

Ministry of Municipal Affairs
and Housing

Ministère des Affaires municipales
et Logement

Municipal Services Office
Central Ontario

Bureau des services aux municipalités
du Centre de l'Ontario

777 Bay Street, 13th Floor
Toronto ON M7A 2J3
Telephone : 416-585-6226
Fax.: 416 585-6882

777, rue Bay, 13e étage
Toronto ON M7A 2J3
Téléphone : 416-585-6226
Télec. : 416 585-6882



September 17, 2021

Steve Robichaud
Chief Planner and Director of Planning
Planning Division
Planning and Economic Development
City of Hamilton

Sent via email

Re: City of Hamilton Land Needs Assessment Technical Update

Dear Steve Robichaud:

Thank you for circulating the City of Hamilton Land Needs Assessment Technical Update ("technical update"). The Ministry of Municipal Affairs and Housing ("the Ministry") wishes to acknowledge the significant amount of work that has gone into preparing the City's draft land needs assessment materials to date.

The comments below are intended to assist the City in its Municipal Comprehensive Review (MCR) and conformity with A Place to Grow: The Growth Plan for the Greater Golden Horseshoe ("A Place to Grow") and the Land Needs Assessment Methodology for the Greater Golden Horseshoe, 2020 ("LNA Methodology").

In November 2020, the City of Hamilton shared the Draft Land Needs Assessment to 2051 with Ministry staff for preliminary review. The draft included three scenarios (*Growth Plan Minimums*, *Increased Targets*, *Ambitious Density*) based on varying intensification and density targets. In a letter to the City dated December 15, 2020, the Ministry's Ontario Growth Secretariat noted that each of the three scenarios included in the draft appeared to conform to the LNA Methodology.

In March 2021, City staff recommended that Council adopt the *Ambitious Density* scenario which implements a 60 per cent annual intensification target and a designated greenfield area density target of 77 residents and jobs combined per hectare. The *Ambitious Density* scenario creates a total land need of 1,310 gross hectares to 2051. Council deferred their decision on the City's Draft Land Needs Assessment to 2051 and

directed staff to undertake additional analysis on a *No Urban Boundary Expansion* scenario (no new land need to 2051).

In July 2021, the technical update was issued to City staff. In summary, the technical update outlines preliminary findings that, if adopted, the *No Urban Boundary Expansion* scenario would produce a shortfall of approximately 59,300 ground-related units.

The Ministry understands that the City is seeking input on whether the *No Urban Boundary Expansion* scenario, as described in the technical update, would conform to A Place to Grow and the LNA Methodology. Ministry staff have evaluated the technical update and wish to provide the following comments.

Municipalities are required to determine the need to expand their settlement area boundaries using the LNA Methodology issued by the Minister in accordance with policy 2.2.1.5 of A Place to Grow. The LNA Methodology requires municipalities to ensure that sufficient land is available to accommodate market demand for all housing types including ground-related housing (single/semi-detached houses), row houses, and apartments. This requirement is consistent with direction in the *Provincial Policy Statement, 2020* and Section 2.1 of A Place to Grow. Ministry staff acknowledge that the *No Urban Boundary Expansion* scenario is likely to bring about a shortage in land available to accommodate forecasted growth in ground-related housing. Ministry staff further acknowledge that the City's residential intensification analysis (included in the Residential Intensification Market Demand Report) has found that the City is unlikely to achieve the necessary level of apartment unit construction from a market demand perspective. As such, the *No Urban Boundary Expansion* scenario appears to conflict with the objective of the LNA methodology to "provide sufficient land to accommodate all market segments so as to avoid shortages" (pg. 6).

The *No Urban Boundary Expansion* scenario may cause a misalignment with forecasts in Schedule 3 of A Place to Grow as residents seek ground-related housing in municipalities where there may be sufficient supply. Schedule 3 forecasts, or higher forecasts established by municipalities, are to be the basis for planning and growth management to the Plan horizon. The City is required to demonstrate that it is planning to accommodate all forecasted growth to the horizon, including satisfying the direction in A Place to Grow to support housing choice through the provision of a range and mix of housing, as per policies 2.2.1.4 and 2.2.6.1. The LNA Methodology also prohibits planning for population or employment in a manner that would produce growth that is lower than Schedule 3 of A Place to Grow.

Further to the above, the Ministry has additional concerns regarding potential regional implications of the *No Urban Boundary Expansion* scenario, if adopted. The shortfall of

available land and ground-related units that could be created as a result of the *No Urban Boundary Expansion* scenario may cause forecasted growth to be redirected away from the City of Hamilton into other areas that are less suited to accommodate growth. This may have broader regional impacts on prime agricultural areas, natural systems and planning for infrastructure given the lower intensification and density targets applicable to outer ring municipalities that would likely receive pressure to accommodate forecasted growth. As noted in the technical update, the City of Hamilton is well suited to accommodate growth due to its urban structure, strategic location and multi-modal transportation connections.

Ministry staff also wish to acknowledge the strong growth management principles that underpin the City's *Ambitious Density* scenario. The *Ambitious Density* scenario appears to balance market-demand for different housing types while also implementing an intensification target (60 per cent) and a designated greenfield area density target (77 residents and jobs combined per hectare) which exceed the targets set out in policy 2.2.2.1 and 2.2.7.2 of *A Place to Grow*.

Based on Ministry staff review and analysis of the City's draft Land Needs Assessment and the technical update, it appears that the *No Urban Boundary Expansion* scenario poses a risk that the City would not conform with provincial requirements.

The Ministry looks forward to receiving the City's draft Official Plan as the July 1, 2022 conformity deadline approaches. In the meantime, please contact me by email at: (heather.watt@ontario.ca), or by phone at: 437-232-9474, should you have any further questions.

Best regards,



Heather Watt
Manager, Community Planning and Development, Central Region Municipal Services
Office
Ministry of Municipal Affairs and Housing

c. Ontario Growth Secretariat, MMAH