lands Study*' will be revisited, as needed.
7. Upon completion of the foregoing, we intend to bring forward a major amendment to the current Official Plans establishing the following:
 - a) confirming the GRIDS urban structure (nodes and corridors), 'high level' infrastructure master plan projects and policy results, growth targets and basic development policies for intensification areas and a policy structure for a secondary plan and zoning reform program to detail these issues in future;
 - b) confirming the results of the retail development strategy to establish new retail policy directions that ensure future major commercial developments are directly linked to the GRIDS urban structure policy and no longer driven by site-specific applications that ignore City-wide policy objectives;
 - c) confirming the results of the municipal comprehensive review including identification of candidate conversion sites for the next 5-10 year period and an appropriate policy for administration of development applications for those conversion sites;
 - d) confirming the results (revised if necessary) of the GRIDS land budget respecting #6 above.

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- e) Implementing Bill 51 policies to limit future appeal on comprehensive review and urban boundary matters.

This amendment will not include an urban boundary expansion proposal. We anticipate the document will be ready for Council adoption in the spring of 2008. My staff will be pleased to supply you with work program details for these studies and establish an input procedure for the Ministry at our up-coming meeting.

B. Airport Employment Growth District (AEGD)

Planning policy and development practice in Hamilton has lagged behind many other communities in Ontario for a long time. The 'new' City's intention is to fully reform its planning practices, not merely to 'consolidate' them. Results from the City's comprehensive review and urban structure OPA will inform land use and infrastructure options for the AEGD well before the latter is completed.

As a single municipality, it is our interpretation that Hamilton must conform to the full 'weight' of Provincial policy requirements in any urban boundary decision. On that basis, the AEGD Study includes a thorough analysis and consultation process covering all issues to a level of detail which is far higher than in two tier planning jurisdictions. More to the point, we only want to go through that difficult and expensive process once.

The land area identified in the AEGD Study has been purposely set to incorporate the entire district potentially suitable for long term employment growth. In the same way as other GTA regions plan to make strategic decisions for employment growth on a very long term basis, so does Hamilton. Ministry staff is quite familiar with the debate on this issue from their participation in the MPIR Employment Areas Assessment. If Hamilton is barred from taking a long term perspective in these background studies, we could be forced into land use options or infrastructure strategies inappropriate for the AEGD's long term development. Further, a study area does not necessarily pre-determine the boundaries of an urban expansion OPA.

Your letter mentions that MAHH has conducted an employment land needs analysis for Hamilton. Having experienced the difficulties in trying to respond to internal Provincial studies for the Greenbelt area, City staff hopes your analysis can be shared with us in a more timely fashion. It is in our mutual interests to reconcile base data and methodological differences before the City's land budget is finalized.

The '*Comprehensive Employment Lands Study*' was initially tabled by City Council when issues concerning peer review and brownfield factors were raised. Once a process of further analysis on those issues (described in # 4 and 5 above) were resolved, Council authorized the Study to be used as the basis for further policy development and consultation, understanding that revisions may be warranted in future.

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The '*Comprehensive Employment Lands Study*' contains a land budget analysis that was used by GRIDS to consider urban expansion options. GRIDS concluded that beyond the SCUBE district, an urban boundary expansion would not be required in the next 5 year period. The Urban Hamilton OP program is structured to address Growth Plan conformity requirements and will not generate an urban expansion proposal. City staff anticipates that land budget issues will form a significant consideration in the OMB hearing concerning the comprehensive review and urban structure OPA. Your staff seems to have concerns with some of the current assumptions and we agree these warrant further discussion.

I trust the foregoing addresses all the issues in your letter of July 8th for the time being. My staff will be contacting you shortly to arrange a meeting for early September as indicated above. If you have any questions in the interim, please contact Paul Mason at 905-546-2424 ext. 1213 or Guy Paparella at 905-546-2424 ext. 5807 respectively.

Yours truly,



Tim McCabe, MCIP
General Manager

TM/db

cc: P Mason
P. Mallard
G. Paparella