City of Hamilton
GENERAL ISSUES COMMITTEE
AGENDA

Meeting #:	20-024
Date:	December 14, 2020
Time:	9:30 a.m.
Location:	Due to the COVID-19 and the Closure of City Hall All electronic meetings can be viewed at: City's Website: https://www.hamilton.ca/council-committee/council-committee-meetings/meetings-and-agendas City's YouTube Channel: https://www.youtube.com/user/InsideCityofHamilton or Cable 14

Stephanie Paparella, Legislative Coordinator (905) 546-2424 ext. 3993

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1. APPROVAL OF AGENDA

(Added Items, if applicable, will be noted with *)

2. DECLARATIONS OF INTEREST

3. APPROVAL OF MINUTES OF PREVIOUS MEETING

4. COMMUNICATIONS

4.1. Written Submissions respecting Item 8.1 - Report PED17010(h) - GRIDS 2 and Municipal Comprehensive Review - Land Needs Assessment and Technical Background Reports

Recommendation: Be received and referred to the consideration of Item 8.1.

4.1.a. Joel Farber, Fogler Rubinoff LLP

On behalf of the Upper West Side Land Owners Group Inc., Spallaci & Sons Limited, 2112443 Ontario Ltd., Twenty Roads Developments Inc., Sullstar Twenty Limited, Lynmount Developments Inc., 909940 Ontario Ltd., and Liv Developments Ltd. (collectively, the "UWS Landowners")

4.1.b. Sherry Hayes and Debbie Martin

5. DELEGATION REQUESTS

6. CONSENT ITEMS

6.1. GRIDS 2 and Municipal Comprehensive Review - Public Consultation Round 2 and Work Plan Update (PED17010(g)) (City Wide)

7. PUBLIC HEARINGS / DELEGATIONS

8. STAFF PRESENTATIONS

8.1. GRIDS 2 and Municipal Comprehensive Review - Land Needs Assessment and Technical Background Reports (PED17010(h)) (City Wide)

9. DISCUSSION ITEMS

10. MOTIONS

11. NOTICES OF MOTION

12. GENERAL INFORMATION / OTHER BUSINESS

13. PRIVATE AND CONFIDENTIAL

13.1. Update and Instructions regarding Ontario Municipal Board (now Local Planning Appeal Tribunal) Appeals of Rural and Urban Hamilton Official Plans - Urban Boundary Expansion (LS16029(b)-PED16248(b)) (City Wide)

Pursuant to Section 8.1, Sub-sections (e) and (f) of the City's Procedural By-law 18-270, as amended, and Section 239(2), Sub-sections (e) and (f) of the *Ontario Municipal Act*, 2001, as amended, as the subject matter pertains to litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board; and, advice that is subject to solicitor-client privilege, including communications necessary for that purpose.

14. ADJOURNMENT

Fogler, Rubinoff LLP
Lawyers

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TD Centre North Tower
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Reply To: Joel D. Farber
Direct Dial: 416.864.9700
E-mail: jfarber@foglers.com
Our File No. 06/4423

December 4, 2020

VIA EMAIL

City of Hamilton
General Issues Committee
Hamilton City Hall
71 Main Street West
Hamilton, ON L8P 4Y5

Attention: Stephanie Paparella, Legislative Coordinator (stephanie.paparella@hamilton.ca)

Dear Chair and Members:

Re: GRIDS 2 and Municipal Comprehensive Review – Land Needs Assessment and Technical Background Reports (PED1701(h))(City Wide)

We are the lawyers for Upper West Side Land Owners Group Inc., Spallaci & Sons Limited, 2112443 Ontario Ltd., Twenty Roads Developments Inc., Sullstar Twenty Limited, Lynmount Developments Inc., 909940 Ontario Ltd., and Liv Developments Ltd. (collectively, the "**UWS Landowners**"), the applicants in UHOPA 2020-011, which is an application for a City-wide amendment to the Urban Hamilton Official Plan ("**UHOP**") and an area-specific amendment for the lands located in the Twenty Road West area (the "**UWS Lands**"), which has since been appealed to the LPAT.

The UWS Landowners have also filed an application for an urban boundary expansion, being Municipal File Numbers UHOPA-20-018, 20-019, 20-020, in accordance with Policy 2.2.8.5 of the Growth Plan, 2019. This application was deemed complete on September 15, 2020.

We have reviewed the "GRIDS 2 and Municipal Comprehensive Review – Land Needs Assessment and Technical Background Reports (PED17010(h)) (City Wide)" (the "**Report**"), which we understand is to be considered by the General Issues Committee (the "**Committee**"), at the meeting scheduled for December 14, 2020.

On behalf of our clients, we are pleased to submit this letter for consideration by the Committee, in conjunction with a deputation to be made by our clients' planning consultants, Corbett Land Strategies Inc.

Recommendation (p. 1 of 43)

The UWS Landowners support recommendations (c) and (d), and take no position with respect to recommendation (b).

However, the UWS Landowners support recommendation (a) subject to the proposed change to the language at number 4 of GRIDS 10 Directions (Appendix A to the Report):

> 4. Protect rural areas for a viable rural economy, agricultural resources, environmentally sensitive recreation and the enjoyment of the rural landscape **and avoid urbanization of prime agricultural areas**.

GRIDS (2006) (p. 3 of 43)

The Report attempts to characterize GRIDS (2006), the adoption of the UHOP by Council (2009), and the subsequent approval by the Ministry of Municipal Affairs (2011), as a municipal comprehensive review process under the definition contained in the Growth Plan.[1] The Report further states that Elfrida was identified as the City's preferred growth option to be included in the urban boundary subject only to a secondary planning process.[2]

The process described in the Report did not constitute an MCR justifying any Urban Boundary Expansion. The Report's conclusion that Elfrida was identified as the City's preferred growth area to be included within the urban boundary subject only to a secondary planning process misstates the requirements set out in the as-adopted UHOP. The UHOP specifically requires a municipally initiated comprehensive review and secondary plan to support the extension of the urban boundary into Elfrida, or elsewhere.

Section 2.2.1 of the UHOP states that "*the exact limits of lands to be included as part of the urban boundary expansion shall be determined as part of a municipally initiated comprehensive review and secondary plan*"[3], while section 2.2.2 of the UHOP states "*no urban boundary expansion shall occur until a municipally initiated comprehensive review and secondary plan have been completed*".[4] Further, section 2.2.3 sets out a series of comprehensive steps that the City must undertake prior to the initiation of an Urban Boundary Expansion, including, among other things "*a comprehensive review and land budget analysis*", "*a sub-watershed plan*", "*Environmental Impact Statements*", and a justification that there are no alternatives that avoid prime agricultural areas.[5]

It is clear that no MCR has been completed in accordance with the as-adopted UHOP policies, set out above, to justify an Urban Boundary Expansion to Elfrida, or elsewhere. It is unclear why

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[1] Report, p. 3.
[2] Report, p. 3.
[3] UHOP, Chapter B – Communities, Section 2.2.1.
[4] UHOP, Chapter B – Communities, Section 2.2.2.
[5] UHOP, Chapter B – Communities, Section 2.2.3.

the Report fails to mention the fact that these policy requirements have not been met and suggests that only a secondary plan is required to permit an expansion to Elfrida.

We would also like to bring to the Committee's attention aspects of the historical background, which are an important part of our submission, and are set out below:

May 2006 GRIDS included the UWS Lands as a preferred area for growth to round out the existing neighbourhood north of the proposed Airport Employment Growth District (the "**AEGD**") and south of Twenty Road, more particular described as follows:

- "*Small expansion to round out existing neighbourhoods between the airport employment area and existing residential area (95 net hectares) south of Twenty Road and east of Glancaster Road in the Deferral 11 area of the Regional Official Plan*"

See Council-approved Preferred Growth Option, Figure 10 from GRIDS, which is attached.

September 2006 UWS Lands were included as part of the study for urbanization (SPA 9) in the context of the proposed AEGD.

In accordance with SPA 9, as approved by the Ontario Municipal Board, *any lands beyond those identified for the proposed AEGD will be considered in the context of a comprehensive amendment for other urban uses*.

October 2010 City adopts the AEGD, which proposes urbanization of the UWS Lands as part of the AEGD.

2015 AEGD boundaries established by OMB exclude the UWS Lands from the designated AEGD and therefore to be considered for other urban uses.

2017-2022 City Projected Timeline to Complete MCR.

May 2019 Province approves new Growth Plan, including the following section:

5. Notwithstanding policies 2.2.8.2 and 5.2.4.3, a *settlement area* boundary expansion may occur in advance of a *municipal comprehensive review*, provided:

   a) the lands that are added will be planned to achieve at least the minimum density target in policy 2.2.7.2 or 2.2.5.13, as appropriate;

   b) the location of any lands added to a *settlement area* will satisfy the applicable requirements of policy 2.2.8.3;

   c) the affected *settlement area* is not a *rural settlement* or in the *Greenbelt Area*;

   d) the *settlement area* is serviced by *municipal water and wastewater systems* and there is sufficient reserve *infrastructure* capacity to service the lands; and

   e) the additional lands and associated forecasted growth will be fully accounted for in the land needs assessment associated with the next *municipal comprehensive review*.

January 13, 2020	UWS Landowners Group submit Proposed Policy Amendments to establish City wide and site specific OP policies for consideration of privately initiated Urban Boundary Expansion application for the UWS Lands (UHOPA-20-011). Application deemed complete on May 22, 2020.
August 12, 2020	UWS Landowners Group submit privately initiated Urban Boundary Expansion applications which conform to the criteria in the 2019 Growth Plan (UHOPA-20-018, UHOPA-20-019, UHOPA-20-020). Applications deemed complete Sept 15, 2020.

Appendix B – Land Needs Assessment to 2051 Technical Working Paper

The Land Needs Assessment (the "**LNA**") attached as Appendix B to the Report concludes that the City has a sufficient supply of employment lands to 2051.

In our view, this conclusion supports the position that the UWS Landowners have been taking with respect to the UWS Lands for the past 15 years, which is that the UWS Lands are not viable employment lands and, in any event, are not needed by the City for the employment land supply.

It was as a result of our clients' appeal of the AEGD that the size of the employment area was reduced to an appropriate size and configuration.

In light of the fact that the LNA recognizes that the UWS Lands are not required for the employment land supply and are, in any event, not viable employment lands, there is no other option but to proceed with urbanization of the UWS Lands for new community development.

6.3 – Key Decision #3 – Community Area Land Need (pp. 33-41)

(i) Evaluation of Whitebelt Lands

As set out in the draft LNA, most or all of the City's Community Area whitebelt lands (excluding Whitechurch), will be required for future growth to the year 2051.[6] An immediate urban boundary expansion for the UWS Lands has no potential to undermine the GRIDS 2 / MCR process given that the UWS Lands represent only a small percentage of the community land need requirements, as set out in Table 7 to the Report, which is reproduced below:

Intensification Target	Community Area Land Need to 2051 (ha)	UWS Lands Percentage of Total Community Area Land
40%	3,440	5%
50%	2,200	7%
55% (average of phased target)	1,640	10%
60% (average of phased target)	1,340	13%

We note further that the Report omits a key fact, namely that, unlike the other whitebelt lands,[7] the UWS Lands are a true infill situation completely surrounded by the existing urban area and are adjacent to a stable, existing residential community on the north side of Twenty Road. By

[6] Report, p. 35.
[7] With the exception of the Garner Road lands.

contrast, Elfrida and the Twenty Road East Lands are sprawl areas outside the fringe of the urban boundary.

(ii) Whitebelt Land Areas and Previous Planning Decisions

The Report states that "*through the GRIDS study design and analysis, Elfrida was identified as the preferred growth option after scoring highest in the evaluation criteria overall*".[8] But the Report fails to mention that the UWS Lands were also included (along with Elfrida) as part of the Preferred Growth Option set out at Figure 10 of GRIDS (which is attached to this letter as **Schedule "A"**). GRIDS also described the UWS Lands as a small expansion to round out existing neighbourhoods between the airport employment area and existing residential area.[9]

The Report states that through the 2015 AEGD Minutes of Settlement, "*it was agreed that Elfrida was the City's next area for future residential growth, and that a westerly order of future growth progression for residential purposes would follow to Twenty Road East*".[10]

This statement is not correct. To be clear, pursuant to para. 14 of the Minutes of Settlement, the parties simply agreed that it was the "***intent***" of the City that "*…the Elfrida lands are its first priority for non-employment lands*" and that the "*Twenty Road East Lands.. are the City's next priority for non-employment lands after the Elfrida lands*". In other words, this was not an agreement between the parties about the progression of future growth. Rather, it was a statement of the City's intent only. The Minutes of Settlement was not a planning decision and was never approved by the LPAT.

The City's expression of intent, as provided in the Minutes of Settlement, was not supported by any public planning process or technical justification. For example, Twenty Road East has never been considered in any public planning process for an urban boundary expansion. The 2006 Council motion referred to at p. 37 of the Report was not a planning process and, to our knowledge there has been no technical justification or planning study that has ever been submitted in support of residential development of the Twenty Road East Lands. Moreover, to our knowledge, the Elfrida landowners have not completed and submitted any technical justifications in the context of a public planning process in support of an urban boundary expansion. If these lands are to be considered at all for a future urban boundary expansion, they will have to go through the required substantial study and public planning process which could take a decade or more.

In any event, on October 6, 2020, when Council decided to refuse the UWS Landowners' application in UHOPA 2020-011, Council adopted the following resolution:

"*That all eligible lands including Twenty Road West lands be part of the consideration of future growth options (residential or employment) as part of GRIDS 2 / MCR*".

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[8] Report, p. 37.
[9] GRIDS (2006), p. 75.
[10] Report, p. 37.

Conclusions

The UWS Landowners' urban boundary expansion can now be approved for the following reasons:

1. The LNA confirms that the UWS Lands are not required for employment uses.

2. The UWS Lands are fully surrounded by the existing urban boundary (unlike Elfrida and the Twenty Road East Lands), and therefore, expansion of the urban boundary to include the UWS Lands would infill gaps in the existing urban boundary.

3. The LNA confirms that the UWS Lands are required under any scenario to accommodate growth.

4. The UWS Lands are the only whitebelt lands that are not substantially designated prime agricultural as shown in Schedule "B" to this letter.

5. All of the technical studies in support of the proposed urban boundary expansion application have been submitted and the application has been deemed complete.

6. UWS Landowners' urban boundary expansion application is permitted by the Growth Plan, 2019, and meets all of the required criteria.

Thank you for your consideration of this submission and our clients' delegation to the Committee.

Yours truly,

FOGLER, RUBINOFF LLP

"Joel D. Farber"

Joel D. Farber* and Maxwell L.C. Reedijk

*Services provided through a professional corporation

JDF

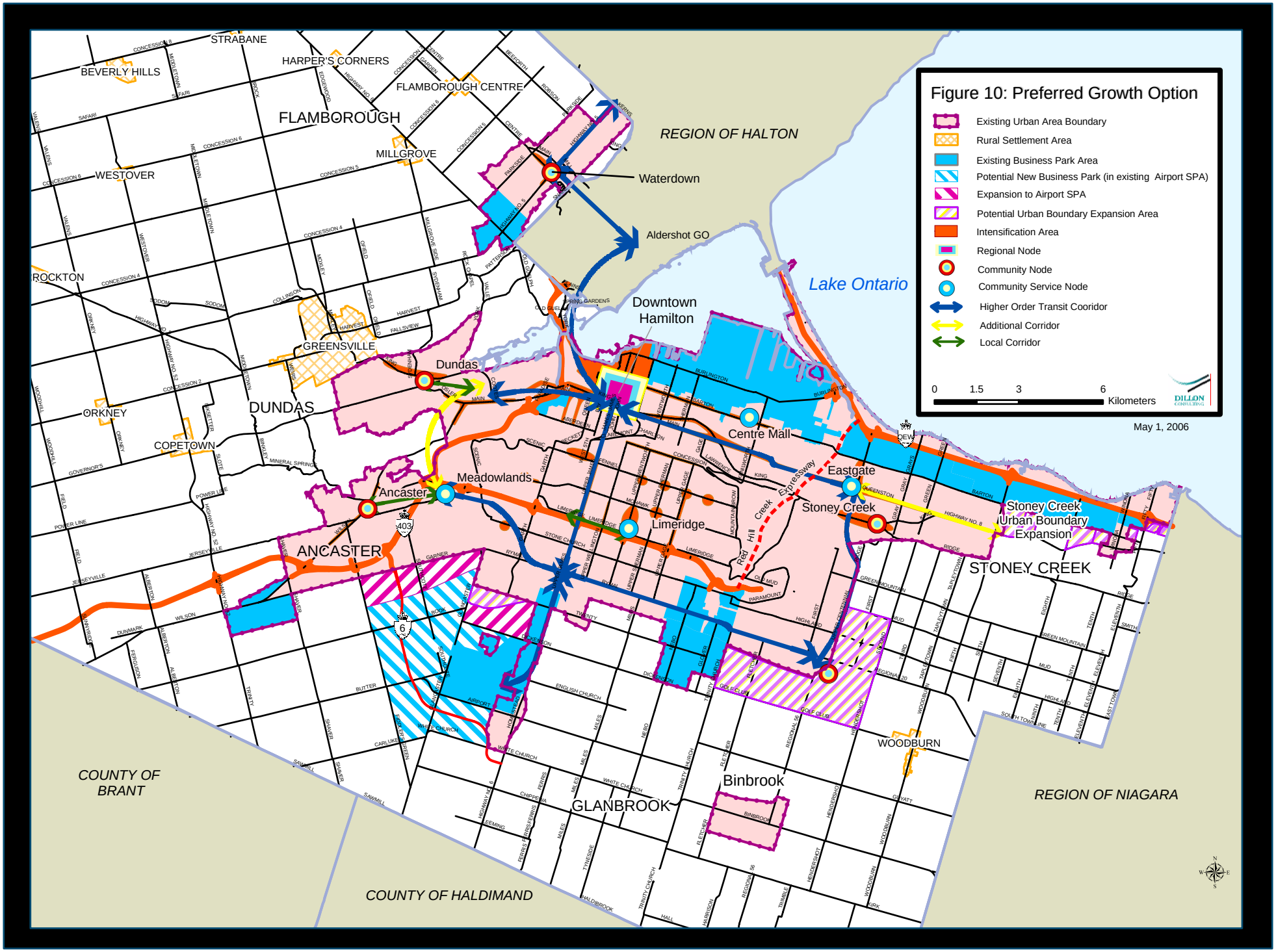
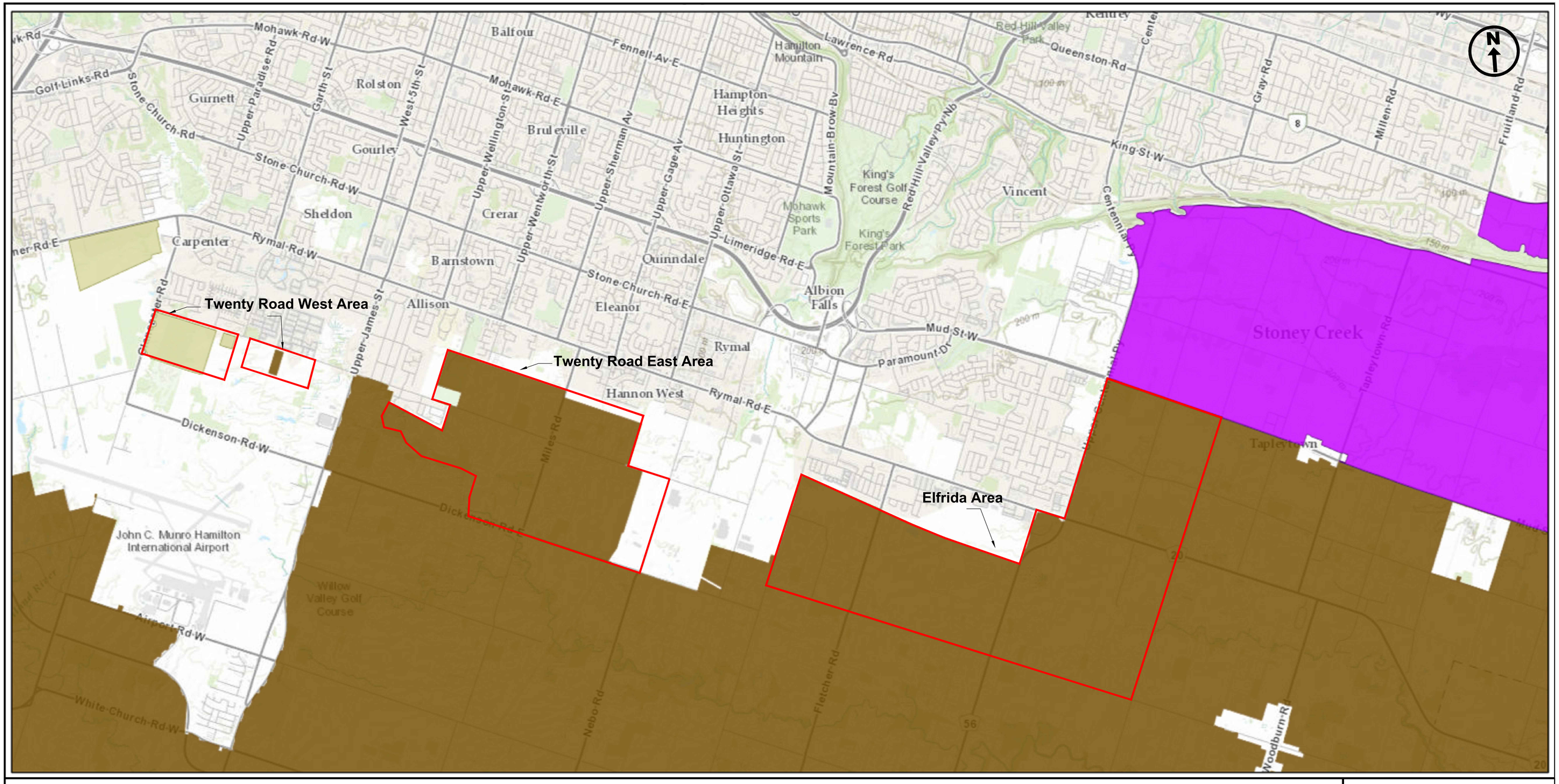


Figure 10: Preferred Growth Option
Existing Urban Area Boundary
Rural Settlement Area
Existing Business Park Area
Potential New Business Park (in existing Airport SPA)
Expansion to Airport SPA
Potential Urban Boundary Expansion Area
Intensification Area
Regional Node
Community Node
Community Service Node
Higher Order Transit Cooridor
Additional Corridor
Local Corridor
0
1.5
3
6
Kilometers
May 1, 2006
REGION OF HALTON
Lake Ontario
Waterdown
Aldershot GO
Downtown Hamilton
Centre Mall
Eastgate
Stoney Creek
Stoney Creek Urban Boundary Expansion
Meadowlands
Ancaster
Dundas
Limeridge
Red Hill Creek Expressway
STONEY CREEK
ANCASTER
DUNDAS
GREENSVILLE
FLAMBOROUGH
FLAMBOROUGH CENTRE
HARPER'S CORNERS
STRABANE
BEVERLY HILLS
WESTOVER
MILLGROVE
ROCKTON
ORKNEY
COPETOWN
GLANBROOK
Binbrook
WOODBURN
COUNTY OF BRANT
COUNTY OF HALDIMAND
REGION OF NIAGARA

Schedule "B"



LEGEND

- Prime Agricultural Area
- Candidate Area (Lesser Quality Agricultural Lands)
- Specialty Crop Area

OMAFRA PRIME AGRICULTURAL MAPPING

Future Growth Areas

Hamilton, Ontario

CORBETT LAND STRATEGIES INC.
VISION • EXPERTISE
483 Dundas Street W, Unit 212
Oakville, ON L6M 1L9
corbettlandstrategies.ca

Scale: NTS

Attention: Stephanie Paparella, Legislative Coordinator (Stephanie.Paparella@hamilton.ca)

Regarding: Report PED17010(h) – 'GRIDS 2 and Municipal Comprehensive Review – Land Needs Assessment and Technical Background Reports

To Whom This May Concern,

Regarding the GRIDS 2 Report, please consider the following comments for submission in reflection of this report. While the staff summary, along with Appendices A through H are extensive in length and reading, through a very time-limited perusal, there are a few brief points to draw attention to that many Stoney Creek area residents are concerned with and would question.

It is clear that there is a specific mandate that demands forced growth of the Golden Horseshoe. More specifically noted regarding the Greater Hamilton area - The City MUST plan to achieve the minimum provincial forecasts of 820,000 persons by 2051 with lower forecasts not permitted. Residents must question how government can 'demand' such extremes in residential development in such compact concentration.

Within Appendix C - Residential Intensification Market Demand Analysis:
In particular 1.2 in reference to Hamilton, it indicates that the rate of intensification equates to nearly 1,800 units annually, more than double the historic level of such development that has occurred over the past decade.

And - 2.1 GAP ANALYSIS – Stating: However, on a finer geographic level, there are some significant variations between projected and actual RI. **What this means is that, while intensification is occurring, the pattern and location of intensification is not the same as that forecasted in 2006**. In general, it is noted that the west harbour area and the Downtown have been underperforming with regards to intensification. Some of the newer growth areas such as Hamilton Mountain, Ancaster and **the Stoney Creek waterfront have experienced greater intensification than what was forecasted**

This brings us to our point in question regarding Appendix C – 1.2: If this 1,800 unit intensification growth is for the entire city of Hamilton, how then, can one small area of Stoney Creek, particularly the lake area community, be subjected to well over 1,800 units within just one single proposed development?

That number does not include the multiple hundreds of additional units proposed within steps of this development, nor does it include the multiple hundreds of units that have been built since 2015 or that are currently under construction. All of this growth has been built, is taking place or is proposed within a semi-isolated miniscule block of lake area land north of the QEW. It clearly appears that this area alone is being forced to provide all and well beyond the yearly quota of mandated units required and expected for all of Hamilton.

How can residents of this extremely fragile area not question the motives of both provincial and local government? Particularly given that, within this entire small parcel of land between Grays

and Fruitland Roads that is being inundated with this development craze, it houses an environmentally sensitive area and natural heritage woodlots.

While we are aware that there are other areas that are being reviewed for expansion of residential development (Elfrida, Whitechurch, etc.) the choices regarding the boundaries of previously planned urban sprawl appear to be based on extreme intensification due to the quick saleability of desirable waterfront properties rather than taking into consideration the damage that this overdevelopment is creating with water mitigation/flooding issues, infrastructure concerns, severe traffic congestion, the carbon footprint, environmentally sensitive lands, local wildlife and ages old migratory pathways as well as the health, safety and comfort of existing area residents.

Members of this community have been urgently stating these points for a very long time. We ask again, that through the GRIDS 2 review and every other area of residential development, that every level of government allow full and fair public/citizen input in all current and future development growth to allow the concerns of every resident of the Greater Hamilton area to be fairly and be properly addressed and given full consideration before any further residential development and urban expansion occurs.

Thank you for your consideration,
Sherry Hayes & Debbie Martin

Hamilton

INFORMATION REPORT

TO:	Chair and Members General Issues Committee
COMMITTEE DATE:	December 14, 2020
SUBJECT/REPORT NO:	GRIDS 2 and Municipal Comprehensive Review – Public Consultation Round 2 and Work Plan Update (PED17010(g)) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Lauren Vraets (905) 546-2424 Ext. 2634
SUBMITTED BY: **SIGNATURE:**	Steve Robichaud Director, Planning and Chief Planner Planning and Economic Development Department

Council Direction: N/A

Information:

This Report provides an update on the second round of public engagement for GRIDS 2 (Growth Related Integrated Development Strategy) and the Municipal Comprehensive Review (MCR) which took place in November and December of 2019.

1.0 What is GRIDS and the Municipal Comprehensive Review?

The City is undertaking an update to GRIDS, known as GRIDS 2, which is a long term growth strategy to allocate forecasted population and employment growth to the year 2051. The provincial forecasts for Hamilton project a population of 820,000 people and employment of 360,000 jobs by the year 2051. As such, GRIDS must be updated to plan for the additional jobs and persons to 2051 and assess the implications for the Official Plan, Infrastructure Master Plans and Development Charges By-law. A municipal comprehensive review (MCR) is a requirement of the Growth Plan for the Greater Golden Horseshoe and the Provincial Policy Statement (PPS) at the time of an Official Plan review to bring the City's Official Plans into conformity with the Provincial plans. The MCR is broad and encompasses many inter-related components, and must be completed prior to any expansion of the urban boundary. However, many of the

studies that are required as part of the MCR are also part of a growth strategy. As such, the MCR will be completed concurrently with GRIDS 2, which has the benefit of combining the public and stakeholder consultation into one process, and efficiently using staff time and resources.

2.0 Project Update

The first round of public and stakeholder consultation for GRIDS 2 and the MCR was conducted in 2018 and focussed on Major Transit Station Area (MTSA) Planning and Urban Structure. Building on the previous engagement activities, Planning Staff initiated the second round of public and stakeholder consultation in late 2019. The goal of the second round of public engagement was to gather feedback regarding the revised GRIDS Directions to Guide Development, residential intensification targets and Designated Greenfield Area (DGA) density targets, employment land conversion, and criteria to evaluate future growth areas.

2.1 Public and Stakeholder Consultation - 2019

2.1.1 Public Information Centres – Round 2

In November and December 2019, public information centres (PICs) were held at four locations across the City to present information on GRIDS 2 and the MCR. The eight events (afternoon and evening session at four locations) were attended by approximately 150 people. A full summary report of these events is attached as Appendix “A” to Report PED17010(g).

At the PIC sessions, attendees were provided the opportunity to comment on the following key areas:

- GRIDS Directions to Guide Development;
- Residential Intensification Targets;
- Designated Greenfield Density Targets;
- Employment Areas; and,
- Future Growth Areas

A discussion on each of these five areas and what was heard from the public is below:

1) GRIDS Directions to Guide Development – a panel provided attendees with the original GRIDS 9 Directions to Guide Development, with proposed revisions incorporating Our Future Hamilton themes and stakeholder comments. After reviewing the information on the panel, attendees were asked to complete a comment sheet to provide their thoughts on the revisions to the GRIDS Directions.

Based on the comments received, Planning staff have updated the GRIDS Directions as follows (**Bold** – identifies proposed additions / modifications by staff, stakeholders and public):

1. **Plan for climate change mitigation and adaptation, and reduce greenhouse gas emissions.**
2. Encourage a compatible mix of uses in neighbourhoods, **including a range of housing types and affordabilities**, that provide opportunities to live, work, **learn, shop** and play, **promoting a healthy, safe and complete community**.
3. Concentrate new development **and infrastructure** within existing built-up areas and within **the** urban boundary **through intensification and adaptive re-use.**
4. Protect rural areas for a viable rural economy, agricultural resources, environmentally sensitive recreation and the enjoyment of the rural landscape.
5. Design neighbourhoods to improve access to community life **for all, regardless of age, ethnicity, race, gender, ability, income and spirituality.**
6. Retain **and intensify existing employment land,** attract jobs in Hamilton's strength areas and targeted new sectors, **and support access to education and training for all residents.**
7. Expand transportation options **through the development of complete streets** that encourage travel by foot, bike and transit, and enhance efficient inter-regional transportation connections.
8. Maximize the use of existing buildings, infrastructure, and vacant or abandoned land.
9. Protect ecological systems **and the natural environment, reduce waste**, improve air, land and water quality, and encourage the use of green infrastructure.
10. Maintain and create attractive public and private spaces and respect the unique character of existing buildings, neighbourhoods **and communities, protect cultural heritage resources, and support arts and culture as an important part of community identity.**

The final GRIDS 10 Directions will be brought forward for Council endorsement alongside the forthcoming Land Needs Assessment (LNA) report.

2) Residential Intensification Targets – attendees were provided with background information about residential intensification (what is it?), an explanation of the 2019 Growth Plan target of 50% intensification for Hamilton, what the City has done already to encourage intensification (Official Plan policies, Zoning By-law updates,

pilot projects), and what the recent demand has been for intensification units. Participants were then asked what intensification target the City should be striving for and were given three options: lower than the Growth Plan target, meeting the Growth Plan target, or aiming higher than the Growth Plan target.

Participants were encouraged to complete a comment sheet about this topic area. Some key insights gained from the public comments regarding intensification include: a general preference to increase the intensification target beyond the 2019 Growth Plan target; concern about housing affordability, housing mix, and compatibility as a result of intensification; and a preference for intensifying in areas that will have access to transit. These comments will assist Planning staff as part of land needs assessment work to determine an appropriate residential intensification target for the City.

3) Designated Greenfield Area (DGA) Density Targets – attendees were provided information about where the greenfield areas are in the City, how the DGA density of people and jobs per hectare (pjh) is calculated, and a snapshot of the City's current DGA planned density (56 pjh). Participants were asked to provide their preference for three DGA density options: lower than the Growth Plan target of 50pjh, meeting the Growth Plan target, or aiming higher than the Growth Plan target.

   Attendees were encouraged to share their preferred option by submitting a comment sheet. Some key takeaways from the DGA density comments include: general support for a density target higher than 50pjh; new growth areas should mix uses and provide transportation options; and, concern about cost to build and maintain new greenfield areas. These comments will be taken into consideration as part of the land needs assessment work.

4) Employment Areas – the presentation panels provided attendees with background information about employment areas in the city (where are they?), and what criteria are considered when there is a request for conversion to a non-employment use (Growth Plan and City of Hamilton conversion criteria). Attendees were provided with maps depicting areas that were identified as candidates for employment conversion in the draft Employment Land Review report (PED17010(f)) which was presented at the November 20, 2019 General Issues Committee.

   PIC participants were encouraged to provide their thoughts on the draft Employment Land Review report and proposed conversion sites on comment sheets available at the event. Some key takeaways from the employment land conversion comments include: suggestion that the density measure of jobs per hectare needs to be reviewed to acknowledge the rapidly changing nature of work;

concern over becoming a bedroom community if employment land is lost; and, more consideration of employment opportunities in the agricultural sector. These comments will be considered through the final preparation of the Employment Land Review report.

5) Evaluating Future Growth Areas – these panels of the PICs provided participants with the Provincial Growth Plan criteria that must be satisfied prior to an urban boundary expansion occurring. Attendees were asked to provide their feedback about what other criteria should be considered for evaluating where and how the City may grow in the future. The final panel allowed participants to write their proposed criteria on a sticky note and post it on the board.

   Comment sheets were also available for participants to provide detailed feedback. Some key takeaways from these comments include: the need to consider climate change mitigation and adaptation; desire to maintain and enhance greenspaces; connectivity to active transportation and public transit; and, ensuring access to public facilities and emergency services. These comments will be considered in the preparation of the growth option evaluation framework.

2.1.2 Stakeholder Workshop #2

In December 2019, a second GRIDS2 / MCR stakeholder workshop was held. Consistent with the first stakeholder workshop held for GRIDS 2 / MCR in June of 2018, Planning staff invited a variety of potential participants, including Conservation Authorities, environmental groups, BIAs, chambers of commerce, school boards, society of architects, and the home builders association.

The purpose of the second stakeholder workshop was:

- To obtain feedback from the various stakeholders regarding residential intensification targets and DGA density targets; and,
- To have a focused discussion about what a climate change lens would look like when considering different options for accommodating forecasted population growth.

The discussion of the climate change lens assists in linking the discussion of planning for growth with the City's Corporate Goals and Areas of Focus for Climate Change Mitigation and Adaptation. The session was hosted by Planning staff, and participant discussion groups were guided by a trained facilitator.

A total of 15 stakeholders representing the following organizations attended the session:

- Hamilton-Wentworth District School Board

- Hamilton-Wentworth Catholic District School Board
- Hamilton Conservation Authority
- Ontario Federation of Agriculture
- Environment Hamilton
- Downtown Hamilton BIA
- Waterdown BIA
- Flamborough Chamber of Commerce
- Hamilton Halton Home Builders Association
- Greenbelt Foundation
- Niagara Escarpment Commission
- Indwell

Some of the key takeaways from Stakeholder Workshop #2 are:

- Many participants expressed interest in the City working towards intensification and density targets higher than the Growth Plan requirements;
- Participants observed that both lower and higher DGA density target options have potential benefits that should be considered;
- There was general agreement that the City's intensification target should be higher, but participants were unsure how much higher than the Growth Plan target; and,
- A climate change lens for growth options should include consideration for low impact development, access to transit, walkable communities, protection of greenspaces, affordability, and food security, among others.

A full summary of the stakeholder workshop is attached as Appendix "A" Report PED17010(g). The comments from the stakeholder are being considered as Planning staff move through the GRIDS 2 / MCR workplan and associated studies.

2.1.3 Other Consultation Opportunities

In addition to the public information centres and stakeholder workshop, staff continued to share information on the GRIDS 2 / MCR process with interested groups to gain feedback and ideas going forward. Consultation included:

- The GRIDS 2 / MCR website (www.hamilton.ca/GRIDS2-MCR) - which provides a description of GRIDS 2 / MCR, including a video describing the project in plain language; updated project timeline; copies of all panels from the PICs; and, on-line commenting forms (over 800 webpage visits were recorded between October 2019 and January 2020, 10 online comments submissions were received - provided in Appendix "A" to Report PED17010(g)); and,

- Internal staff working group meetings with representatives from Public Works, Public Health, Community Services, Transit, and Planning and Economic Development.

Staff will continue to engage the public and stakeholders through all future phases of the GRIDS 2 / MCR project.

3.0 Work Plan Update

The Province released an update to the Growth Plan and a revised Land Needs Assessment Methodology in August, 2020. The City is required to plan for growth using the revised LNA method. The work plan for GRIDS 2 / MCR has been updated to reflect the time needed to revise work that had previously been completed.

The next phase of GRIDS 2 / MCR will include public and stakeholder consultation regarding the findings of the Land Needs Assessment and evaluation of Phasing Principles to guide potential development. The draft Land Needs Assessment and related reports will be presented at a special General Issues Committee (GIC) meeting scheduled for December 14, 2020. Following public consultation on these documents, final approval of the Land Needs Assessment and Phasing Principles is anticipated be presented to the General Issues Committee in March, 2021 and will include a summary of the results of the public consultation.

The updated project timeline is attached as Appendix “B” to Report PED17010(g). The timeline has been adjusted to reflect the revised anticipated completion of the project and the presentation of the preferred growth option to this Committee. The timeline adjustments are reflective of the iterative nature of the long-range planning process. For example, changes or updates to one study may be required as a result of the completion of another study.

Based on the project timeline, staff anticipate completion of GRIDS 2 / MCR in January 2022.

4.0 Planned Consultation – Round 3

Staff are planning the third round of public consultation for the first quarter of 2021. At this third round of public engagement, consideration of the findings of the Land Needs Assessment and future development Phasing Principles will be discussed. Due to COVID-19 restrictions to protect the health and safety of the public and City staff, alternatives to in-person Open House engagement events are being reviewed. Staff are working with City Communications representatives to develop a virtual public engagement experience that is interactive, informative, and accessible. The project will have a presence on the Engage Hamilton portal (www.engage.hamilton.ca). More

information will be presented to members of Council once the details of the virtual public engagement strategy are in place.

APPENDICES AND SCHEDULES ATTACHED

Appendix “A” – Public Consultation Round Two Summary Report
Appendix “B” – Updated Work Plan

LV:mo

MCR GRIDS 2

Moving Forward Together

Public and Stakeholder Engagement Round 2

Fall 2019

AT-A-GLANCE

ROUND 2 ENGAGEMENT

150+
attended in-person consultation sessions

800+
visited the project website

15+
attended a stakeholder workshop

Most participants heard about the engagement activities through **direct e-mail invitation**, through **local organizations and associations**, and via **word of mouth**.

Thank you to each participant for sharing ideas and preferences with the project team through the consultation process.

Round 2 Consultation: Trending Ideas and Insights

- There is broad support for the revised **GRIDS Directions to Guide Development** (PDF – see board #4).
- Climate change mitigation is critical and should be used as an overarching evaluation criterion when considering future growth options.
- Keeping future development within the existing urban boundary in order to protect green spaces and agricultural lands is a priority for many participants.
- Other important criteria for determining how Hamilton should grow included environmental sustainability, ensuring a robust public transit system and active transportation, protecting heritage and water resources, building and utilizing public infrastructure efficiently, giving focus to green infrastructure, wise management of public funds, housing diversity, promoting food security, liveable communities, and consideration of the true cost of urban expansion.
- Participants recognized that all these criteria, or lenses, are linked together in an interconnected system.
- Participants generally leaned towards a higher Designated Greenfield Area density target. Some felt that greenfield development offered the opportunity to create complete streets and communities. In the stakeholder workshop, the higher targets were called "stretch targets", and there was a feeling that higher targets could be aspirational for the City.
- Participants generally favoured higher intensification targets than are contained in the revised Provincial Growth Plan (i.e., over 50%). Many noted that higher intensification targets would result in complete communities. Some cautioned about the pressure that intensification puts on existing neighbourhoods.
- Participants indicated that the process should be inclusive of diverse needs and voices.

GREENFIELD DENSITY

INTENSIFICATION

Many participants said *Turn it Up.*

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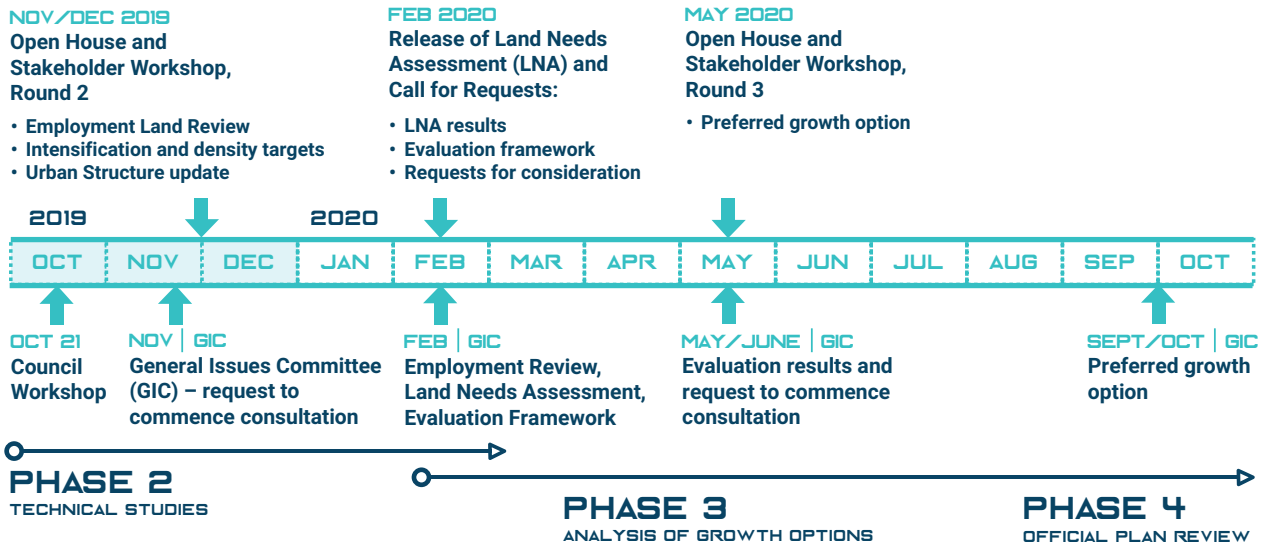
Background

The City of Hamilton is a growing, diverse, culturally and environmentally rich, economic centre. The Growth-Related Integrated Development Strategy 2 (GRIDS2) and the Municipal Comprehensive Review (MCR) are important projects, both with great potential to manage employment and population growth and to support good planning in Hamilton.

In May 2006, the first Growth Related Integrated Development Strategy (GRIDS) was approved by Hamilton City Council. GRIDS is a plan that identifies how and where the City will grow to the year 2031. GRIDS2 is an update to GRIDS and will lay out the plans for population and employment growth for an additional decade, to the year 2041. It is the next step in identifying where and how the additional people and jobs will be accommodated. Updates to the infrastructure master plans (stormwater, water/wastewater), and transportation master plan will also be undertaken as part of GRIDS2.

A Municipal Comprehensive Review (MCR) is another future-looking planning process being carried out to ensure that the City updates its Official Plans to be in line with the revised Provincial Growth Plan released in 2019, as well as other Provincial Plans (e.g., Greenbelt Plan, Niagara Escarpment Plan, etc.).

To leverage efficiencies and opportunities between GRIDS2 and the MCR, the City is carrying out these two processes at the same time. Combining these projects into one transparent, integrated process is intended to make it easier for stakeholders, citizens, and the City to share ideas. It is important to engage diverse stakeholders from across the City, uncover and explore competing views, and develop plans that support the public interest. These processes started in 2017 with several technical studies and are anticipated to wrap up in 2021 when the Official Plan Review is completed. Public consultation is an important part of the process and will bring multiple voices and perspectives to these studies. Several public consultation activities have taken place, more are planned, and ideas are invited throughout the process.



Round 1 Recap: Ideas and Insights:

On Monday, May 28, 2018, the City of Hamilton began its first round of open houses for the GRIDS2 and MCR projects. A total of six open houses were held at three locations across the city. A stakeholder workshop was also held on June 7, 2018. For all sessions, the focus was to reflect on the City's urban structure and to consider if and how areas around Major Transit Station Areas (MTSAs) could be intensified to meet provincial targets. Stakeholders also reviewed Nine Directions to Guide Development that were developed during the GRIDS (2006), with an eye to updating them so they could be used to evaluate possible growth options. Over 100 people attended the in-person sessions and over 750 visits were made to the project webpage, resulting in the submission of over 100 written comments.

The full report can be **viewed on the City's website**.

All ideas and insights from Round 1 consultation have been and continue to be considered by the project team. Moving forward, the intent was to continue to loop back with the public and stakeholders to update them on the process and how input has shaped its direction.

Round 1 Trending Insights and Ideas:

1. **Several additional areas of intensification, corridors and nodes** have been identified for consideration.
2. People want to ensure that **all areas of the city are treated fairly and equitably** (in context), so that everyone benefits from realistic projections and sustainable growth, jobs and new transit opportunities.
3. With some tweaking, including giving focus to citizen engagement, the **GRIDS Nine Directions to Guide Development will continue to be relevant.**
4. **Making connections** between the existing transit system and the new system are important, including across regions.
5. Pedestrian **safety and accessibility** for all are important considerations for intensification and transit.

Round 2 Engagement Is On

On Tuesday, November 16, 2019, the City of Hamilton began its second round of open houses for the GRIDS2/MCR projects. Several topics formed the basis for conversation, including:

- possible intensification and density targets for the City. The Provincial Growth Plan (2019), sets a minimum intensification target of 50% for Hamilton; meaning that 50% of new residential dwelling units must be constructed within the built-up area every year. The Growth Plan also establishes a minimum planned density target in the Designated Greenfield Area (DGA) of 50 persons and jobs per hectare (pjh). These targets are minimums, and the City may plan for higher or lower targets;
- draft Employment Land Review that was undertaken with the purpose of reviewing employment areas to determine if any lands should be converted to a non-employment land use designation in the Official Plan. One site is recommended for full conversion and two are recommended for partial conversion; and,
- the criteria that will inform how future growth options are evaluated.

A total of eight public open houses were held at four locations across the City:

1. **Tuesday, November 26, 2019** — 2pm - 4pm and 6pm - 8pm —
   David Braley Health Sciences Centre, 100 Main Street West, Hamilton, Auditorium.
2. **Thursday, November 28, 2019** — 2pm - 4pm and 6pm - 8pm —
   Battlefield House Museum & Park, 77 King Street West, Stoney Creek, “Cellar at Grand”.
3. **Monday, December 2, 2019** — 2pm - 4pm and 6pm - 8pm —
   Dundas Town Hall, 60 Main Street, Dundas, Auditorium.
4. **Wednesday, December 4, 2019** — 2pm - 4pm and 6pm - 8pm —
   St. Naum of Ohrid Macedonian Orthodox Church, 1150 Stone Church Road East, Hamilton, Hall.

Each session was set up so that attendees could visit poster boards and learn about the project story. City Staff were available to answer questions and exchange ideas with participants. Participants were asked to complete a comment sheet in order to provide the project team with ideas and input related to the revised GRIDS Directions to Guide Development and the City’s draft Employment Land Review report. They were also asked to indicate support for how the “dials” for DGA and intensification should be positioned (lower than, at, or higher than the province’s targets), and to add ideas directly to a poster board about how future growth options should be evaluated.

Intensification target – a measure of how much of the City’s future new housing units will be accommodated within the existing built-up area.

Designated Greenfield Area (DGA) density target – a measure of the planned density of new communities, based on the number of people and jobs (PJH) per hectare.

A stakeholder workshop was held the morning of December 16, 2019 at the David Braley Health Sciences Centre, 100 Main Street West. The discussion themes from the public sessions were similar for this workshop, with additional discussion of how a climate change lense could be used to evaluate growth options. Small, facilitated groups worked together to respond to the questions. Individual responses were also welcomed.

The GRIDS/MCR also maintained a **web presence** so that anyone interested could access project information and provide input anytime.

Getting the Word Out

The open houses were advertised in several ways, including:

- Social Media.
- The Hamilton Spectator and Community News.
- Through Councillors, neighbourhood associations and community groups.
- Directly via the project mailing list (approximately 175 contacts).
- City website.

Anyone interested was welcomed to attend any or all of the public sessions.

Stakeholder workshop participants were invited by direct e-mail.

Over 175 people actively participated in this round of engagement at the public open houses, the stakeholder workshop and online. Most of these participants heard about the engagement activities through direct e-mail invitation, through local organizations and associations and via word of mouth. To a lesser extent, people learned about the events through social media and the project website.

What to Expect in This Report

The remainder of this report summarizes the ideas and insights that were exchanged and recorded by the City and consulting team. A number of appendices are included following the summary:

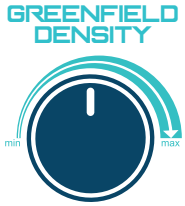
- **Appendix A** contains a transcription of comments submitted during the open houses.
- **Appendix B** contains a transcription of comments submitted during the Stakeholder Workshop.
- **Appendix C** contains a transcription of the comments submitted online.
- **Appendix D** contains a letter received following the public meetings.

Presentation materials can be accessed on the project website anytime.

Public Open House
Ideas and Insights Summary

Approximately 150 people participated in the Round 2 public open houses. Key idea and insight themes include:

- There is general support for the revised GRIDS Directions to Guide Development.
- Climate change mitigation is a critical consideration and should be used as an overarching evaluation criterion when considering future growth options.
- Keeping future development within the existing urban boundary in order to protect green spaces and agricultural lands is a priority for many participants.
- Other priority evaluation criteria included environmental sustainability, ensuring a robust public transit system and active transportation, protecting heritage and water resources, building and utilizing public infrastructure efficiently, giving focus to green infrastructure, wise management of public funds and consideration of the true cost of urban expansion, and liveability.
- Participants generally leaned towards a higher DGA density target. However, some felt that greenfield development offered the opportunity to create complete streets and communities.



- 35 participants said to turn it up past 50% (50 pjh)
- 11 participants said to try to achieve 50%
- 8 participants said to turn it down past 50%

- While there were divergent views about whether the intensification targets should be lower than 50%, at 50% as suggested in the Provincial Growth Plan, or above 50%, participants generally leaned towards higher targets, noting a desire for complete communities. Some cautioned about the pressure that increasing density puts on existing neighbourhoods.

- 44 participants said to turn it up past 50%
- 15 participants said to try to achieve 50%
- 6 participants said to turn it down past 50%

- Some participants in the public sessions had concerns about planned growth in the Elfrida area.
- Participants indicated that the process should be inclusive of diverse needs and voices.

In addition to these overarching themes, participants asked a number of questions. All comments and questions raised at the public open houses can be found in **Appendix A**.

Downtown Area Session Ideas and Insights

Tuesday, November 26, 2019 — 2pm - 4pm (44 participants), 6pm - 8pm (12 participants)

When asked what criteria should be considered to evaluate future growth options, participants were largely of the opinion that expanding the urban boundary was not preferred. Participants expressed that, due to climate change, woodlands, wetlands and agricultural lands are already in danger and should not be impacted further by urban sprawl. Individuals expressed the desire to see the growth targets met while staying within the current urban boundaries.

During the open house, participants were invited to provide comments directly on the presentation boards with sticky notes to indicate important criteria that should be used in evaluating future growth options. Key themes included:

- Maintaining a firm urban boundary
- Climate change impacts
- Affordable/geared-to-income housing
- Protecting green spaces and natural heritage
- Maintaining agricultural land
- Transit
- Air quality
- Variety of housing forms

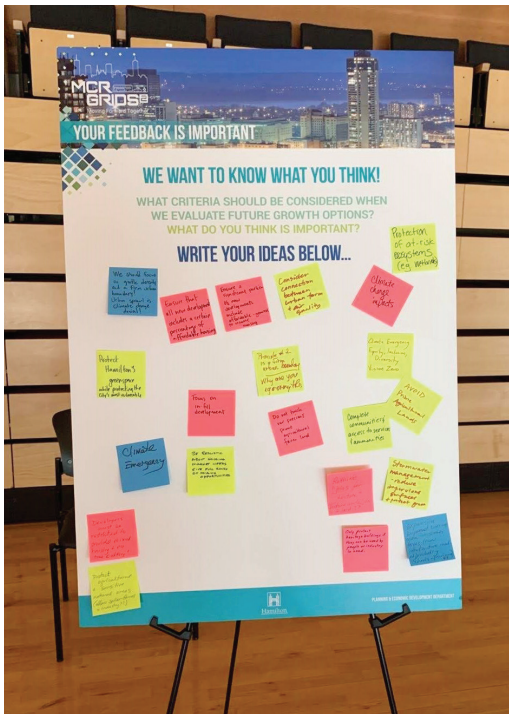
Participants noted that the GRIDS Directions to Guide Development are still relevant to guide decisions on growth and development. However, there should be an emphasis on climate change and acting effectively to mitigate future impacts. Without protecting the natural environment first, participants feel that the remaining “directions” will be irrelevant. It was reiterated by some participants that there should be no new development outside the current urban boundary.

Regarding the City’s draft Employment Land Review report, it was suggested that the “jobs per hectare” designation be re-evaluated due to the changing nature of paid work.

When asked for their opinion on the minimum planned density target in the Designated Greenfield Area of 50 persons and jobs per hectare (pjh), many felt that the target should be higher. It was noted that lower density development isn’t cost effective and puts a burden on the taxpayers. Participants noted that higher density development and use of brownfields will allow development to occur within the current urban boundary, thus protecting green spaces.

When asked for their opinion on the minimum intensification target of 50%, some agreed that the target was achievable, but the majority felt that the target would ideally be higher. Individuals noted that there is already a large amount of low-density housing in Hamilton and focus should be put on medium to high density in the downtown core. Participants continued to voice concern with expanding the urban boundary and its impacts on natural areas. Higher intensification targets will keep growth within the current boundaries.

At this session, there was concern regarding development in the Elfrida area. Some participants indicated that they do not want this, or other greenfield areas developed. Comment was provided to review the Twenty Road East lands as an alternative.



Stoney Creek Area Session Ideas and Insights

Thursday, November 28, 2019 — 2pm - 4pm (15 participants), 6pm - 8pm (15 participants)

When asked what criteria should be considered to evaluate future growth options participants noted transit, tax revenue and protection of sensitive areas.

Key themes from the sticky notes were:

- Climate change impacts
- Sustainable transportation (transit plans, connectedness, active transportation)
- High density infrastructure
- Protecting green spaces
- Maintaining agricultural land
- Providing public facilities

Participants noted that the GRIDS Directions to Guide Development should revolve around climate change. There is concern that the use of green infrastructure is not being encouraged. It was noted that there are currently no policies or guidelines in place to lower the percentage of impermeable surfaces. Participants acknowledged that the directions are good guiding principles, but protection of farmlands and natural heritage lands should be included.

When asked for their opinion on the minimum planned density target in the Designated Greenfield Area of 50 persons and jobs per hectare (pjh), the participants indicated preference for a higher target. If Greenfield development did occur, it was noted that focus should be on complete communities so that residents are connected and not reliant on personal vehicles. Some participants would also like the proposed development in Elfrida to be reconsidered.

When asked for their opinion on the minimum intensification target of 50%, participants were divided. Individuals noted that new development in Binbrook should be intensified with a minimum of four-storey buildings while preserving farmlands and green spaces. Several participants indicated a preference for higher intensification to address climate change. Some participants commented that significant costs and revitalization will be required to maintain an already crowded built-up area. Therefore, developing new greenfields with a mix of residential, commercial and green space with well planned infrastructure could be positive.

Dundas Area Session Ideas and Insights

Monday, December 2, 2019 — 2pm - 4pm (21 participants), 6pm - 8pm (18 participants)

When asked what criteria should be considered to evaluate future growth options, participants noted that climate change mitigation design features should be included with any building application. Intensification along the Main Street corridor out to Queenston Road was seen as positive. Multiple comments indicated access to existing and planned transit as a key criterion. Participants expressed the importance of maintaining agricultural land and prioritizing climate change mitigation, especially since the City has declared a climate emergency.

Key themes from the sticky notes were:

- Climate change impacts and mitigation
- Protecting green spaces, water sources and heritage resources
- Accessible Services
- Livability
- Housing options

Participants noted that the GRIDS Directions to Guide Development is better with the current revisions. Individuals expressed their appreciation for the focus on intensifying developed land and working within the current built boundaries, including developing brownfields over Greenfields. There are concerns however that these directions will not be followed and that the Elfrida area and the Greenbelt will not be protected. It was also noted that The City of Hamilton should have a strong vision for the future that considers the long-term consequences of its ecological footprint.

Regarding the City's draft Employment Land Review report, it was noted that as more employment land is converted to other land uses, people will be encouraged to work outside the city, thus turning Hamilton into a "bedroom" community. There was also a comment about supporting the agricultural sector.

When asked for their opinion on the minimum planned density target in the Designated Greenfield Area of 50 persons and jobs per hectare (pjh), most of the group felt the target should be higher. Participants expressed concern about the cost to taxpayers to develop Greenfields, including the limited transit options that will be available in these areas. Transportation can be more efficient, and taxes lowered by encouraging intensification in the downtown core.

When asked for their opinion on the minimum intensification target of 50%, many felt the target should be higher, while some felt a target of 50% was appropriate. Participants noted the desire to have a clear vision for the future, including protecting rural and agricultural land, promoting public transit and environmental sustainability. Individuals noted this could be achieved by minimizing expansion of the urban boundary and building townhouses and mid-rise apartments on the edges of single-family zones. Developers should be required to incorporate green infrastructure in new developments to mitigate climate change impacts.

Mountain Area Session Ideas and Insights

Wednesday, December 4, 2019 — 2pm - 4pm (12 participants), 6pm - 8pm (9 participants)

When asked what criteria should be considered to evaluate future growth options, individuals noted that the impact to city greenhouse gas emission targets and the impact on escarpment to lake corridors should be considered. Participants emphasized the need to listen to citizens in existing neighbourhoods because they understand and have lived experience in those individual areas, giving them a strong understanding of the needs and requirements. It was suggested that intensification within urban boundaries and infill development be incentivized versus allowing developers to build outside the urban boundary. It was also expressed that heritage sites need to be protected.

Key themes from the sticky notes were:

- No expansion of our urban boundaries
- Services need to match growth (i.e., police, fire, EMS, health care)
- Ensure growth matches water and sewer capabilities
- Road infrastructure maintenance

When asked if the GRIDS Directions to Guide Development is still relevant to guide decisions on growth and development it was noted that climate and environmental concerns should be defining factors to evaluate all existing and future development. Participants would like to add a requirement to minimize commute times between residential and employment centres by ensuring they are well served by active and public transportation options. Individuals requested more information on costs to taxpayers for the different types of development. Extending services to outside the urban boundary is more costly than using existing infrastructure within the city.

Regarding the City's draft Employment Land Review report participants would like to see truck routes considered since they impact air quality and safety. Individuals are concerned about the cost of building and maintaining transportation infrastructure to greenfield areas and the lack of transportation options. More information about this is needed. It was suggested that underutilized residential land be converted to employment land if it improves job density in target areas.

All of those who provided comment, noted that the minimum planned density target in the Designated Greenfield Area of 50 persons and jobs per hectare (pjh) should be higher.

When asked for their opinion on the minimum intensification target of 50%, the majority of participants noted that the target should be higher because of the benefits that include effective transit, shorter commutes, less impermeable surfaces, re-use of existing infrastructure, and lower maintenance costs.

Stakeholder Workshop Ideas and Insights Summary

Monday, December 16, 2019 — 9:30am - 12pm (15 participants)

Participants for this workshop came from a number of local business and environmental associations, the agricultural and education communities.

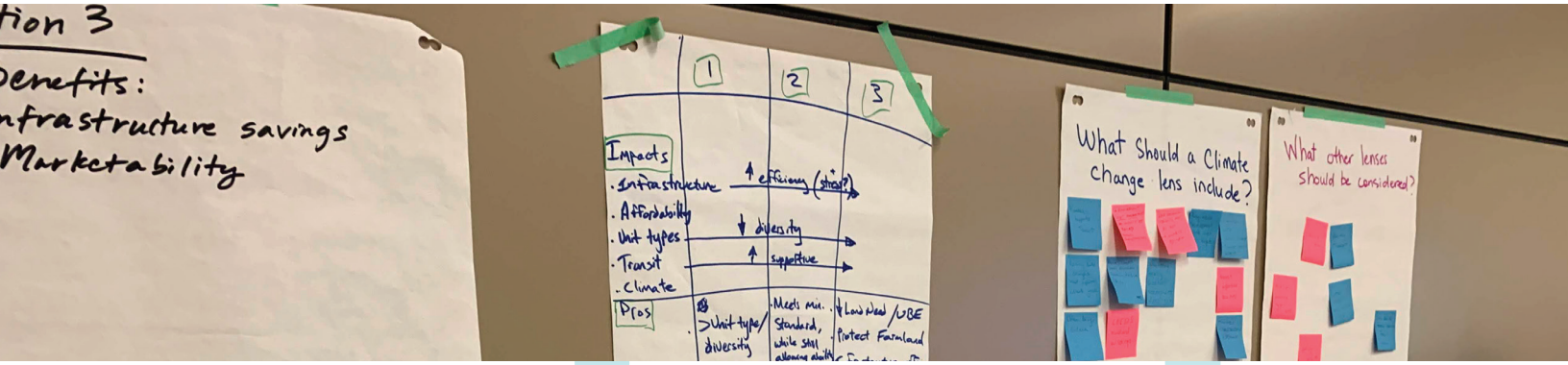
When considering the density and intensification targets, many of the participants expressed interest in the City establishing “stretch goals” to work towards that are higher than the suggested targets.

When asked for their opinion on the minimum planned density target in the Designated Greenfield Area of 50 persons and jobs per hectare (pjh), participants observed that each density option (i.e., lower, higher) has benefits. The group noted that the benefits of a lower density target include the ability to start fresh and include diversity of housing and new infrastructure, while increasing the target decreases the land need, protects farmland, uses existing infrastructure efficiently, promotes affordability and community vibrancy.

When asked for their opinion on the minimum intensification target of 50%, members of the group generally felt the target should be higher but were unsure about how much higher. The group commented that a higher intensification target has cost complications due to supporting infrastructure (transit, roads, water/wastewater upgrades), but that there are also benefits, such as marketability of complete, efficient communities. Concerns were noted about possible loss of natural habitat when greenfields are developed.

Participants were asked about the values that informed their choices around the targets. Responses included:

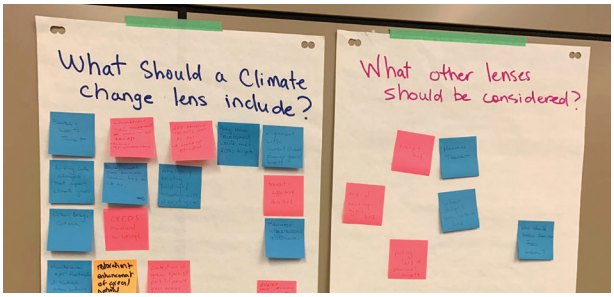
- Affordability/inclusivity;
- Respect for and protection of the natural environment;
- Need for public green space;
- Keep taxes reasonable;
- Building to meet market demand;
- Desire to live and work in the same place;
- Good quality of life; and,
- Good urban design/complete communities.



Workshop attendees were asked what a climate change evaluation lens should include. Key themes were:

- Low impact development;
- Promote and support transit;
- LEED Standard buildings;
- Protection of green spaces and promotion of new ones;
- Walkable communities;
- Zero urban boundary expansion;
- Community safety;
- Quality of life;
- Housing affordability; and,
- Food security.

Participants expressed interest in ongoing project updates and opportunities to provide comments to the City.



Online Submissions

Throughout the process, all interested parties have been encouraged to submit comments via the **online project portal**. Below is a summary of the ten responses that were received during Round 2 consultation.

When asked what **criteria should be considered to evaluate future growth options**, it was noted that growth options should be evaluated based on long-term growth demands and potential outcomes. All costs of urban boundary expansions should be considered when determining the "need" for residential and/or employment growth as opposed to using only traditional analyses. Participants would like the City to consider if the costs of an urban boundary expansion outweigh the benefits of outward growth. The City was also encouraged to update environmental mapping before selecting areas to consider. Some expressed preference for existing pedestrian focussed streets as locations for most future growth. Key themes also included considering climate change impacts, active transportation, cultural opportunities, affordable housing, and safety.

Participants noted that the **GRIDS Directions to Guide Development** are relevant; however, there is concern that there are so many important values and principles that it will be hard to determine which should take priority. It was suggested instead that two or three of the directions be established as top priorities. There is also concern that, although relevant, the City will choose to ignore the directions completely.

When asked for their opinion on the **minimum planned density target** in the Designated Greenfield Area of 50 persons and jobs per hectare (pjh), the majority would like the target to be increased. It was noted that a higher target would be important for sustainability, Vision Zero, and cultural vibrancy. Individuals mentioned that the current planned development is at 56pjh, therefore, when dealing with a growing population, it doesn't make sense to set a lower target. Participants noted that by increasing the density target, Greenfield areas will be protected, which will sustain natural and agricultural areas.

When asked for their opinion on the **minimum intensification target** of 50%, a couple of individuals felt that the target is too aggressive and would put development pressure on existing neighbourhoods leading to negative consequences. Others expressed that the target should be increased to protect greenspaces and ensure sustainability, build effective transit and improve the tax base.

Next Steps

These engagement activities were the second of three planned touch points for the GRIDS2/MCR process. The third touch point will take place in the fall of 2020, with the entire process to conclude by 2021. Insights and ideas received in person and online will be reviewed and considered in completing GRIDS2/MCR. Ongoing dialogue and input are welcome throughout the process.

Keep in Touch

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MCR GRIDS 2

Moving Forward Together

Public Engagement "Ideas and Insights"

Appendix A: Public Open House Comments

Downtown Open Houses, November 26, 2019

Evaluating Future Growth Areas

What criteria should be considered when we evaluate future growth options? (please list as many points as you would like to add):

- Regardless of if it exists, the "single family housing market" doesn't need to be supplied by urban boundary expansion, if you can't meet this perceived need within the existing urban boundary, attitudes need to shift. Natural Lands (woodlands, wetlands) are at-risk, yet they are critical for our populations and climate resiliency. Listen to researchers and stop allowing for development that clears and drains these lands.
- Avoid prime agricultural land. Exhaust all options for growth within urban boundary (pursue these options aggressively). Don't expand without public transit investment, active transportation options in place. Look at all options through a climate lens. The climate emergency means no more business as usual.
- Climate change!! We should leave the urban boundary where it is – no new sprawl!!

(FROM STICKY NOTES)

- Transit
- Walking, Transit, Cycling, Sustainability, Culture, Affordability, Size of housing, Cost of suburban development on tax base
- Climate change impacts
- Protection of at-risk ecosystems
- Don't marginalize population in certain areas, especially next to industry. Create buffer zones
- Climate change impacts
- Connection between urban form and air quality
- Climate emergency, Equality, Inclusion, Diversity, Vision Zero
- Avoid prime agricultural lands
- Complete communities and access to services and amenities
- Principle #2 is a firm urban boundary. Why are you ignoring this?
- Ensure a significant portion of new development include affordable – geared to income housing
- Ensure that all new development includes a certain percentage of affordable housing
- We should focus on gentle density and a firm urban boundary! Urban Sprawl is climate change denial!
- Do not touch our precious prime agricultural farmland
- Focus on infill development
- Protect Hamilton's greenspaces while protecting the City's most vulnerable
- Stormwater management - reduce impervious surface and protect green

- Expansion beyond current area increases taxes (new infrastructure needed, including schools – provincial $$)
- Only protect heritage buildings if they can be used by people or industry in need
- Rethink "jobs per hectare". Future work/jobs = land?
- Infill, Save farmland, Car alternative development, Climate lens
- Be realistic about housing market needs. Give full range of housing opportunities
- Climate emergency
- Truck routes should be considered in this exercise
- Protect agriculture and sensitive natural areas (allow solar farms = industry??)
- Developers must be restricted to provide mixed housing and no tree cutting

Please share any additional comments that you have regarding how the City should evaluate future growth options:

- The board with potential growth area is confusing/misleading. Are we starting from square 1 with Elfrida? The board implies this!
- End urban sprawl. Building outwards is climate change denial.
- The Province of Ontario directs that municipal planning decisions must be "consistent with" the Provincial Policy Statement and "must conform" to the Places to Grow Plan. I have attached a series of questions to City planning staff to clarify the City of Hamilton's preferred growth strategy and the current GRIDS2 MCR process.

GRIDS Directions

Are the GRIDS Directions to Guide Development still relevant to guide decisions on growth and development?

- Yes, albeit vague.
- We need to ensure that our greenspace is protected, that new development is held to the highest environmental standards, utilizing whatever renewable resources are available and that affordable housing increases at a rate comparable to, or even greater than, other housing. All development needs to encourage walkable and rideable communities.
- Yes
- Yes. #9 should be number one. Some the rest may not be compatible. And most of them will be irrelevant if we fail to act effectively on climate.
- Protect current residential areas from heavy industry by implementing an M5/M6 as a buffer zone to areas that don't currently have it. (e.g., Parkview East and West neighbourhood)
- Yes. Very good changes.

Is there anything missing from the revised GRIDS Directions to Guide Development that you would like to see added?

- The intro blurb still refences 9 Directions. Define what elements of the natural environment will be protected (e.g., Wetlands, woodlands, grasslands) to ensure this point isn't ignored/ taken lightly. Our natural areas are at risk (more than 72% of Ontario's wetlands have been destroyed – Ducks Unlimited 2010) and nature-based climate solutions need strong protection.
- Maintenance of current urban boundary. #2 a "firm urban boundary" – not defined. We have lots of room for population growth within existing urban boundary. Also #7 – "maximize" for what – define: housing, employment, etc.
- We have a climate emergency. We have a finite planet. Growth is an obsolete expectation.
- Yes. While rezoning employment areas to residential areas, expropriate some residential areas next to Zone K to make into M5/M6 buffer zone. As well as Treed and naturalized buffer zone.

Please share any additional comments or questions that you have regarding the revised GRIDS Directions to Guide Development.

- "Reduce waste" is a separate issue from protecting the natural environment. It impacts the natural environment but would fit best under #9 (climate action). The natural environment and its protection warrant a section of its own.
- No development outside of current urban boundary – we already cannot service Binbrook w/ transit/roads, we do not need to build further residences that will be expensive/ impossible to service. Look to London, England as a model.
- Why have guiding principles and then ignore them? E.g., Firm urban boundary. What don't you understand?
- 1. Make changes to truck zones to reduce impact on residential areas. Burlington St. should be the only way into the Bay industrial area.
  2. Sprawling into greenfield areas is costly due to water/electricity/etc. that has to be built there. I did not see that shown as an extra cost. Cost analysis has to be done to ensure feasibility of those plans. Builders and people moving there have to cover those costs fully and ongoing.

Employment Land Conversion

Please provide any comments or questions that you have regarding the City's draft Employment Land Review report below:

- Specific to the pockets shown on the conversion maps, yes, conversion would be appropriate. This will allow further residential development within the urban boundary. And who knows what "jobs" will be in the future and will they even involve land?
- The designation of "jobs per hectare" should be re-evaluated in light of the changing nature of paid work.

Designated Greenfield Area Density Targets

Do you think the City should plan for a DGA density target that is:

OPTION 1	OPTION 2	OPTION 3
LOWER THAN THE GROWTH PLAN TARGET? (LESS THAN 50 PJH)	AT THE GROWTH PLAN TARGET? (50 PJH)	HIGHER THAN THE GROWTH PLAN TARGET? (GREATER THAN 50 PJH)

Why did you choose your selection in question #1?

- [Option 3] Because we're in a climate emergency and have a massive infrastructure deficit. Lower density development doesn't pay for itself, putting the burden on the residential rate payer.
- [Option 3] There should be absolutely no expansion of the urban boundary now or in the future. We require agricultural land to feed ourselves (e.g., Elfrida). All development should be denser than currently allowed. SFH's are not a requirement to raise a family or live happily. City policy planning must strengthen more compact forms, allowing the maintenance of natural and agricultural areas.
- [Option 3] I am not in favour of ANY development on these areas, but I hear that areas already have planning permissions (which ought to have been told to us), so if so, then the higher density will help keep expansion of urban boundary at bay! DO FIRST! Only allow development within the urban boundary.
- [Option 3] Use current brown lands to accommodate your targets. Ensure that residential areas in the city have buffer zones of M5/M6 between zone K. If that cannot be accommodated expropriate residential lands to create those zones. e.g., Parkview Area residents are suffering being next to zone K with 24/day noise and pollution levels. Yes, it's been like that for 100 years, but it's 2019 and it's unacceptable. The City has to fix this type of issues if you want Hamilton to be a desirable place to live and grow.
  - Option 1 – added bullet "infrastructure costly"
  - Option 2 – added bullet "infrastructure less costly than Opt. 1"
  - Option 3 – added bullet "infrastructure least costly compared to Opt. 1 and Opt. 2)
  - Include cost benefits as a point to implement each target
- [Option 3] But I also think we should incorporate the Market Assessment
- [No Selection] Cannot choose. If "Lower" than implies low density development will occur. If "higher" (and if development is a given??) then appropriate higher density would be allowed (better if must be developed!). I vote NO greenfield development and NO urban boundary expansion. (I don't think growth projections (pop) will be realized!)

Intensification Targets

Do you think the City should plan for an Intensification Target that is:

OPTION 1	OPTION 2	OPTION 3
LOWER THAN THE GROWTH PLAN TARGET? (LESS THAN 50%)	AT THE GROWTH PLAN TARGET? (50%)	HIGHER THAN THE GROWTH PLAN TARGET? (GREATER THAN 50%)

Why did you choose your selection in question #1?

- [Option 2] All of the data points to the fact that anything more than 50% intensification target for the City is not realistic and very difficult to achieve.
- [Option 3] Research is very clear that urban sprawl can't continue, the City needs to make evidence- based decisions. Draining wetlands and cutting woodlands is directly contradictory to the climate emergency declarations. Although provincially significant wetlands are protected, many wetlands are not evaluated for protection (thru OWES). As such, the protections for natural areas isn't good enough to allow for greenfield development.
- [Option 3] We shouldn't be adding *any* land to the urban boundary. Sprawl should never happen again.
- [Option 3] The display board is misleading. It falsely says there are financial impacts on the two you favour but not on the low target, which would drastically increase our infrastructure deficit. Your poll is invalid.
- [Option 1] The City needs a full range of housing – not just focused on apartments & townhouses. Also, it may be difficult to achieve the 50% Growth Plan target.
- [Option 3] 1. We have plenty of low-density housing in Hamilton. We must concentrate on Med. to High density housing in the downtown core in existing residential boundaries with aging population, accessible, close to everything, including transit should be the focus. 2. Urban sprawl is very expensive. The infrastructure is not costed properly and with the aging infrastructure in the current residential areas you can't keep up with paying for replacements. End the cycle and cost the expansions with the true cost.
- [Option 3] All new growth must occur within the existing urban boundaries (not greenfields). Set higher intensification targets for any pop. growth that arrives (I think the growth projection is overblown and unlikely). Not in favour of urban boundary expansion at this time. Develop only within first. 20 years from now, when density is reached, ask again.
- [Option 3] <<Option 1, Bullet 2 suggestion>>: Should be reworded to follow same sentence structure as other options, making negative connotation. Consider wording including costs for each option – most expensive – mid – low range.
  Option 3, Bullet 2 suggestion: replace greater opportunity with "greatest" opportunity.

Other

Property/area specific comments and questions were received regarding:

- Elfrida and the rationale for identifying it as the preferred growth area in the first GRIDS.
- The first GRIDS process and its conformity with provincial policy.
- The identification of Elfrida as a preferred growth area in GRIDS2.

Questions (one submission)

1. Can you tell us the reason that the city of Hamilton is prioritizing the Elfrida area for growth to the year 2031 and beyond?
2. Can you tell us if there is any Provincial urban boundary expansion policy that permits the city of Hamilton to designate and prioritize the Elfrida area as the city's only Preferred Growth Strategy to the year 2031 and beyond?
3. Can you tell us if the identification of the city's Elfrida Preferred Growth Strategy to the year 2031 is an actual urban boundary expansion?
4. If it isn't an actual urban boundary expansion or a designation of an actual urban boundary expansion why is the city of Hamilton prioritizing urban growth to 2031 and beyond only for the Elfrida area?
5. The city of Hamilton's Elfrida Preferred Growth Strategy has approximately 3,000 acres and the Twenty Road Lands have approximately 950 acres of land. Can you tell us what the process is if the Land Needs Assessment determines that the city can only accommodate 2,000 acres of growth to the year 2031? Will the Elfrida Preferred Growth Strategy be prioritized, exclude other areas for growth and phase in the other 1,000 acres of Elfrida to 2041?
6. If the Land Needs Assessment determines that the land budget to 2041 is only 3,000 acres, does that mean that the Elfrida Preferred Growth Strategy will be prioritized, and the Twenty Road East Lands will not be considered for growth from 2031 to 2041?
7. What is the reason that the city of Hamilton is contravening Provincial Growth Plan Policies and the current OMB Process by prioritizing the same Elfrida area for growth that the Province of Ontario deleted from both of Hamilton's Official Plans?
8. Can the city of Hamilton identify any Provincial Growth Plan Policy that allows a municipality to designate a future urban boundary expansion area?
9. What is the reason that the city of Hamilton did not include the Twenty Road East Lands in the Official Plan Review as directed by Motion in Council 7.8 of September 2006?
10. The Twenty Road East Lands are now included in the 2031-2041 Grids 2 MCR Process. Will the city of Hamilton commence similar background studies associated with the MCR Process for the Twenty Road East Lands?
11. What is the reason that the city of Hamilton is prioritizing future growth in the Prime Agricultural area of the Elfrida area to the year 2031 and beyond instead of the non-prime agricultural area of the Twenty Road East Area?
12. What is the reason that the city of Hamilton is prioritizing future growth in the Elfrida area, which has the "Largest impact on the Ecology", instead of the "Moderate Impact" Twenty Road East Lands to the year 2031 and beyond?
13. What was the reason that city planning staff did not include the non-prime agricultural Twenty Road East Lands as part of the Preferred Growth Option instead of lands that were not part of the GRIDS Process?

Stoney Creek Open Houses, November 28, 2019

Evaluating Future Growth Areas

What criteria should be considered when we evaluate future growth options? (please list as many points as you would like to add):

- Transit: We should build houses then build transit. Protect sensitive areas. Revenue: more taxes come from homes built outside than in downtown area. Without those taxes City couldn't function.

(FROM STICKY NOTES)

- Climate change impacts
- Transit plans
- Protection of farmland. Greenbelt is not enough
- Zero carbon emissions
- Health of our watersheds
- Sustainable transportation. Increased connectedness
- Mixed housing but high density with transit
- High density please. For my grandchildren
- Sprawl = cars = bigger CO2 footprint
- Protected bike lanes (network)
- Placement of schools and parks
- Multiple services within walking distance
- Honesty morally principled from our mayor and councillors
- Support for active transportation

Please share any additional comments that you have regarding how the City should evaluate future growth options:

No comments.

GRIDS Directions

Are the GRIDS Directions to Guide Development still relevant to guide decisions on growth and development?

- #2 – aren't there plans to expand the urban boundary? This seems contradictory?
- 1. #9 Plan for climate change and GHG's should be top direction – this should direct all other "directions". 2. How do we "encourage" the use of green infrastructure?

Is there anything missing from the revised GRIDS Directions to Guide Development that you would like to see added?

- Weak green infrastructure guideline (#9). "Encouraging use of green infrastructure" not solid enough, especially as it relates to #10.
- I don't think we are "encouraging" use of green infrastructure. We have no policy/ development guides for green infrastructure or to lower the percentage of impermeable surface.

Please share any additional comments or questions that you have regarding the revised GRIDS Directions to Guide Development.

- These are good guiding principles, but it would be good to know what they look like "on the ground".
- Protect farmland (soil where we can grow food) not just rural areas. Protect natural heritage areas.

Employment Land Conversion

Please provide any comments or questions that you have regarding the City's draft Employment Land Review report below:

No comments.

Designated Greenfield Area Density Targets

Do you think the City should plan for a DGA density target that is:

OPTION 1	OPTION 2	OPTION 3
LOWER THAN THE GROWTH PLAN TARGET? (LESS THAN 50 PJH)	AT THE GROWTH PLAN TARGET? (50 PJH)	HIGHER THAN THE GROWTH PLAN TARGET? (GREATER THAN 50 PJH)

Why did you choose your selection in question #1?

- [Option 3] I think we should avoid Greenfield development at all costs and focus on intensification first. Reconsider proposed development in Elfrida. Greenfield development, if it occurs, should focus on complete communities so that residents are well connected to amenities without relying on a vehicle.

Intensification Targets

Do you think the City should plan for an Intensification Target that is:

OPTION 1	OPTION 2	OPTION 3
LOWER THAN THE GROWTH PLAN TARGET? (LESS THAN 50%)	AT THE GROWTH PLAN TARGET? (50%)	HIGHER THAN THE GROWTH PLAN TARGET? (GREATER THAN 50%)

Why did you choose your selection in question #1?

- [Option 1] Built up area is already crowded and aging. Significant renovations and costs will be required. New Greenfields designed for intensification allow for safer infrastructure, efficient planning and being able to meet needs of future families. Greenfields are not being utilized. New Greenfields should have good mix of residential, commercial, and parks.
- [Option 1] Lived at my location for 46 years. Naturally we see the changes that have been made. Not intensification but tear down smaller home and build large (huge) 3-bay garage homes. Alters the existing design of the neighbourhood. Intensify new development and go higher in Binbrook, along Mud Street and Rymal Road. Not in existing neighbourhoods. Put 4-storey or more buildings. Does not fit in but increases the income for the city regarding tax revenue.
- [Option 3] Need to preserve greenspace and encourage density in the face of a changing climate. Many benefits of increased intensification: promotes transit, promotes complete communities, etc., which help to reduce GHG emissions.
- [Option 3] To preserve farmland for a climate change impacted future. We need dense, mixed use communities with transit access.

Question

1. How do we “encourage” the use of green infrastructure?

Dundas Open Houses, December 2, 2019

Evaluating Future Growth Areas

What criteria should be considered when we evaluate future growth options? (please list as many points as you would like to add):

- Climate change effect mitigation designs. Committee and planning staff should require a detailed plan with any building application – large or small. Can be as simple as permeable driveway for new houses.
- How important is agriculture to the economy of Hamilton? If it is important, we should make the case to preserve as much as possible to support our economy. We should emphasize intensification along the Main St. corridor out to Queenston Road. There is too much land given over to parking downtown Hamilton and vacant land in West Hamilton. If we want an LRT, we have to emphasize intensification along this corridor.
- Climate change. Existing lands/brownfields available. Protecting agricultural lands and green spaces. Access to transit. Gentle infill to intensify neighbourhoods while honouring what's there. Affordability.
- Take into account TMP, LRT, BLAST Network. Prioritizing climate change mitigation as the City declared a Climate Emergency. Complete communities (mixed use, transit-supportive and walkable communities)

(FROM STICKY NOTES)

- Do the growth options represent a bold vision for the future of the city - moving forward, not status quo?
- Integration with TMP and future BLAST network
- Climate change impacts and mitigation
- Climate change impacts
- Affordable housing and accessible services
- Natural greenspace in Dundas beyond existing conservation area
- Protecting green spaces and water resources
- Climate change impacts, intensification should stick to OP, not zoning changes, variances
- Climate change impacts. Current policies show an unrealistic understanding
- What impact will growth choices have on those already being displaced – by LRT, gentrification? Do intensification units fit families?
- Middle density can revive older neighbourhoods losing population and services, schools
- Protection of heritage resources
- Climate change impacts (mitigation and adaptation)
- Climate change impacts
- Livability above density or sprawl
- Plans for homeless shelters, emergency and community services. More is better
- Establish naturally connected ecological corridors where possible

- Elfrida
- Changing consumer tastes leading to different housing types
- Demographic aging change (secondary suite increased demand)
- Climate change and green area protection
- Improve update existing under used building. Grants, etc.
- City park land needed
- Make places that are livable walking to shops and access by other means than a car
- Get more steel lands back for park land
- More support for existing and planned transit services, with levies, if necessary
- More protection of green spaces especially woodlots in urban boundaries
- Re: Direction 7 – why is it so difficult to make use of existing buildings? E.g., Granny flats, additional apartments over stores (horn of plenty in Dundas)
- Re: Intensity targets for greenfield – why are these lower (70pph) than existing nodes (100pph)
- Re: Direction 10 – "protect cultural heritage" – why was 71 Main St approved by Planning Staff and Council when: not architecturally compatible, density in Dundas node already over max?

Please share any additional comments that you have regarding how the City should evaluate future growth options:

- Must maintain agricultural land. Make it easier to add units within existing structures in built-up areas
- Developers often promote the idea of transit friendly development that encourages active transportation. Why not plan for transit dependent development (i.e., no parking) that also depends on active transportation? There is a rental market for this. Have you considered linear green space within intensified areas that would connect to parks? This is relevant to mitigating impacts of climate change.
- As a first-time homeowner-to-be, I feel I'm often told that new builds are cheaper. I know this is not true. I know that there are so many great opportunities to live downtown and enjoy access to transit and services that will make my commute shorter, my taxes lower (because I won't be paying for new infrastructure to be built through property tax increases), and improve the quality of life for my family. I support ambitious intensification!

GRIDS Directions

Are the GRIDS Directions to Guide Development still relevant to guide decisions on growth and development?

- They are better with the revisions done to GRIDS2. As we go forward, we need to have an eye to the environment, and keep our good land for food production, not monster (or other) houses.
- Yes. I appreciate the focus on using developed land and intensification! Also preserving green space and agricultural lands.

Is there anything missing from the revised GRIDS Directions to Guide Development that you would like to see added?

- Nothing needs to be added – but it would be nice if these directions were in fact followed. Not all intensification and infill applications should be approved.
- Need to maintain Class 1 Agricultural land – intact.
  2. Need to work within our boundaries.
  3. Need to re-use land before using new land (brownfields should have priority over greenfield)
- Stronger language on climate change. Ensure that all new developments are considered through a climate lens. Give preference to developments (and maybe incentives!) to those that reduce GHGs/capita. Also include a focus on "the missing middle" – gentle infill – such great opportunities for this in Hamilton

Please share any additional comments or questions that you have regarding the revised GRIDS Directions to Guide Development.

- Stay out of Elfrida! Build on existing under used lands within Hamilton's built-up boundary
- The Greenbelt is one of our greatest assets – and one of the things that makes Hamilton great. I think this should be mentioned by name and explicitly protected. I support the setting of a firm urban boundary to protect it and ensure we're using resources efficiently throughout Hamilton.

Employment Land Conversion

Please provide any comments or questions that you have regarding the City's draft Employment Land Review report below:

- The more you convert employment land to other use the more encourage the change of Hamilton to a bedroom community whose people work elsewhere. Why aren't agricultural lands considered to be employment lands? They generate product for sale and employ others to help. The comment I received from some people in the agricultural sector is that Hamilton applies an urban space perspective to agricultural lands that makes it difficult for them to function. This only makes sense if agricultural land is solely viewed in terms of potential for urban development.

Designated Greenfield Area Density Targets

Do you think the City should plan for a DGA density target that is:

OPTION 1	OPTION 2	OPTION 3
LOWER THAN THE GROWTH PLAN TARGET? (LESS THAN 50 PJH)	AT THE GROWTH PLAN TARGET? (50 PJH)	HIGHER THAN THE GROWTH PLAN TARGET? (GREATER THAN 50 PJH)

Why did you choose your selection in question #1?

- [Option 1] I am of the opinion that the future is difficult to predict. I have never met one person in fifty years that has been able to make an accurate prediction. It seems this is a process of "if you build it, they will come."
- [Option 3] 1. As a young taxpayer, I am horrified about the true long-term costs of building into greenfields. It is costly – and inefficient. I'm concerned about pay for this for decades to come. 2. I really care about climate change and intensification and smart land use planning is one of the most important this we can do to mitigate and adapt. This is key to meeting our climate goals! 3. One of the best things about Hamilton is our Greenbelt. Let's build downtown – and keep the Greenbelt green. 4. I take HSR to work. I care about improving service and investment in the downtown core – not less service to once green-belted areas.
- [Option 3] Lower taxes due to greater infrastructure and transportation efficiencies. Climate crisis requires acceleration of solutions, which includes greater densification and preservation of greenlands/forests. Realization that we cannot expand our urban boundaries forever, so we must live within a reasonable boundary and grow by intensification.
- [Option 3] I would like to see the city evolving beyond pragmatic or status-quo affirming choices. I would like to see the City of Hamilton take bold and progressive steps towards developing a city that has a strong vision for the future which considers the long-term consequences of its footprint.

Intensification Targets

Do you think the City should plan for an Intensification Target that is:

OPTION 1	OPTION 2	OPTION 3
LOWER THAN THE GROWTH PLAN TARGET? (LESS THAN 50%)	AT THE GROWTH PLAN TARGET? (50%)	HIGHER THAN THE GROWTH PLAN TARGET? (GREATER THAN 50%)

Why did you choose your selection in question #1?

- [Option 1] If development exceeds demand that could result in other issues and problems. A clear vision for the future is needed (i.e., jobs, infrastructure, employment) is required to accurately predict any future development. I also suggest that some of the terms used could be more friendly to the [public], such as “smart development” rather than intensification and density.
- [Option 3] I support a growth plan target greater than 50 per cent as the most environmentally sustainable way for the City to contain costly urban sprawl, protect rural and agricultural land, and promote public transit. The City should strive to manage growth with higher densities, as opposed to urban boundary expansions that require expensive infrastructure, promote traffic congestion and generally make a community less desirable place to live. Many of the leading conservation and environmental organizations in Ontario are strongly urging the province and municipalities to promote environmentally sustainable growth that discourages urban sprawl and low-density planning. I agree with the various conservation and environmental groups urging a greener Ontario.
- [Option 3] More accommodation for affordable housing. Less environmental impact. More demand for public transit.
- [Option 3] To minimize need to accommodate growth by expanding the urban boundary – to preserve agriculture lands that will become more vital as climate change worsens. We need to explore much more middle density housing instead of four to 10 high rises a year. We need to think of 15 to 30 or so mid-rises. We need more town houses, more low and mid-rise apartments on the edges of single-family zones, to counter the loss of residents in older neighbourhoods, especially in the lower city. Families prefer to be closer to the ground. We also need to think of affordability impacts of our choices.
- [Option 3] Climate change. Transit. Lower taxes (hopefully). Many low-density areas in middle of built up areas. Densities between 20-storey buildings and townhouses should be encouraged - Community feel, i.e., 3- or 4-storey condos for families. Courtyard in centre.
- [Option 3] Less sprawl is beneficial for natural areas (outside city limits). Incorporating green infrastructure (LIDs) into any new developments should be a requirement of developers to mitigate CC impacts. I would have liked to see more consideration of the Natural Heritage System and Water Resources system mapping. Has a new watershed plan been completed for this process?

Questions:

1. How important is agriculture to the economy of Hamilton?
2. Have you considered linear green space within intensification areas that would connect parks?
3. Why not plan for transit dependant development (i.e., no parking) that also depends on active transportation?
4. Why aren't agricultural lands considered to be employment lands?
5. Has a new watershed plan been completed for this process?
6. Do the growth options represent a bold vision for the future of the city – moving forward, not status quo?
7. What impact will growth choices have on those already being displaced – by LRT, gentrification? Do intensification units fit families?
8. Re: Direction 7 – why is it so difficult to make use of existing buildings? E.g., Granny flats, additional apartments over stores (horn of plenty in Dundas).
9. Re: Intensity targets for Greenfield – why are these lower (70pph) than existing nodes (100pph)?
10. Re: Direction 10 – "protect cultural heritage" – why was 71 Main St approved by Planning Staff and Council when: not architecturally compatible, density in Dundas node already over max?

Mountain Open Houses, December 4, 2019

Evaluating Future Growth Areas

What criteria should be considered when we evaluate future growth options? (please list as many points as you would like to add):

- If there is limited street access, sites and sizes should be considered very carefully. Isolated areas with minimum traffic capacity must be properly assessed for population maximums. Listen to current residents that understand and experience individual areas.
- We should not incentivize developers to build outside the urban boundary. All incentives should be removed. We should instead do all that is possible to incentivize intensification within urban boundaries and infill development.
- Impact to city GHG emission targets. Impact to escarpment to lake natural corridors.
- Need to listen to citizens from particular neighbourhoods as to what the need is.

(FROM STICKY NOTES)

- No expansion of our urban boundaries
- Our winters now bring repeated freeze/thaw cycles which crack pavement. These will become more frequent over the years. Expanded road network will become even more expensive for taxpayers to maintain
- Adopt tax on impermeable surface area to generate stormwater rates to more fairly attribute costs
- Revisit definition of “employment area” to better reflect the importance of service/ knowledge industry jobs
- Use development charge differential to promote growth in the urban core
- Services to match growth. Police, fire, EMS, health care, road infrastructure
- Taxpayers cannot afford to subsidize services being brought to new developments outside the urban boundary
- We need to keep what un-paved areas we still have. They act as sponges to absorb water from the extreme storms we now have.
- Ensure growth matches water and sewer capability
- Road infrastructure so needed

Please share any additional comments that you have regarding how the City should evaluate future growth options:

- Listen to existing residents. They know their respective areas the best
- The City has a responsibility to lead and educate citizens
- Development in the urban core should be heavily prioritized with cost of development in established greenfields being reflected in increased development charges. No municipal/urban boundary expansion should be permitted. Return of undeveloped land within the urban boundary that is classified as prime agricultural land should be removed from the urban boundary.
- Again, listen to neighbouhoods. Don't base expansion on market and money only. Keep the heritage sites in shape.

GRIDS Directions

Are the GRIDS Directions to Guide Development still relevant to guide decisions on growth and development?

- More thought and investment in sewer system and non-combined sewer overflow systems
- The definition of "employment lands" should be broadened to include areas which support high levels of service and knowledge jobs as well as more traditional manufacturing/ commercial. There should be a goal to minimize commute times within the city by co-locating high density residential and employment areas.
- I think it is good to develop off an original plan (GRIDS) by then consult with the individual cities re how they see their area to grow.
- The changing climate and environment concerns should be the defining factors to re-evaluate all existing and future development

Is there anything missing from the revised GRIDS Directions to Guide Development that you would like to see added?

- Truck routes
- As above, need to add requirement to minimize commute times between residential and employment centres and ensure these are well served by active transport and public transit.
- Listen to the local population – consider what local individuals feel are concerns and areas of interest. Get involved in community development and culture.
- More consideration should be applied to natural areas, protected spaces and wildlife, flood concerns before any development is put in place.

Please share any additional comments or questions that you have regarding the revised GRIDS Directions to Guide Development.

- There was not enough information given on the costs to the taxpayer of the different types of development. Extending services to outside the urban boundary is exponentially more costly than using existing infrastructure within the city.
- These guidelines seem well formulated, but it is hard to see how they translate into a 50% intensification target and the extensive levels of greenfield development currently under-way. It seems like the target should be higher, and that greenfield development should be better costed out trough increases in development charges.
- Expanding population should not take precedence over green space, climate, environment or wildlife destruction. More balance is needed.

Employment Land Conversion

Please provide any comments or questions that you have regarding the City's draft Employment Land Review report below:

- 1. There should be a reciprocal process to consider where conversion of underutilized residential land/land with severely depreciated housing stock could be converted to employment land if this improves job density in target areas.

  2. Truck routes should be considered and conversion from/to residential lands targeted to minimize the impacts of those to communities.

  3. The current presentation does not adequately reflect the added capital and maintenance costs associated with greenfield development. The impact of these to the City budget and municipal taxes should be highlighted.

  4. The true impact to transportation options of greenfield development is not well presented. This really locks us into a "car dominated" system that we cannot break out of.
- Truck routes should be considered in this study. They're part of infrastructure and they affect air quality and safety in residential areas.

Designated Greenfield Area Density Targets

Do you think the City should plan for a DGA density target that is:

OPTION 1	OPTION 2	OPTION 3
LOWER THAN THE GROWTH PLAN TARGET? (LESS THAN 50 PJH)	AT THE GROWTH PLAN TARGET? (50 PJH)	HIGHER THAN THE GROWTH PLAN TARGET? (GREATER THAN 50 PJH)

Why did you choose your selection in question #1?

No responses.

Intensification Targets

Do you think the City should plan for an Intensification Target that is:

OPTION 1	OPTION 2	OPTION 3
LOWER THAN THE GROWTH PLAN TARGET? (LESS THAN 50%)	AT THE GROWTH PLAN TARGET? (50%)	HIGHER THAN THE GROWTH PLAN TARGET? (GREATER THAN 50%)

Why did you choose your selection in question #1?

- [Option 3] Some of the benefits of intensification are critical to addressing GHG targets and providing a more economical sustainable infrastructure:
  1. Reduced, more effective transit
  2. Shorter commute
  3. Less car-centric and easier to promote Active Transport
  4. Less impermeable surface = less stormwater and greater system resilience
  5. More re-use of existing infrastructure and lower ongoing maintenance cost

  In addition, this approach better reflects the values and lifestyle choices of younger cohorts that are needed to ensure ongoing urban vitality.

Questions

None submitted.

MCR GRIDS 2

Moving Forward Together

Public and Stakeholder Engagement Round 2

Appendix B:
Stakeholder Workshop, December 16, 2019

Observations

- Sense that participants are looking for ambitious targets – 'stretch goal' (i.e., at or higher than 50% or 50 pjh) but unsure about reality of what can be implemented
  - Participants are looking for more information (i.e., cost implications and need for historical trend analysis – help inform future demand)
- General sense that going below a 50% intensification target is not desirable
- Concern raised on ability of infrastructure to keep up with higher intensification targets
- Common values when considering targets include natural environment, sustainability, affordability, access, economic/infrastructure, 'balance'
- Common considerations when looking at climate change lens include:
  - green infrastructure/design
  - mixed use and low-impact development
  - City action: policies, incentives, fees, rewards and recognitions
  - Transit, active transportation
  - Food security
- Participants emphasize importance of meeting municipal climate change targets
- Other lenses to consider, as suggested by participants, include:
  - Safety
  - Quality of life
  - Mix of housing
  - Accessibility
  - Transit
  - Design
  - Economy
  - Health
  - Policy
  - Technology

Group Discussion: Part A – Targets

Intensification Target

1. There are many potential impacts of 'decreasing', 'planning for the minimum', or 'increasing' the intensification target. City staff have identified some potential impacts on the sheet on your table. What other impacts can you identify for each option? What are the pros and cons of each option?

Option 1 (less than 50% intensification):

- Challenges include cost, no affordability
- Table consensus 'no' to option #1

The group did not discuss Option 2, a 50% intensification target.

Option 3 (greater than 50% intensification):

- Challenges include ensuring the 'supporting' infrastructure is there (transit, roads, water/wastewater upgrades); cost implications of infrastructure
- Benefits: infrastructure savings, marketability

Other notes:

- Need to help people to understand the cost of each option to the taxpayer

2. Where do you fall on the intensification dial? Which way would you 'turn the dial'?

- Group is somewhere between 50% and higher but not sure how much higher.
- Would like to see historical trends analysis (mobility, housing market/preference) to help make informed decision
- Considerations discussed:
  - Can infrastructure keep up
  - What will demand bring
  - Concerns over loss of natural habitat

What values led you to turn the dial in that direction?

- Environmental – view of escarpment, pressure on parks, enjoy recreational areas
- Cost of infrastructure
  - Cost of providing services to 'upper' City
- Seem to like 'stretch goal' target

3. While each of member of your group may identify themselves on a different place on the dial, can you find any common values for why you selected your location? For example, while two people may have chosen different spots on the dial, a common value that led them to that location may be 'efficient use of services' or 'supporting transit'. What common values can you find amongst your group?

- Environment, natural areas, sustainability
- Future – children
- Balance – natural areas, intensification (i.e., view of escarpment)
- Affordability – mixed demographics
- Access to housing – not affordable, people can't afford work-life balance downtown
- Infrastructure, working together (transit, schools, amenities)
- Life/work balance – growing need

Other comments made during the discussion on values:

- Challenge to accommodate families
- Podium school – is this the future if there are families in Condos
- City is looking at secondary suites, laneway housing, tiny homes

Designated Greenfield Area Density Target:

4. There are many potential impacts of 'decreasing', 'planning for the minimum', or 'increasing' the Designated Greenfield Area (DGA) Density target. City staff have identified some potential impacts on the sheet on your table. What other impacts can you identify for each option? What are the pros and cons of each option?

- Sense that as efficiency goes up, diversity goes down as we move from Option 1 to 3
- Impacts of all option include infrastructure, affordability, unit types, transit, climate
- Pros:
  - Option 1: Unit type, diversity; flexibility if unconsolidated 118 ha remains
  - Option 2: meets min. standard while still allowing ability to go higher
  - Option 3: decrease land need/UBE; protect farmland; infrastructure efficiency, affordability; transit supportive; community vibrancy/businesses

5. Where do you fall on the DGA Density dial? Which way would you 'turn the dial'?

Participants generally felt that turning up the dial would be desirable, as a stretch goal for the City.

What values led you to turn the dial in that direction? While each of member of your group may identify themselves on a different place on the dial, can you find any common values for why you selected your location? For example, while two people may have chosen different spots on the dial, a common value that led them to that location may be 'complete communities' or 'climate change adaptation/mitigation'. What common values can you find amongst your group?

- Climate
- Sustainability
- Economic
- Inclusivity/affordability
- Urban design/density that people want to live in
- Community vibrancy/livability
- Transit supportive
- Farmland, natural heritage, resources

Group Discussion Part B – Evaluation Framework and Climate Change

1. One important 'lens' to use in the evaluation of growth options as part of GRIDS2/MCR is a climate change lens. A climate change evaluation lens could be used to evaluate the appropriateness of intensification and density targets for the City. It could also be used in the comparative evaluation of future growth options (if required). A climate change lens could be far-reaching and address a number of topic areas. It should also address both climate change adaptation and mitigation.

What should a climate change evaluation lens include?

Group 1:

- Low impact development
- Green infrastructure
- Mixed use (live/work)
- Storm water fee
- Corporate actions (City staff work from home)
- "Passive house"
- Retro fit existing buildings
- Transit/multi-modal
- Active transportation
- Build like Europe
- Electric vehicle charge station
- Food security/protect prime ag land

Group 2:

- Promotes and supports transit
- Building code changes that support climate goals
- Build complete zero emission communities on 118 ha
- Development must meet climate change targets, buildings and transportation
  - Any new development would meet 2050 targets
  - Alignment with Council climate change goals/targets
  - Ensure GRIDS incudes requirement to meet climate goals
- GHG emission targets must be met
  - Farmland, natural features, green areas support carbon capture; decrease GHG
- A climate by-law
- Retrofitting existing buildings/redevelopments of existing sites
- Urban design criteria
- LEED standard building

- Transit supportive densities
- Maximize infrastructure investment
- Protection of green spaces/parks/promote green areas in new communities
- Enhancement of green/natural infrastructure
- Maintenance or restoration of natural areas within communities
- Reduce car/single vehicle dependency
- Livable/walkable communities
  - Promotion of walkable/connected communities
- Better urban design improvements to buildings
- Serious about climate means zero urban boundary expansion
- Fix current infrastructure before new developments. It's 2020 sewage bypasses are unacceptable

What other lenses should be considered?

Group 1:

- Community safety
- Quality of life
- Accessibility/equity
- Health – fitness, mental health, green space
- Incentives to achieve the above
- Improved transit
- Disincentives, higher rates in the core
- Jobs/economy
- Technology, e.g., virtual meetings

Group 2:

- Mix of housing types
- Transit
- Urban design/architecture
- Who should grow Hamilton food, local?
- Economic development
- Retrofitting what exists
- Policy lens
- Affordability lens

Individual Notes from Stakeholder Workshop

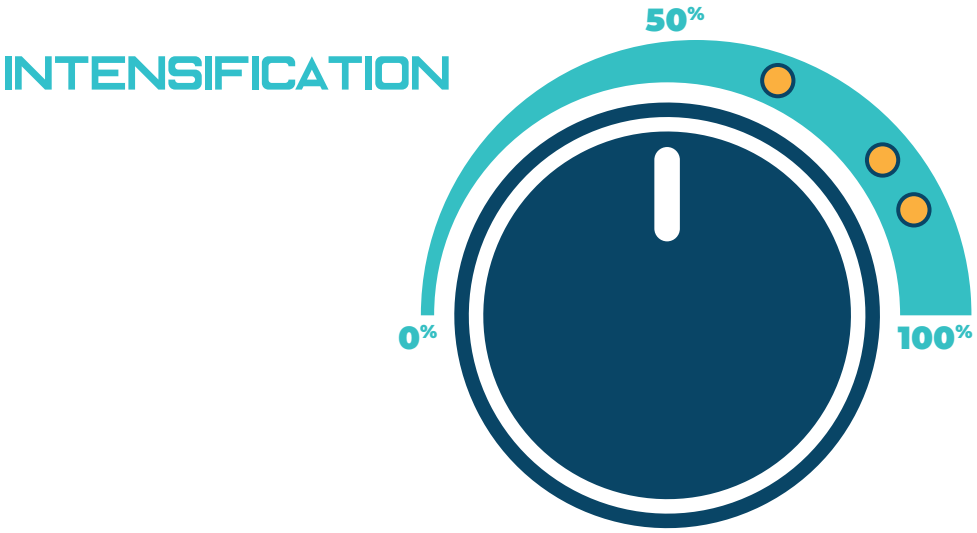
Intensification Target Worksheet (six completed)

1. **There are many potential impacts of 'decreasing', 'planning for the minimum', or 'increasing' the intensification target. City staff have identified some potential impacts on the sheet on your table. What other impacts can you identify for each option? What are the pros and cons of each option?**

	Option 1 – Below 50%	Option 2 – Plan for the minimum target	Option 3 – Above 50%
Impacts	• Lack of equitable housing • Pressure on agricultural land and natural environment to develop	• Achieves provincial planning policy	• Visual impact need for new infrastructure and transit • Higher density housing can lead to less quality dwelling and less informed decision making • This may lead to over development of unused lands • Efficient use of infrastructure • Housing types/diversity • Lack of greenspace
Pros	• Less stress on aging infrastructure	• Maximizes use of existing infrastructure	• Minimizes pressure to expand into NEP • More intensification, higher development • Revitalization/vibrant/ complete communities • Maintain agriculture • Maximize transit • Affordability • Housing (?) • Work/life balance
Cons	• Does not achieve provincial policy • Loss of sensitive land and food land	• Possible impact on views of the escarpment	• Likely impact on escarpment. Cost of new infrastructure

2. Where do you fall on the intensification dial? Which way would you 'turn the dial'?

- Three participants added dots to the dial to show where they felt the City should land for its intensification target.
- One participant indicated that the dial could be turned up over time in a gradual process.



What values led you to turn the dial in that direction?

- Inclusivity
- Equity
- Safety
- Opportunity – transit LRT route
- Work/life balance
- Mixing demographics
- More efficient infrastructure/utilities/municipal services
- #2 means better tax profit = more $ for infrastructure investments
- All above means "preservation of villages (i.e. Waterdown)" and their marketable 'value' while improving transportation to outlying areas
- Climate emergency
- Affordability/inclusivity
- Food security into future – preservation of prime agricultural land
- City's carbon footprint – we know that cities that cover a larger geographic area have a larger carbon footprint. So, keep it COMPACT – don't grow out – (?) set higher intensification and density targets and do all you can to make them reality on the ground
- Option 2
  - achieve the provincial target
  - need for increased infrastructure is not affordable and increased density will put pressure on NEP lands to locate development and infrastructure

3. **While each of member of your group may identify themselves on a different place on the dial, can you find any common values for why you selected your location? For example, while two people may have chosen different spots on the dial, a common value that led them to that location may be 'efficient use of services' or 'supporting transit'. What common values can you find amongst your group?**

- Affordability/inclusivity
- Respect for environment – natural environment
- Need for public green space
- Keep taxes reasonable
- Address climate change and protect natural environment
- Build units that meet market demand
- Provide urban parks
- Desire to live and work in the same place
- Need for family size condo units and perhaps "podium" school

Designated Greenfield Area Density Target Worksheet (one completed)

1. **There are many potential impacts of 'decreasing', 'planning for the minimum', or 'increasing' the Designated Greenfield Area (DGA) Density target. City staff have identified some potential impacts on the sheet on your table. What other impacts can you identify for each option? What are the pros and cons of each option?**

	Option 1 – Below 50pjh*	Option 2 – Plan for the minimum target	Option 3 – Above 50pjh
Impacts			
Pros			• Attract more in-employment • Housing types/mix increase • New (?) has greater opportunity to achieve higher • Already achieving higher in exist • Vibrancy and more dynamic areas
Cons			

2. Where do you fall on the DGA Density dial? Which way would you 'turn the dial'?

- Above 50 pjh
- No dots were added to the dial image.

What values led you to turn the dial in that direction?

- Housing types
- Policy goals
- Economic development
- Future preparation
- Protection of farmland
- Affordability
- Inclusivity
- Urban design
- Resource protection
- Climate
- GG emissions
- Sustainability
- Environment, social, economic

Additional Comment Received After the Workshop

"In consideration of stormwater management and climate change measures, when setting targets, staff recommend considering implementation of Low Impact Development (LID) features and the space required for those features, and how that might influence the area for development. Staff also recommend that hazard lands including flood-susceptible areas should be considered when setting targets."

MCR GRIDS 2

Moving Forward Together

Public and Stakeholder Engagement Round 2

Appendix C:
Online Comment Summary

Directions to Guide Development

1. Are the revised GRIDS Directions to Guide Development still relevant to guide decisions on growth and development?

- Yes.
- The GRIDS Directions to Guide Development are relevant, but the city of Hamilton has chosen to ignore them completely by choosing to develop prime agricultural areas when lower non-prime agricultural areas of the Twenty Road east area are not developed. They are also choosing to develop the "largest impact on the ecology of the Elfrida growth option #5 instead of the "moderate impact" twenty road east area (GRIDS tbl conclusion) the city of Hamilton is also choosing to ignore the climate change and greenhouse gas emission implications of building at a distance to the existing urban boundary and existing community and servicing infrastructure (satellite city).
- Yes and no. They provide good general guidelines, but additional guidelines should be added. The areas that include equity are important. I believe these equity factors have a lot to do with the built environment. Many poor minorities located to downtowns as the prices fell and automobiles took over the design of cities, leading to the wealthy living outside the downtown. This is extremely obvious even today in Hamilton. With rising prices downtown now those same wealthy suburbanites are moving to a more urban living, myself included, many are being pushed out of the downtown, and I may even be too, but if I do and if others are, we may have to rely on a car again because the infrastructure for any other option is difficult to come by. Looking at James and Ottawa, the difference is stark and obvious. Ottawa street has centre on Barton, which is a suburban-style mall in the middle of a dense grid street, and there are far less cycling and transit options at Ottawa Street. It has no secondary plan, no development happening at all, and is not as connected to downtown as it could be, and therefore prices are lower there because it is not as desirable. If it were designed better and centre at Barton disallowed, and a secondary plan developed, less of the price increase would be on the central area of the city. Complete streets should be backed up by real policy. Climate emergency, vision zero and these guidelines are worthless without serious plans. The cycling masterplan has a 25-year expected completion, which is unacceptable in an emergency such as this.
- After speaking with Lauren Vraets today I am making this submission. The GRIDS directions listed above, specifically 1 and 10, are violated by the Downtown Secondary Zoning Plan (now called the Downtown Secondary Zoning Plan Review and Zoning Bylaw). Specifically, clause 6.1.4.16 in volume 2, chapter B, under the heading "Building Heights", sub-heading "low-rise buildings". This clause states, "For lands identified as low rise 2 on map B.6.1.2 – downtown Hamilton Building Heights, increases in building heights to a maximum of 12 storeys (mid-rise), may be permitted without an amendment to this plan, subject to the following…." What
- follows are the usual site-specific restrictions (e.g., compatible uses, shadow studies etc…).
- The directions are still relevant. However, they cover so many important values and principles that it is hard to determine which take priority.
- Development should happen around Fifty Rd and Barton
- Yes
- Yes

- Our first comment pertaining to the revised GRIDS direction is the extended timelines for completion as two new Provincial Growth policies have been approved signifying changes to growth policies. These policies need be more reflective in the revised GRIDS direction.
- Our other comments pertain to a few revised points that still require modification such as the directions regarding rural areas, transportation and employment areas.
- Rural Areas: As it is important to protect rural areas for agricultural resources and environmentally sensitive areas for a multitude of reasons, some rural areas need to be reassessed. If the area contains any prime agricultural land then development should not occur, however, if the area is surrounded by urban areas and does not contain any agricultural or environmental significance then these areas should be included as part of the MCR for urban expansion areas. This can help with contiguous infrastructure and servicing for the City, making long range planning more efficient.
- Transportation & Employment Areas: Increasing transportation options through the development of complete streets is an achievable goal, however transportation routes need to be planned in advance and should be connected to employment areas. Transportation routes should not be planned after the fact where newly built homes and employment areas do not receive transportation options until a few years after the area is built up. In order to support employment areas successfully, plans for transportation and infrastructure need to be implemented. Further, planning uses surrounding employment area need to be taken into account. By integrating and promoting a mix of uses such as residential and commercial will further support transit and infrastructure to create more lively economic employment areas for the City.

2. Is there anything missing from the revised GRIDS Directions to Guide Development that you would like to see added?

- 1) Maintain and utilize pedestrian focused streets as hubs of growth. James St N, Locke St, and Ottawa St show examples of pedestrian focused streets within walking and cycling distance from various styles of housing. Moderate medium density growth should be focused around these types of streets such as Ottawa St, James St, Kenilworth, Parkdale, Barton, Cannon, Concession, Upper James and Upper Wellington.

  2) Future growth should take into account the climate emergency and be focused on growing transit and cycling usage. This means the guidelines listed including the one above should take into account current and future corridors for alternative modes of transport such as transit, rapid-transit, and cycling. This means growth and density should be focused around the BLAST network and cycling masterplan.

  3) Growth should be designed in a way that encourages the complete street it is on. Cycling network streets like Cannon should have no surface parking, with cycling facilities in the building for securely parking bicycles and reduced need for automobile parking. Distance to transit should also be noted, so where growth occurs next to a rapid transit stop like LRT, less parking should be required and more affordable housing should be mandated. LRT and BRT stops should have encouraged growth that includes community hubs, like essential services, libraries, grocery, pharmacy, community centres, making it easy to get to and from.

  4) Any new suburban or medium suburban growth should be within a specified distance from a more urban street. This design can be seen with James, Concession and Ottawa, where family homes, semi-detached, detached, condos, and apartments are close enough to consider these urban streets and their economic activity an amenity, with a nightlife, food, shopping and other items, while also being accessible from transit and cycling

options. Someone should be able to take transit, or cycle easily from urban economic street to another quickly and efficiently.

- This clause 6.1.4.16 in the Downtown Secondary Zoning Plan should be removed because it turns a low-rise zone into a mid rise zone. In effect it means that a low-rise zone does not really exist in the plan since the low-rise zone (6 storeys) can be built up to 12 storeys. One need only to consider the following to realize how wrong this is. How can a low-rise zone of 6 storeys permit 12-storey mid-rise buildings? Logically and practically it is not a low-rise zone at all, but a mid rise zone pretending to be a low-rise zone.
- I would like to see one, two or three or the directions established as the TOP PRIORITIES. Planning for Climate Change is becoming an overarching priority which should sometimes override other drivers.
- Missing is the fact that lands around Fifty Road and Barton are in the Greenbelt, but theses lands are surrounded by new retail development, new elementary schools, and city services
- Not that comes to mind
- I would have liked to have seen a reference to protecting/improving biodiversity under #8 as well as a reference to protecting property and the public from (natural) hazards as we intensify land uses, but I recognize that I am coming in late in the process.
- Please consider the following directions to be added below.
  Modify: 3. “Protect rural areas for a viable rural economy, agricultural resources, environmentally sensitive recreation and the enjoyment of the rural landscape.” [Provided the subject lands have been screened for prime agricultural area and any other natural heritage system features].

  Add: 11. [Existing Rural Areas and Designated Greenfield Areas should be pre-screened for Prime Agricultural Area and environmentally sensitive areas, location to existing services, infrastructure and transportation connectivity and types of surrounding uses before designating any areas as either Greenbelt, Residential or Employment.]

  Add: 12. [All for “low scale eco-business” to support the agricultural economy (Agri-food Network)].

3. Do you have any additional comment or questions regarding the revised GRIDS Directions to Guide Development?

- A zone should keep to a strict definition or it is meaningless. If the Downtown Secondary Zoning Plan has a low-rise zone as 6 storeys or less, a mid rise zone as 12 storeys or less, then that is the definition that must be maintained throughout the document, with any clauses making exceptions and thus altering the zoning definitions. If a low-rise zone has exceptions to its definition, then the definition is no longer valid. In order to maintain consistency, the low-rise zone must be defined as “up to six storeys”, with no exceptions, and clause 6.1.4.16 removed from the Downtown Secondary zoning Plan
- How can we get more action on Fifty Rd and Barton?

Intensification Target

1. Should we plan for an intensification target that is?

OPTION 1	OPTION 2	OPTION 3
LOWER THAN THE GROWTH PLAN TARGET? (LESS THAN 50%)	AT THE GROWTH PLAN TARGET? (50%)	HIGHER THAN THE GROWTH PLAN TARGET? (GREATER THAN 50%)

- Option 1: two responses
- Option 2: four responses
- Option 3: four responses

2. Why did you select this option?

- No comment.
- [Option 1 selected] Because the data from the year 2007 to 2008 for the city of Hamilton shows that there were only about 800 intensification units built per year. Even at 40% intensification the city would have to construct more than double the current intensification rate. There is no justification. For more than 40% intensification and is unrealistic and not supported by the facts.
- [Option 3 selected] 1) Tax base – much of the urban area is covered by vacant land, vacant properties, parking lots, and underutilized plazas. Centre at Barton, Eastgate could both be a grid of streets and made into a secondary downtown style area lowering the need to those people to travel to central downtown for additional culture and vibrancy. Currently, places like centre on Barton and Eastgate offer little to no culture or vibrancy. These would also offer more tax revenue for the city as urban dense development provides more tax value, both from property taxes, but also from main floor commercial and economic activity and jobs.

  2) Cycling – With a higher density people can more easily cycling to their destinations, such as work, school, transit locations, food, fun, and parks. New dense neighbourhoods could be created with parks, parkettes, and squares with area for rinks and small shows and bands.

  3) Sustainability – infill versus greenfield. Infill should be prioritized, including the type of development that is needed to hit growth targets.

  4) Transit – transit more easily flows to, from and through dense urban areas. This is obvious from looking at literally any major city, where nearly every single one has decent transit whether on purpose or by accident. Urban areas travel more by bus or other transit, and this should be a priority considering a climate emergency and modern understandings in transportation engineering and urban planning.
- [Option 2 selected] I do not trust that the City of Hamilton is capable of planning our future in a competent way. I think the city will constantly sell out to developers by inserting well hidden clauses in planning documents, hoping that no one reads them. How did clause 6.1.4.16 get into the Downtown Secondary Zoning Plan? Why has it not been removed? How can a low-rise zone be zoned for mid rises ? Shame on whoever put this clause into that document.

- [Option 1 selected] An intensification target of less than 50% is more in keeping with past trends, more likely to maintain compatibility, and will allow the City to achieve its growth forecast with a good blend of housing types and densities. A 50% intensification target is very aggressive. It would place tremendous development pressures on existing stable neighbourhoods in the city – leading to negative consequences. A higher than 50% target is unrealistic and would be too disruptive to the current fabric of the city. Hamilton should not become a city of condo towers.
- [Option 3 selected] The City cannot afford to extend sprawl. It is costly in terms of new infrastructure and even more costly in terms of the likely transportation emissions that will result. The way that Option 3 planned intensification is presented as a risk to City finances "e.g., decreased revenues" is based on a biased consumerist view of the need for large houses, large lots and that failure to sprawl means people won't buy homes in Hamilton. It looks at the revenue side but not the cost side. It makes me question the forecast model assumptions that are being used.
- [Option 2 selected] We need the population, but we need to make roads and services in place first.
- [Option 3 selected] I'd go with option 3. The urban sprawl we already have to look after in conjunction with the city's already massive infrastructure deficit, tells me more sprawl simply isn't sustainable. These outer areas already have little if any public transit (and they don't seem to want to pay for any), meaning we're going to end up with many more cars on our roads. I don't see how that helps our climate emergency situation the city's declared. And my understanding is more long-term tax revenue is realized by the city from higher density living areas compared to a house here and a house there type density. When you see buildings going up like mad in TO these days. There's got to be something to that. To help encourage more building in Hamilton's existing built areas I think things like the LRT and the whole BLAST network simply must happen. The whole city Needs it in more ways than one.
- [Option 3 selected] I feel it is essential that we protect as much of our greenfield areas as possible to sustain our natural and agricultural areas. This is vital to biodiversity and long-term human well being. Protecting green space however applies to both within and outside of the urban boundary, as people should be able to readily access natural/naturalized areas within the urban boundary. As such intensification needs to focus on building up (and down) and not outwards. Zoning By-laws need to be written accordingly to give City planners/engineers the necessary tools.
- [Option 2 selected] Option two has been selected as our Clients agree with the Growth Plan. Our Financial Impact Analysis (2019) has demonstrated that Hamilton has a greenfield requirement of approximately 1,700 acres and there is an over abundance of employment lands. Further, a growth target of 50% can assist in the planning and benefits of intensification development where different housing density options are available; thus, improving the housing supply.

Density Target

1. Should we plan for a density target that is?

OPTION 1	OPTION 2	OPTION 3
LOWER THAN THE GROWTH PLAN TARGET? (LESS THAN 50 PJH)	AT THE GROWTH PLAN TARGET? (50 PJH)	HIGHER THAN THE GROWTH PLAN TARGET? (GREATER THAN 50 PJH)

- Option 1: one response
- Option 2: two responses
- Option 3: six responses

2. Why did you select this option?

- [Option 3 selected] This option aligns with the current planned density (56pjh) as well as the density target in the UHOP. Also, we need to protect greenfield areas, which requires a higher density target then 50pjh.
- [Option 1 selected] There is no planning justification for a 50% intensification target. The data for intensification units built for the city from 2007 to 2018 doesn't justify such a large intensification target. The city should identify a lower than 50% intensification target for the city.
- [Option 3 selected] I understand the market needs some lower density growth because Hamilton needs to hit population targets, however, much of the lower city is quite dense without feeling dense. If this type of design was more common, along with townhomes and more urban mid-rise condos, this density could be reached easily without alienating those moving to Hamilton with a family or needing a larger home. This is important because:

  1) Sustainability – urban developments are more sustainable in regards to the environment and the tax base. The city has declared a climate emergency and knowing that the larger the home, and property the worse for the environment this should be kept in mind. Further designing communities around a central meeting place that is accessible without car is far more sustainable. Denser development means that development can more easily pay for development since it is known that urban environments cost less to service from various studies.

  2) Vision zero – building a denser environment leads to more cycling and pedestrian traffic. This can be seen in the lower city versus other areas. This is because more is close by, and residents can more easily access these without a vehicle. With more people using this as an option, vision zero included protects cycling infra and pedestrian safety measures will be taken more seriously and be defended by more.

  3) Vibrancy – areas with low density nearby urban areas lead to more options for different areas, and you can have more types of people from different walks of life leading to more vibrancy and culture. You can see this in areas in the city where this already exists. This should be fostered with higher density in certain areas. How this is build is important. Many denser buildings close by helps with this culture. James St, Concession and Locke would not have the culture and vibrancy if is were simply a few single taller buildings. A constant wall of medium density does that.

4) This density is especially important in any greenfield areas, because we should make the best use of the space. It is agricultural land that is being paved over. Furthermore, there is already quite a bit of suburban sprawl in the greenfield growth areas, and these areas could more easily access culture, amenities, vibrancy, food, bars, venues within walking, transit, and cycling distance if they have a core area to meet similar to Ottawa, Locke, Concession, Dundas downtown, Westdale. These are essentially streetcar suburbs. Any new greenfield areas developed should be modeled after a streetcar suburb.

- [Option 3 selected] outer regions are more expensive to service, and have lower property taxes, so they need higher densities to compensate.
- [Option 3 selected] We need to absolutely minimize greenfield development. Forecasts of loss of arable land and food supply in other geographies due to climate change means that there will be an even greater dependence on Ontario and Hamilton farmland to feed us. Furthermore, the remaining undeveloped land is an important upstream water absorption area, which, in the face of increased rainfall intensity, is a precious resource and help avoid even greater investment in storm water management.
- [Option 2 selected] Set a goal, stay with that goal.
- [Option 3 selected] Why did you select this option? The city has already had a higher than 50pjh target, so scaling that back now doesn't make sense, especially when this whole exercise is dealing with a growing population. It may not be an easy target, but it sounds like some bright minds are already working on things like zoning changes around the LRT route, which is bound to attract people who want to live there, but also employers who want to be on those same LRT routes. And just seeing how it's working TO and Waterloo, and even around the GO stations in Burlington...these transit hubs seem to attract exactly what you're looking for.
- [Option 3 selected] I feel it is essential that we protect as much of our greenfield areas as possible to sustain our natural and agricultural areas. This is vital to biodiversity and long-term human well being.
- Option two has been selected as the UWSLG is trying to plan and design the Upper West Side area to achieve a complete community that will include a mix of uses and housing types.

Future Growth Areas

1. What additional criteria should be considered when we evaluate future growth options?

- Climate change impacts, complete communities and access to services and amenities, complete streets and active transportation
- Develop non-prime agricultural areas before prime agricultural areas why prioritize the Elfrida area since the GRIDS tbl evaluation concluded that the Twenty Road east area had moderate impact on the ecology and the Elfrida growth option #5 had the largest impact on the ecology? Compact urban form (twenty road east area is much closer than Elfrida to downtown Hamilton primary node) developing the Twenty Road area would provide housing opportunities in close proximity to Hamilton's future employment lands (greener community)
- 1) Cycling 6) Affordable housing
  2) Transit 7) Housing types
  3) Walkability 8) Equity
  4) Culture 9) Safety
  5) Vibrancy 10) Climate

  This is important and should be taken into account along with various other criteria. If it is on a main street, (Main, King, Concession, Locke, Upper James, Ottawa, Cannon, Barton) there should also be a ban on surface parking and a minimum density of three storeys.
- The most live-able cities are those with lots of low rise and mid rise. Instead of 10 high-rises we could build 20 mid-rises. Instead of 100 detached homes we could build 200 townhouses. That is the way to go = NOT a city of high-rises.
- 1. Real attention to The Climate Emergency declaration

  2. Forecast increased extreme rainfall events and their related water flows
- – existing infrastructure
  – existing amenities (i.e., bus, retail, docs)
  – market demand for certain areas
  – utilize lands that have been vacant for years and will never be farmed because they are too small in size to grow anything financially viable
- I'm satisfied with the guidelines already laid out… as long as they are actually adhered to. All costs of urban boundary expansions (e.g., environmental degradation, climate change, loss of local food production, etc.) should be considered when determining the "need" for residential and/or employment growth itself as opposed to using only traditional analyses. In other words, consider if the costs of an urban boundary expansion outweigh the benefits of outward growth. I recognize that this would be challenging where the Province is dictating growth requirements. Protection or even enhancement of biodiversity should be required prior to an urban boundary expansion. Any urban boundary expansion should be carbon/greenhouse gas neutral. Minimizing and mitigating impacts on/from natural hazards.
- Update environmental mapping based on studies prior to selected areas.
- Review smaller infill areas located to existing neighbourhoods in advance of selecting larger areas for growth.

2. Do you have any additional comments regarding how the City should evaluate future growth options?

- The city is contravening provincial growth plan policies and the ongoing OMB process by prioritizing future growth in the Elfrida area. There is no provincial growth plan urban boundary expansion policy that allows municipalities to designate an area for future growth. The city of Hamilton is contravening these provincial growth plan policies (council direction for the Elfrida urban boundary expansion and excluding all other areas for consideration)
- No comment.
- Demand everything you can from developers – concessions, charges, benefits. The city should make NO concessions in return. The GTHA is running out of land, the developers are coming anyway as the population grows. so, give nothing away, demand everything you can from the developers. If one walks away, another will gladly take up the opportunity.
- The forecasts should be presented with a range of sensitivity analyses rather than a single provincial growth forecast. These should look at a range of population growth demands and the IPCC current views of major climate impacts of warming at the different Representative Concentration Pathways. Without significant reductions in fossil fuel consumption (which we are not currently seeing), we are heading for significant economic, environmental and social change. These should not be ignored in evaluating future growth options.
- Do not overlook this pocket of land around Fifty Rd and Barton.
- We can't keep going in the direction we've been moving for the last number of decades with sprawl. That may give us a payoff in the here and now, but down the road when we've sprawled as far as we can go AND have achieved low rates of density and intensification, then what? At that point all we'll have achieved is more infrastructure to look after and the lowest level of tax revenue.
- Growth options should be evaluated based on long term outcomes. The different criteria should therefore be weighted accordingly. The weighting should not be focussed exclusively from a human needs/wishes perspective. As noted above the City should take into account all costs of growth as part of identifying the need to add lands. While outward expansion has supported the development of human societies in the past, moving forward is it desirable from a long-term planet/human well being perspective?
- The City should thoroughly examine all areas of the City and determine where the existing servicing is located and how growth can improve each neighbourhood. By spreading out selected growth areas throughout the City, this will provide further housing options by location as opposed to forcing individuals looking for a new home to only be isolated to one part of the City. Further, the MCR needs to treat all growth options equally for future Urban Boundary Expansion areas. A list of preferences that should be included when finalizing the MCR and the selected growth areas has been provided below.
  - Preference given to:
    - Infilling;
    - Non-prime Agricultural land;
    - Proposals that produce infrastructure; and,
    - Proposals that yield positive municipal financial impact.

MCR GRIDS 2

Moving Forward Together

Public and Stakeholder Engagement Round 2

Appendix D:
Letters Received

SGL Planning & Design Inc.

1547 Bloor Street West
Toronto, Ontario M6P 1A5
☎ (416) 923-6630
✉ info@sglplanning.ca

January 6, 2020 Project: FE.HA

Ms. Joanne Hickey-Evans
Manager, Policy Planning & Zoning
Planning and Economic Development Department
City of Hamilton

Dear Ms. Hickey Evans,

Re: Hamilton Growth Related Integrated Development Strategy Targets

SGL Planning & Design Inc. is submitting this correspondence on behalf of the Frisina Group who are landowners in the Elfrida Secondary Plan study area. We are writing with respect to the City's proposed Growth-Related Integrated Development Strategy.

SGL staff attended one of the City's Open Houses and watched the Council Workshop. The work undertaken by your staff and Mr. Lorius is comprehensive and well set out. We compliment you on the work to date.

We agree with the analysis of Mr. Lorius that the Growth Plan's 50% minimum intensification target is aggressive for the City of Hamilton and will be a challenge to achieve each and every year to 2041. It is important to push the envelope on intensification, but it must also be realistic to the market realities of Hamilton. As such, we urge the City to not seek an intensification target greater than 50% and to consider the reasonableness of seeking a lower target.

Likewise, for the Designated Greenfield Area, in order to increase the housing supply and provide for housing affordable to young families, we believe that the Growth Plan minimum density of 50 persons and jobs per hectare is a reasonable density target.

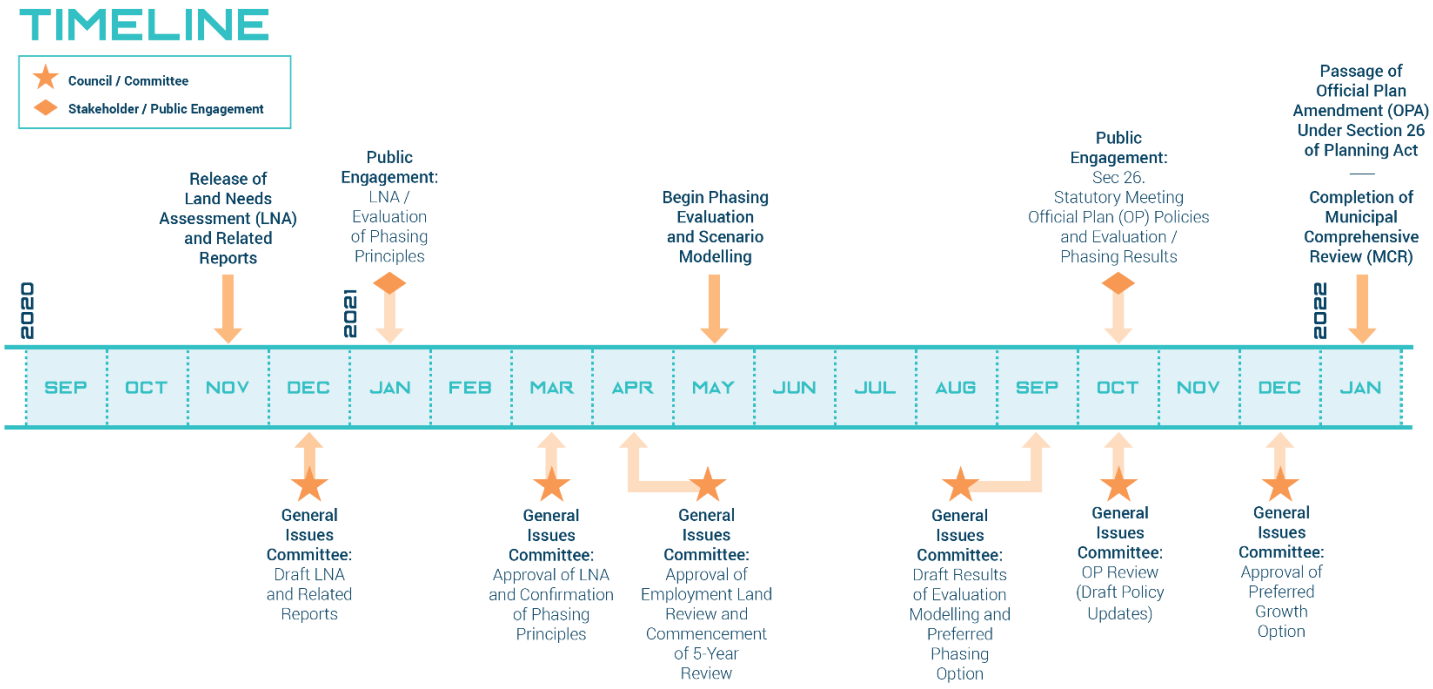
We look forward to the opportunity to review and comment on further studies as you complete the Growth-Related Integrated Development Strategy and the City's Municipal Comprehensive Review.

SGL Planning & Design Inc.

Yours very truly,
SGL PLANNING & DESIGN INC

Paul Lowes, MES, MCIP, RPP
Principal

cc. Antony Lorius, Lorius & Associates
John Doherty, Gowlings
Filomena Frisina, Gowlings
Al Frisina, Frisina Group
Ralph Frisina, Frisina Group


TIMELINE
Council / Committee
Stakeholder / Public Engagement
2020
2021
2022
SEP
OCT
NOV
DEC
JAN
FEB
MAR
APR
MAY
JUN
JUL
AUG
SEP
OCT
NOV
DEC
JAN
Release of Land Needs Assessment (LNA) and Related Reports
Public Engagement: LNA / Evaluation of Phasing Principles
Begin Phasing Evaluation and Scenario Modelling
Public Engagement: Sec 26. Statutory Meeting Official Plan (OP) Policies and Evaluation / Phasing Results
Passage of Official Plan Amendment (OPA) Under Section 26 of Planning Act
—
Completion of Municipal Comprehensive Review (MCR)
General Issues Committee: Draft LNA and Related Reports
General Issues Committee: Approval of LNA and Confirmation of Phasing Principles
General Issues Committee: Approval of Employment Land Review and Commencement of 5-Year Review
General Issues Committee: Draft Results of Evaluation Modelling and Preferred Phasing Option
General Issues Committee: OP Review (Draft Policy Updates)
General Issues Committee: Approval of Preferred Growth Option

CITY OF HAMILTON
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT
Planning Division

TO:	Chair and Members General Issues Committee
COMMITTEE DATE:	December 14, 2020
SUBJECT/REPORT NO:	GRIDS 2 and Municipal Comprehensive Review – Land Needs Assessment and Technical Background Reports (PED17010(h)) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Heather Travis (905) 546-2424 Ext. 4168
SUBMITTED BY: **SIGNATURE:**	Steve Robichaud Director, Planning and Chief Planner Planning and Economic Development Department

RECOMMENDATION

(a) That Council endorse the revised and updated GRIDS 2 10 Directions to Guide Development, attached as Appendix “A” to Report PED17010(h);

(b) That Council endorse the direction to collapse and consolidate the Municipal Comprehensive Review (MCR) process to guide and direct growth for the 2021 to 2051 time period into one process;

(c) That the following draft GRIDS 2 / MCR reports be received by Council:

(i) City of Hamilton Land Needs Assessment to 2051 – Technical Working Paper – Draft Summary of Results, prepared by Lorius and Associates, attached as Appendix “B” to Report PED17010(h),

(ii) Residential Intensification Market Demand Study prepared by Lorius and Associates, attached as Appendix “C” to Report PED17010(h);

(iii) Residential Intensification Supply Update, attached as Appendix “D” to Report PED17010(h);

(iv) Designated Greenfield Area Density Analysis, attached as Appendix "E" to Report PED17010(h);

(d) That Council authorize staff to commence public and stakeholder consultation on the draft Reports identified in Recommendation (c) above, and that staff report back on the results of the consultation and any changes or revisions to the draft reports prior to final approval of the Land Needs Assessment and related reports.

EXECUTIVE SUMMARY

Through the update to GRIDS (Growth Related Integrated Development Strategy), known as GRIDS 2 and the Municipal Comprehensive Review (MCR), the City must plan to achieve the minimum provincial forecasts of 820,000 persons and 360,000 jobs by 2051. Lower forecasts are not permitted. As part of this review, a Land Needs Assessment (LNA) must be prepared. An LNA is a study that identifies how much of the forecasted growth can be accommodated within the City's existing urban area based on inputted targets, and how much growth may need to be accommodated within any potential urban expansion area.

The draft LNA has identified a range of land need scenarios based on different intensification targets and density inputs. Technical background reports (Residential Intensification Market Demand Study, Residential Intensification Supply Update, Existing Designated Greenfield Area Density Analysis) have been completed to support inputs and assumptions in the LNA. The results of the scenarios, together with the City's constrained whitebelt land supply, identifies that an urban expansion area ranging in size from 1,340 ha to 1,640 ha will be required to accommodate residential (Community Area) growth to the year 2051.

With regards to Employment Land, the City has enough remaining vacant employment lands to accommodate job growth to 2051.

Staff are requesting Council's authorization to consult with the public and stakeholders on the draft LNA and related reports before reporting back to Council in early 2021 with a final LNA identifying land need to 2051.

Alternatives for Consideration – See Page 42

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: N/A

Staffing: N/A

Legal: N/A

HISTORICAL BACKGROUND

GRIDS (2006)

The GRIDS study was commenced in 2003, and was an integrated and iterative study designed to identify a broad land use structure, infrastructure requirements, economic strategy and financial implications of growth options to serve Hamilton until 2031. GRIDS was integrated with the development of the Infrastructure and Transportation Master Plans and informed the Development Charges By-law.

GRIDS and the adoption of the Urban Hamilton Official Plan (UHOP) by Council (July 2006) and the subsequent approval by the Ministry of Municipal Affairs and Housing (March 2012) constituted a municipal comprehensive review under the definition of the 2006 Growth Plan. A municipal comprehensive review (MCR) is a requirement of the Growth Plan for the Greater Golden Horseshoe and the Provincial Policy Statement (PPS) to bring the City's Official Plans into conformity with Provincial planning documents. GRIDS addressed population and employment growth until 2031.

The GRIDS Study Design followed a 3 step process to ultimately identify a preferred growth option for the City:

1. Development and evaluation of a 'long list' of growth concepts;
2. Development and evaluation of a 'short list' of growth options; and,
3. Refinement of the preferred growth option.

Through this process, the Nodes and Corridors growth option was identified as the City's preferred growth option, and Elfrida area was identified as the City's preferred growth area to accommodate residential growth to the year 2031.

The UHOP was one document used to implement GRIDS outcomes. The identification of Elfrida as the preferred growth option was not included within the urban boundary at that time because the City wanted to ensure that a secondary planning process was competed prior to adding the lands to the urban area. The rationale for this approach was:

1. Hamilton is a one tier municipality. It undertakes secondary plans. In a Regional structure, lands can be designated as urban but it is the responsibility of the lower tier municipality to expand the urban boundary in their Official Plan (OP) as well as carry out the secondary planning exercise. These two actions can be completed by the lower tier municipality simultaneously.

2. The Airport Employment Growth District (AEGD) was undertaken as one process – urban boundary expansion and secondary plan. Through the secondary plan exercise, the required lands were further refined.

3. The city wanted to avoid the situation that took place in Flamborough where the Ontario Municipal Board allowed development to proceed prior to community consultation and the completion of a Secondary Plan occurred.

To avoid these issues, the City implemented the GRIDS direction in the UHOP through a text identification in the UHOP with direction that a secondary plan would be completed prior to the inclusion of the lands within the urban boundary. Those policies remain under appeal.

GRIDS 2 / MCR

Since the adoption of GRIDS, new provincial policy direction has been released and revised and the planning horizon forecast has been extended. The City is therefore required to update GRIDS and complete a subsequent MCR exercise to guide growth to 2051. The City is undertaking the update to GRIDS, known as GRIDS 2, which is a long term growth strategy to allocate forecasted population and employment growth from 2031 to 2051 (GRIDS 2 / MCR was first commenced in 2017 as a growth strategy for the period 2031 to 2041 but the recent Amendment 1 to the Growth Plan 2019 by the Province has extended the planning horizon to 2051). The forecasts for Hamilton project a total 2051 population of 820,000 persons and total employment of 360,000 jobs. The MCR is being completed concurrently with GRIDS 2. The MCR is broad and encompasses many inter-related components, and must be completed prior to any expansion of the urban boundary. Many of the studies that are required as part of the MCR are also part of a growth strategy. Like the first GRIDS, GRIDS 2 / MCR is an integrated study which will inform the updates to the Infrastructure and Transportation Master Plans and future update to the Development Charges By-law and will be implemented through the City's Official Plans.

Key dates / milestones in the GRIDS 2 / MCR process are highlighted in the chart below:

Spring 2017	MCR Commencement, Employment Land Review call for requests
May 2017	Growth Plan 2017 released
May 2018	Land Needs Assessment Methodology released by Province
May / June 2018	First round of public / stakeholder consultation – focus on urban structure (i.e. where should intensification occur?) and major transit station area planning
November 2018	Imagining New Communities – information sessions on greenfield density

May 2019	Growth Plan 2019 released
October 2019	GRIDS 2 / MCR Council workshop on intensification, density and land needs assessment
November 2019	Draft Employment Land report received by Council
November / December 2019	Second round of public consultation (intensification and density targets, evaluation criteria, employment land review)
January 2020	Elfrida / LPAT "motion" decision issued
August 2020	Amendment 1 to the Growth Plan and revised Land Needs Assessment Methodology released by Province

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

Policies at both the provincial and local level provide direction to municipalities to plan for increased intensification and densities to efficiently use land and infrastructure and plan for complete communities. A complete policy review is included in Appendix "F" to Report PED17010(h).

Growth Plan 2019, as amended

The Province released Amendment 1 to A Place to Grow: Growth Plan for the Greater Golden Horseshoe in August 2020. The effect of Amendment 1 is to extend the planning horizon of the Growth Plan to the year 2051 (from 2041 in the 2017 Growth Plan), including providing population and employment forecasts for the City of Hamilton to 2051. The 2051 population and employment forecasts require the City of Hamilton to plan for a population of 820,000 people and employment of 360,000 jobs in 2051.

The Provincial Growth Plan provides the minimum intensification and density targets the City must plan to achieve:

"2.2.2.1 By the time the next *municipal comprehensive review* is approved and in effect, and for each year thereafter, the applicable minimum intensification target is as follows:

A minimum of 50 per cent of all residential development occurring annually within each of the Cities of Barrie, Brantford, Guelph, Hamilton, Orillia and Peterborough and the Regions of Durham, Halton, Niagara, Peel, Waterloo and York will be within the *delineated built-up area*;

2.2.7.2 The minimum density target applicable to the *designated greenfield area* of each upper- and single-tier municipality is as follows:

The Cities of Barrie, Brantford, Guelph, Hamilton, Orillia and Peterborough and the Regions of Durham, Halton, Niagara, Peel, Waterloo and York will plan to achieve within the horizon of this Plan a minimum density target that is not less than 50 residents and jobs combined per hectare;"

These targets are minimums, and the City may plan for higher target(s) if it is deemed appropriate for the City. Conversely, the City may apply for lower target(s), which would require approval from the Province. The intensification target plays a key role in the completion of the Land Needs Assessment (LNA), as detailed in this report.

The policies of the Provincial Growth Plan also identify the requirement that the Province will establish the LNA methodology and that an LNA must be completed prior to a settlement area boundary expansion occurring:

"2.2.1.5 The Minister will establish a methodology for assessing land needs to implement this Plan, including relevant assumptions and other direction as required. This methodology will be used by upper- and single-tier municipalities to assess the quantity of land required to accommodate forecasted growth to the horizon of this Plan.

2.2.8.2 A *settlement area* boundary expansion may only occur through a *municipal comprehensive review* where it is demonstrated that:

a) based on the minimum intensification and density targets in this Plan and a land needs assessment undertaken in accordance with policy 2.2.1.5, sufficient opportunities to accommodate forecasted growth to the horizon of this Plan are not available through *intensification* and in the *designated greenfield area*:

   i. within the upper- or single-tier municipality, and
   ii. within the applicable lower-tier municipality;

b) the proposed expansion will make available sufficient lands not exceeding the horizon of this Plan, based on the analysis provided for in policy 2.2.8.2 a), while minimizing land consumption; and

c) the timing of the proposed expansion and the phasing of development within the *designated greenfield area* will not adversely affect the achievement of the minimum intensification and density targets in this Plan, as well as the other policies of this Plan."

The LNA is a technical background study that identifies how much of the City's forecasted population and job growth will be accommodated through infill / intensification in the built-up area and development of the existing designated greenfield lands to accommodate growth. The LNA attached as Appendix "B" to Report PED17010(h) fulfils this requirement.

Land Needs Assessment Methodology 2020

In August 2020, the Province released the Land Needs Assessment Methodology for the Greater Golden Horseshoe, which replaced a previous methodology that was issued in 2018.

For the calculation of Community Area (i.e. residential) land need, the new methodology is significantly different than the previous version. The new method is a market-based approach which is based on an identification of the City's forecasted housing unit growth, and a determination of how much of the proposed unit growth can be accommodated as intensification or development of the City's existing greenfield lands within the urban area. If there is a shortfall in units that cannot be accommodated in the existing urban area, then this shortfall is to be accommodated through urban boundary expansion, based on an estimation of the density of each unit type.

Key differences between this new methodology and the previous version are:

- The market based approach to land needs assessment requires municipalities to plan to ensure that sufficient land is available to accommodate all housing market segments, avoid housing shortages and consider market demand.

- The previous version relied on the Designated Greenfield Area density target to be a determinative factor in required land need, in addition to the intensification target, as policy inputs. The size of a future expansion area was directly influenced by the planned DGA density target. Under the new method, the DGA density target does not determine overall land need, rather the planned DGA density is a calculation at the end of the process to ensure that municipalities are meeting the minimum target based on the planned housing unit mix across the entirety of the DGA.

  Within the new method, the size of the required urban expansion area is directly influenced by inputs of the density of development of each unit type to be accommodated within the future expansion area. Combined with the intensification target, the assumed density of each unit type plays a role in the determination of overall Community Area land need. These two factors will be discussed in section 6 of this report.

- The new method clarifies that municipalities must designate, through this Municipal Comprehensive Review process, all required lands to the year 2051.

For the calculation of Employment Area land need, the new methodology is closely aligned with the previous version.

RELEVANT CONSULTATION

Council Workshop

On October 21, 2019, Staff held a special General Issues Committee meeting and provided a workshop to members of Council and the public on GRIDS 2 / MCR. The purpose of the workshop was to provide a history of the first GRIDS process including recommendations of that study and implementation to date, an overview of intensification and density targets and what they mean for land needs assessment, and an identification of next steps in the process. Members of Council were provided an opportunity to ask questions of staff and the consultant team. The event was livestreamed and open to members of the public.

Public

The second round of public consultation on GRIDS2 / MCR was undertaken in November / December, 2019 at locations across the City (Downtown, Dundas, Stoney Creek and Hamilton Mountain). The topics considered at the Open Houses included the GRIDS 2 10 Directions to Guide Development, and intensification and greenfield density targets, including an explanation of how they related to land needs assessment. A summary of the public consultation was included in Report PED17010(g) and the Public Consultation Round 2 Summary Report. Consideration of the public comments on the 10 Directions and the intensification and density targets is included in the analysis below.

Stakeholders

The second GRIDS 2 / MCR stakeholder event was held on December 16, 2019 and focussed on the same matters of consideration as presented at the Open Houses, with particular focus on appropriate intensification and density targets for the City. A summary of the stakeholder consultation was included in Report PED17010(g) and the Public Consultation Round 2 Summary Report. Consideration of the stakeholder comments on the 10 Directions and the intensification and density targets is included in the analysis below.

Staff

Staff on the GRIDS 2 / MCR working group (Water / Wastewater, Transportation Planning, Housing, Recreation, Growth Management, Community Planning, Healthy and Safe Communities, Air Quality and Climate Change, Transit) were consulted on the intensification and density targets. Staff provided insights on the implications of

planning for higher or lower targets from the perspective of their areas of expertise. Land assembly, infrastructure requirements, increased transportation requirements, need for increased transit services, increased public service requirements, and need to protect green / open spaces and good community design all have implications on the amount and timing of when and where intensification will occur. Benefits of planning for increased targets included an opportunity to create transit friendly and walkable communities, air quality improvements, and opportunities for affordable housing.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

1.0 10 Directions to Guide Development

The GRIDS Nine Directions to Guide Development were developed in the 2003 – 2005 time period during the first GRIDS study as a tool to guide and evaluate decisions related to growth. The Nine Directions were incorporated into the City's Rural and Urban Hamilton Official Plans. Through staff review and consultation with stakeholders and members of the public, it was determined the Directions are generally still relevant to guide future development decisions and align with the City's Our Future Hamilton vision. Comments from the public and stakeholders on the GRIDS Directions were summarized in the Round One and Two Public Consultation Summary Reports. Suggestions from the public and stakeholders resulted in an additional direction being added (#1 in the list below) to address climate change mitigation and adaptation, as well as changes to the wording of other directions to address housing affordability, intensification of employment land and equity and inclusion. The revised wording is shown in bold font below. The 10 Directions reflect new language added to align with the City's Our Future Hamilton vision. A summary of the changes to the original directions is attached as Appendix "A" to Report PED17010(h).

1. **Plan for climate change mitigation and adaptation, and reduce greenhouse gas emissions.**

2. Encourage a compatible mix of uses in neighbourhoods, **including a range of housing types and affordabilities**, that provide opportunities to live, work, **learn, shop** and play, **promoting a healthy, safe and complete community**.

3. Concentrate new development **and infrastructure** within existing built-up areas and within **the** urban boundary **through intensification and adaptive re-use.**

4. Protect rural areas for a viable rural economy, agricultural resources, environmentally sensitive recreation and the enjoyment of the rural landscape.

5. Design neighbourhoods to improve access to community life **for all, regardless of age, ethnicity, race, gender, ability, income and spirituality.**

6. Retain **and intensify existing employment land,** attract jobs in Hamilton's strength areas and targeted new sectors, **and support access to education and training for all residents.**

7. Expand transportation options **through the development of complete streets** that encourage travel by foot, bike and transit, and enhance efficient inter-regional transportation connections.

8. Maximize the use of existing buildings, infrastructure, and vacant or abandoned land.

9. Protect ecological systems **and the natural environment, reduce waste**, improve air, land and water quality, and encourage the use of green infrastructure.

10. Maintain and create attractive public and private spaces and respect the unique character of existing buildings, neighbourhoods **and communities, protect cultural heritage resources, and support arts and culture as an important part of community identity.**

As per recommendation (a) of this Report, staff are requesting Council to endorse the 10 Directions to Guide Development, to be used as a high level tool and organizing framework to evaluate decisions to ensure consistency with the City of Hamilton vision and the community endorsed directions. The analysis in this report includes a consideration of alignment to the GRIDS 2 10 Directions.

2.0 GRIDS 2 / MCR Revised Planning Period

As noted above in the Historical Background section of this Report, GRIDS 2 / MCR was commenced in 2017 to create a long term growth management strategy for the period from 2031 to 2041. GRIDS (2006) had established a growth strategy to the year 2031, and GRIDS 2 was as an update to plan for the next 10 years of growth (i.e. for the 2031 – 2041 time period).

While GRIDS 2 was first envisioned as an update to GRIDS to plan for the time period between 2031 and 2041, several provincial policy changes have occurred since the commencement of GRIDS 2 which have impacted the project timeline and the ability of staff to move the project forward:

- Three different versions of the Growth Plan have been released which have resulted in policy changes related to targets, required studies, and directions including the introduction of a market-based housing needs approach;

- Two versions of a Land Needs Assessment Methodology have been released which are very different in terms of both technical method and the introduction of a market-based housing approach; and,

- The release of Amendment 1 to the Growth Plan 2019 has resulted in a lengthened planning horizon to 2051, revised population and job forecasts to 2051, and removal of the interim year forecasts for 2031 and 2041.

Almost 15 years have elapsed since the completion of the first GRIDS study. Further, the appeals related to the implementation of the GRIDS preferred growth option in the RHOP and UHOP remain under unresolved, over 10 years since the appeals were filed.

Based on the above factors, staff are recommending that the GRIDS 2 / MCR planning period be extended to include the period from 2021 to 2031. Extending the planning horizon allows staff to take a comprehensive approach to the evaluation of growth options which will review all options for growth from 2021 to 2051. In light of the revised provincial forecasts to 2051, it is prudent to review the phasing and allocation of growth throughout the planning period, including the period from 2021 to 2031. Previous decisions on land need, intensification potential and density must be reviewed in light of new planning policies and priorities. Based on the amount of time that has passed and in recognition of the need to review the phasing of future growth comprehensively to ensure that phasing occurs in the most efficient and logical manner, staff are recommending that the next phase of GRIDS 2 / MCR evaluate growth options comprehensively from 2021 to 2051 (Recommendation (b)).

3.0 Housing and Job Forecast 2021 - 2051

The Province released updated population and employment forecasts for all Greater Golden Horseshoe municipalities in 2020 (Schedule 3 to Amendment 1 to the Growth Plan 2019). For Hamilton, the Growth Plan 2051 forecast is:

Population: 820,000
Employment: 360,000

The Provincial forecasts require the City to plan for an increase of 236,000 people and 122,000 jobs between 2021 and 2051.

Interim year forecasts for 2031 and 2041 are not included on Schedule 3. Although the urban area must be established to accommodate growth to 2051, for the phasing of

growth between 2021 and 2051, municipalities can develop a staging of development / phasing plan as deemed appropriate for the local context.

Table 1 below identifies the City's updated population forecast phased by 10 year planning increment, and related housing unit growth based on updated demographic and census data. This further breakdown is provided by the City's land economist (Lorius & Associates), based on the updated *Greater Golden Horseshoe: Growth Forecasts to 2051* from Hemson Consulting, as an input to the LNA. Further details on this forecast are found in the LNA attached as Appendix "B" to Report PED17010(h).

Table 1: City of Hamilton Population and Housing Forecast 2021 – 2051

	2021	2031	2041	2051
Population	584,000	652,000	733,000	820,000
Population growth by 10 year period		+ 68,000	+ 81,000	+ 87,000
Housing units	223,000	258,000	295,000	332,000
Unit growth by 10 year period		+35,000	+ 37,000	+ 37,000

Source: Hemson Consulting, 2020; Growth Plan 2019, as amended.

Based on the table above, Hamilton is forecast to grow at an increased rate in coming years, averaging 3,500 units per year between 2021 and 2031 and 3,700 units per year between 2031 and 2051 (which is an increase of more than double from the previous rate of 1,800 units per year over the past 10 year period).

On the employment side, Table 2 identifies the planned phasing of job growth to 2051, by 10 year planning increment.

Table 2: City of Hamilton Employment (Job) Forecast and Housing to Employment Growth Ratio 2021 – 2051

	2021	2031	2041	2051
Employment	238,000	271,000	310,000	360,000
Employment growth by 10 year period		+ 33,000	+ 39,000	+ 50,000
Housing Growth: Employment Growth Ratio		35 : 33	37 : 39	37 : 50

Source: Hemson Consulting, 2020

Hamilton's job growth is forecast to accelerate to 2051, after a slower period of growth in recent years, with employment growth exceeding household growth.

The LNA attached as Appendix "B" to Report PED17010(h) is completed based on the above population, housing and jobs forecast.

4.0 Climate change considerations

The City of Hamilton has declared a climate change emergency and set a target to reduce greenhouse gas (GHG) emissions and be carbon neutral by 2050. Land use planning and growth management can play an important role in helping the City achieve that goal. In the City's Corporate Goals and Areas of Focus for Climate Change Mitigation and Adaptation, Goal #4 is related to planning and aims to ensure that a climate change lens is applied to all planning initiatives to encourage the use of best climate mitigation and adaptation practices. In particular, a climate change lens as part of the GRIDS 2 / MCR evaluation framework is one area of focus. This direction is also consistent with Direction #1 of the GRIDS 2 10 Directions to Guide Development.

Furthermore, Planning and Public Health staff are developing a Community Energy Plan (CEP) that will include actions to reduce community-wide energy use and reduce GHG emissions, achieve emissions reduction targets and foster local, community-supported sustainable energy solutions. The CEP is a community-based plan that will engage all sectors of the community including businesses, industries and institutions (including the city corporation) as well as the citizenry of Hamilton. An important component of the CEP is energy modelling which will be completed with a spatial component to understand the impact of potential energy initiatives and actions geographically across the city.

In applying a climate change lens to land use planning decisions, a consideration of the impact of the planning decision on overall GHG emissions is important. Hamilton's Greenhouse Gas Inventory (2017) identifies that the largest source of GHG emissions in the City is industry (at 45%). However, if industry is removed from consideration, the GHG contribution from transportation sources and from commercial and residential buildings are the next greatest contributors, and are almost equal in emissions:

Transportation – 55%
Residential and Commercial Buildings – 44%

Growth management and land use planning decisions can play a role in reducing the emissions from these sectors in particular. Potential climate change impacts can arise from accommodating growth in any form, be it through urban boundary expansion, intensification or a combination of both. The key is to identify strategies to mitigate potential climate change impacts to the greatest extent feasible and build resilience in our community to be adaptive to future impacts.

This report is presenting the results of the draft LNA, which is a technical mathematical document that is required to follow a provincially-mandated method. Within the LNA itself, there is no opportunity to consider climate change implications. However, the City does have some flexibility on the inputs into the LNA, particularly the intensification target and the density by unit type within new growth areas, as will be detailed in the

next sections. In determining an appropriate intensification target and future density of housing mix, a climate change lens can be applied to the decision making process, and is in keeping with the GRIDS 2 10 Directions. The discussion of intensification, density and land need in Section 6 of this Report includes the use of a climate lens as a factor in the decision-making process.

Growth management planning, including the identification of the intensification target and density assumptions as inputs into the completion of the LNA, is one means of shaping the future urban form and development patterns of the City and in turn mitigate future climate impacts and increase resilience. Strategies which can be undertaken through growth management planning include:

- Planning for increased intensification and planned density which will have the impact of focusing more growth in the urban area but still maintaining a balanced approach to future development.

- Supporting a scenario in the LNA which would result in a lesser need for new Community Area lands, which may, for example, result in the potential expansion lands which are located furthest from the existing urban area not being required for future residential growth.

- Including climate change impacts and the use of a climate change lens in the next phase of GRIDS 2 / MCR which is the evaluation of growth options, including phasing of future development. Staff will investigate the possibility of incorporating scenario modelling from the Community Energy Plan into the evaluation framework to understand the impacts resulting from different growth option scenarios.

However, planning decisions made at the growth management level need to be supported through other planning instruments including secondary plans, zoning, guidelines, and individual development applications and site plans.

In looking forward to the design of new communities which will be developed to accommodate the City's growth to 2051, a number of actions can be undertaken to plan for communities that reduce climate change impacts and are resilient and adaptive to future change. From a mitigation perspective, through the Secondary Planning process, design considerations including a transportation network that supports active transportation and transit, protection and preservation of open spaces and the existing tree canopy, an integrated mix of land uses, and a policy framework that incorporates direction for compact built form, eco-friendly design guidelines, and electric vehicles, amongst other matters, can be included. Such measures in different forms have already been undertaken in other City initiatives including Secondary Plans for Downtown Hamilton, Fruitland-Winona, and the Airport Employment Growth District.

From an adaptation perspective, new communities will be planned to be resilient to changing conditions and hazards arising from severe weather and other climate change impacts. These considerations must be integrated into the design of new communities from the ground up, starting with the delineation of floodplain and hazard mapping and the protection of natural features and open spaces, to the inclusion of LID techniques for stormwater management, to design guidelines promoting green building standards and required permeable surfaces (as already included in the AEGD zones in Zoning By-law 05-200), and to a policy framework that promotes local food production, incorporation of LID techniques, and floodplain protection.

In addition, support from all sectors, including the development community, public and interest groups is needed to embrace the planning goals. Through future phases of GRIDS 2 / MCR (growth options evaluation and official plan update) and future planning requirements for new growth areas (i.e. secondary planning, zoning and development applications), climate change considerations will continue to be integrated with planning recommendations to ensure that how we develop will respond to the City's climate change goals.

Further, in implementing the recommendations of GRIDS 2 / MCR through a future Official Plan Amendment once a preferred growth option has been approved, staff will investigate options to ensure that the City achieves balanced growth going forward, including both intensification and greenfield growth, such as policy tools to require certain intensification thresholds to be met prior to additional greenfield lands developing.

5.0 Summary of Reports

This section will provide an overview of the findings of the four reports attached as Appendices "B" to "E" to Report PED17010(h). The LNA is presented first, followed by an overview of three technical background reports that support the LNA. Discussion of the implications arising from the findings of the LNA and options moving forward is undertaken in Section 6 of this Report.

5.1 Land Needs Assessment (Lorius & Associates)

5.1.1 What is a Land Needs Assessment?

A Land Needs Assessment (LNA) is a technical background study that is a requirement of the Provincial Growth Plan and which must be completed as part of the City's MCR. An LNA will identify how much of the City's forecasted population and job growth will be accommodated through infill / intensification and existing designated greenfield lands, and how much additional land in the form of urban area expansion may be required to accommodate the forecasted growth. If additional land is required, the LNA does not identify the location or phasing of the future growth. The LNA considers the need for

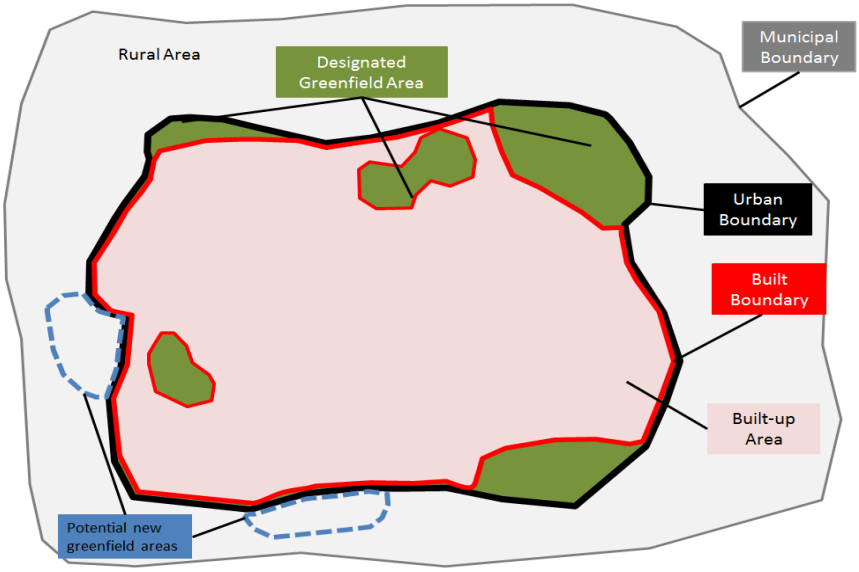
"Community" lands (i.e. lands to accommodate population growth and some commercial and institutional employment growth) separate from "Employment" lands (i.e. lands designated to accommodate employment growth including Business Parks and Industrial areas).

5.1.2 How is Community Area Land Need Calculated?

For Community Area land need, the LNA Methodology relies on the Schedule 3 population forecasts of the Growth Plan, from which municipalities estimate the number of households by dwelling type and the housing need to the horizon of the Plan. Two key factors play an important role in the determination of future land need, the intensification target and the DGA density inputs (by unit type), which are addressed in turn below.

The first key factor with influence on the Community Area land need is the intensification target, which has a significant impact on the LNA results. The intensification target is a requirement of the Growth Plan, and requires a certain percentage of new residential units to be constructed annually within the built-up area of the City (the built-up area, identified in Appendix "G" to Report PED17010(g) and shown conceptually in Figure 1 below, was defined by the Province in 2006 and generally corresponds to the developed portions of the urban area). For the City of Hamilton, the annual minimum intensification target as per the Growth Plan is 50%. The City may plan for a higher target, or apply for approval of a lower target if it is deemed appropriate, however, as noted above, the target must consider market based demand in accordance with the LNA methodology.

Figure 1: Conceptual Diagram of Growth Plan Policy Areas including the Built-Up Area and Designated Greenfield Areas



Source: City of Hamilton

As the intensification target is increased, more units will be allocated to be built within the City's built-up area, and fewer units will need to be accommodated in the Designated Greenfield Area or DGA (urban areas outside of the built-up area boundary, identified in Appendix "G" to Report PED17010(h) and shown conceptually in Figure 1). In summary, in terms of Community Area land need, as the intensification target is increased, the size of the required urban expansion area is decreased.

The second factor influencing Community Area land need is the assumed density of future development by unit type within the DGA expansion area. The LNA is a supply and demand analysis which will ultimately identify any shortfall of units, by type, that cannot be accommodated within the existing urban area and must therefore be accommodated through urban boundary expansion. Once the unit shortfall by type has been identified, a density factor in units per hectare is applied to each unit type to ultimately determine the required additional Community Area land. The unit types are broken down into single and semi-detached, rowhouses (townhouses, including stacked and back-to-back townhouses) and apartments. In the case of the unit densities, the higher the assumed future density of each unit type, the lower the size of the required urban expansion area.

5.1.3 How is Employment Area Land Need Calculated?

For Employment Area land need, the LNA Methodology relies on the Schedule 3 employment forecasts for the Growth Plan, from which municipalities are to determine the number of forecasted jobs by major land use planning type: employment lands employment, population-related employment, major office and rural-based jobs.

Employment areas are lands designated for traditional industrial and office uses, and within the City of Hamilton are comprised of newer Business Parks (WHID, Ancaster, Flamborough, Red Hill North and South and Stoney Creek), older Industrial Areas (Bayfront, East Hamilton, Dundas), and the Airport Employment Growth District (AEGD). Within the LNA, the calculation of Employment Area land need is based on a determination of the capacity of the existing employment area land supply in the City's designated employment areas based on an expectation of the future density (number of jobs) that will be accommodated on those lands at the plan horizon in 2051. The main components of the employment area land needs analysis are:

- A forecast of total employment including usual place of work, work at home, and no usual place of work employment, in accordance with the *Growth Plan* Schedule 3 forecast definitions;

- A forecast of employment by major type (employment land, population-related, major office and rural) based on analysis of 2016 Census employment by economic

sector (NAICS code), data from the City's employment survey and other information sources;

- An allocation of employment growth, by type, to the *Growth Plan* policy areas (employment area, community area and rural area);
- The calculation of the capacity of existing employment areas at 2051 through the application of density factors to the current employment area land supply; and,
- The establishment of Employment Area land need based on a comparison of supply and demand from the previous components.

5.1.4 LNA Results – Community Area Land Need

Community Area land need is calculated based on a determination of housing need by unit type and the capacity of the City's existing urban area (through intensification within the built-up area and through development of the City's existing DGA lands) to accommodate that growth. Any excess growth that cannot be accommodated within the existing urban area must be accommodated through urban boundary expansion.

In considering the Community Area land need and to illustrate the impact of different intensification targets, the LNA includes a range of scenarios. For complete results, see Appendix "B" to Report PED17010(h). The range of scenarios is summarized in Table 3:

Table 3: LNA Results – Community Area Land Need Scenarios

Scenario	Intensification Target (%)			Land Need (ha)
	2021 – 2031	2031 – 2041	2041 - 2051	
1. Current Trends	40			3,440
2. Growth Plan minimum	50			2,200
3. Increased Targets	50	55	60	1,640
	(55% average over the period)			
4. Ambitious Density	50	60	70	1,340
	(60% average over the period)			

Source: Lorius & Associates, Land Needs Assessment Technical Working Paper, 2020

Details of the scenarios are described below. For each scenario, information about the assumed density of development by unit type is provided.

- The 'Current Trends' Scenario represents the scenario that is closest to Hamilton's current rate of intensification and true market demand at a target of 40%, as per the findings of the Residential Intensification Market Demand Report (see below). The resulting land need arising from this scenario is approximately 3,440 ha, which, as will be detailed below in section 6 of this Report, exceeds the City's available land supply for Community Area urban boundary expansion. As such, this scenario is being shown for information purposes only to illustrate the market demand forecast and the significant increase in intensification rate that even the Growth Plan minimum requires.

  Density assumptions by unit type: single and semi-detached dwellings will develop at a density of 25 units per hectare (uph) which equates to larger lots with 14 to 15 m (45 to 50 ft) lot frontages, consistent with recent larger lot greenfield development in Hamilton. Rowhouses are comprised of typical street or block townhouses at a density of 46 uph.

- The 'Growth Plan Minimum' Scenario which is based on an intensification rate of 50% throughout the planning period results in a Community Area land need of approximately 2,200 ha. While an intensification rate of 50% is deemed to be a suitable aspirational target for the City's planning purposes as per the RI Market Demand Report (discussed below), the resulting land need at this rate is still in excess of the City's available whitebelt supply (detailed in section 6 of this Report).

  Density assumptions by unit type: single and semi-detached dwellings will develop at a density of 30 uph which equates to lots with 12 m (40 ft) lot frontages. Rowhouses are assumed at a density of 60 uph, comprised of 80% typical street or block townhouses and 20% higher density forms (stacked or back to back townhouses) at a density of 80 uph.

- The 'Increased Targets' Scenario proposes a gradually increased intensification rate of 50% between 2021 and 2031, 55% between 2031 and 2041 and 60% between 2041 and 2051 (which averages to an overall intensification target of 55%). This rate of intensification results in a Community Area land need of 1,640 ha, which is approximately equivalent to the City's available Community Area whitebelt land supply. Increasing the rate of intensification to this level at the later stages of the planning period will be challenging. The rationale for the phased increase of the intensification rate is the expectation that the City will become a greater focus for intensification as the planning period progresses as the downtown and other nodes and corridors continue to evolve into dynamic mixed-use areas. The phased increase will allow the City to monitor progress toward achieving greater rates of intensification at future Official Plan reviews and make necessary adjustments to the assumed rate if progress toward the higher goal is not being achieved.

Density assumptions by unit type: single and semi-detached dwellings will develop at a higher density of 35 uph which equates to lots with 11 m (36 ft) lot frontages. Rowhouses are assumed at a higher density of 65 uph, comprised of 80% street or block townhouses and 20% higher density stacked or back to back townhouses at a density of 80 uph.

- The 'Ambitious Density' Scenario proposes an even greater rate of intensification which again increases during the later stages of the planning period at the following rates: 50% between 2021 and 2031, 60% between 2031 and 2041, and 70% between 2041 and 2051 (for an average intensification target over the period of 60%). This increased rate of intensification is significantly greater than current trends or the aspirational market demand rate identified in the RI Market Demand Report. Achieving these increased intensification targets would be a challenge and may require significant incentives to assist with achieving the goals. This scenario results in a land need of 1,340 ha.

  Density assumptions by unit type: single and semi-detached dwellings will develop at the higher density of 35 uph or lots with 11 m (36 ft) lot frontages. Rowhouses are assumed at an even higher overall density of 70 uph, which results in an increased mix of higher density forms (50%) at a density of 80 uph, with 50% street or block townhouses.

All of the above scenarios result in a New DGA that would meet the Growth Plan minimum DGA planned density target, with planned density ranging from 53 pjh in the Current Trends Scenario to 77 pjh in the Ambitious Density Scenario. Combined with the planned density of 60 pjh of the Existing DGA (see section 5.4 below), the minimum planned density across the entirety of the DGA will exceed the Growth Plan minimum target of 50 pjh in all scenarios.

Discussion of the implications of the scenario results including the key decision points related to the intensification target, density assumptions, and the resulting Community Area land need are detailed in section 6 below.

5.1.5 LNA Results – Employment Area Land Need

The LNA attached as Appendix "B" to Report PED17010(h) considers the City's existing employment land supply and makes assumptions about the future density of development on the remaining vacant employment lands. Consideration is also given to potential for redevelopment of the existing employment areas, with particular attention to the Bayfront which is currently the subject of the on-going Bayfront Strategy, and the AEGD being the City's major greenfield employment area.

Table 4: Existing (2016) and Anticipated (2051) Jobs and Density – City of Hamilton Employment Areas

Employment area	2016 jobs	2051 jobs	2016 density	2051 density
Bayfront	20,430	25,390	15.3	18.4
Central urban areas (Stoney Creek, East Hamilton, WHID, Dundas)	24,960	28,870	34.6	35.0
Greenfield areas (Flamborough, Ancaster, Red Hill)	16,940	34,570	40.5	41.0
AEGD	1,030	25,590	8.1	30.0
Total	63,350	114,420	24.3	29.4

Source: Lorius & Associates, Land Needs Assessment to 2051, Technical Working Paper, 2020

For the Bayfront Industrial Area, which is for the most part fully built out, additional consideration of redevelopment opportunities was undertaken. The assumptions used for they Bayfront are for increased jobs to be added through certain key redevelopment sites, but this is partially offset by the decline in jobs in other areas due to the changing nature of economic activity. The net result is an increase in approximately 5,000 jobs to 2051, as shown in Table 4.

The anticipated density for the AEGD is reflective of the type of economic activity anticipated in the area which will increasingly be comprised of land extensive warehousing and e-commerce related facilities.
The above assumptions regarding density and potential redevelopment were used as inputs into the LNA for the purposes of calculating overall employment land need.

In addition, the results of the draft Employment Land Review report (received by Council in November 2019) identified a total of approximately 43 ha of land for removal from the employment area designation. Some sites are still under consideration as additional information has been provided to staff or is expected to be forthcoming. While a recommendation has not been put forward on the additional sites at this time, should all of the outstanding sites be recommended for conversion, the recommended conversion area would increase to approximately 100 ha.

Regarding Employment Area land need, the LNA has determined that sufficient designated employment lands remain to accommodate job growth to 2051. The calculated supply capacity of the City's existing employment lands is approximately 114,420 jobs, while the forecast of new jobs to be accommodated over the planning horizon is approximately 112,090 jobs, which equates to a small employment land surplus to 2051 of approximately 60 ha. This surplus is minimal and is within the margin of error of analysis and identifies that the supply and demand for employment lands is in balance. Should the recommended total lands for conversion increase, this minor

surplus would be negated and a minor shortfall in employment lands of approximately 40 ha would result, which is still within the margin of error of analysis.

5.2 Residential Intensification Market Demand Report

As noted, the residential intensification target is one important input into the LNA. Residential intensification is defined as the development or redevelopment of land at a higher density than currently exists. The intensification target applies to any residential intensification taking place in the City's built-up area (see Figure 1 above) and is measured in the number of new dwelling units constructed annually within that area.

To assist the City with determining an appropriate intensification target, the City retained Lorius & Associates to complete a Residential Intensification (RI) Market Demand Report (attached as Appendix "C"). The RI Market Demand Report has identified a 50% intensification target as a suitable aspirational goal for the City of Hamilton. This finding is based on a review of major trends and drivers of intensification (economic factors, age structure, housing supply, housing cost, lifestyle preferences). The study identified three potential market trends forecasts:

- Current trends forecast – if stronger recent performance (i.e. average of 38% sustained over past 5 years) and Hamilton's economic resurgence continues – translates into a 40% intensification forecast;

- Low forecast – represents level of intensification that would be expected to occur without significant policy intervention – translates into a 29% intensification forecast; and,

- High forecast – approaching the maximum reasonable market demand outlook, all factors driving intensification accelerate – translates into a 48% intensification forecast.

The study recommends a target of 50% being at the high end of the reasonable market demand outlook, but suitable for planning purposes. To achieve this target, the City will need to continue with initiatives to support the City's desirability for high density living. Actions that the City is already undertaking to encourage intensification (as-of-right policy and zoning permissions, financial incentives / credits, etc) will need to continue, and other external factors will also need to be realized (i.e. market demand, demographic trends and preferences, economic conditions etc).

However, the report notes that assumptions / findings should be monitored and reviewed during the next comprehensive review cycle to ensure that assumptions are correct for the latter half of the planning horizon. If development uptake in the Downtown and around the GO stations is strong, and the future of the development

along the B-line transit corridor is known, there may be potential for greater intensification later in the planning period.

5.3 Residential Intensification Supply Update

On the RI supply side, the City's intensification supply update (attached as Appendix "D" to Report PED17010(h)) has confirmed that there is significant intensification potential across the City based on a review of potential intensification opportunities and current development applications. The Supply Update identified a supply of up to 70,000 units to the year 2051. The geographic breakdown of the identified supply opportunities is in line with the direction of the UHOP with a focus on the City's nodes and corridors, particularly the Downtown, as centres of future redevelopment and intensification.

On the supply side, the issue is not the amount of available supply, but what will be the absorption rate of the supply. It is known that the supply of available intensification units almost always outweighs demand. The Supply Update is one factor to consider in determining an appropriate intensification target (see section 6 below).

5.4. Existing Designated Greenfield Area Density Analysis

The DGA can be considered as two distinct areas: 'Existing' DGA and 'New' DGA (illustrated in Figure 1 above). Existing DGA is the portion of the DGA that is already within the City's urban boundary, and may or may not have been developed since 2006 when the DGA lands were first identified under the Growth Plan. These lands are designated urban and can be developed, provided appropriate approvals are in place. New DGA is any lands that may be added to the urban boundary through urban boundary expansion. New DGA lands are currently designated rural, and would only become urban and added to the DGA through a future Official Plan Amendment if it is demonstrated through the LNA that additional land is required to accommodate residential growth. Planned density of the New DGA is determined through the LNA.

For the purposes of identifying the planned density of the City's Existing DGA to determine conformity to the Growth Plan minimum DGA density target, staff completed a review of the planned density of the City's Existing DGA (Appendix "E" to Report PED17010(h)). The analysis confirms that a significant portion of the City's Existing DGA is not available for residential development because the lands are designated for employment uses or are constrained by factors such as natural heritage features, cemeteries etc. Another large percentage of land is already occupied by housing or other uses, or is subject to a current planning application (i.e. Registered, Draft Approved or Pending Plan of Subdivision). Of the lands in the City's Vacant Residential Land Inventory (VRLI), approximately 11% are not subject to a planning application. This 11% of land area is classified as the Potential Development category of the VRLI and represents the portion of the Existing DGA where there is opportunity to plan for increased density and therefore increased assumptions of development

capacity. The DGA density analysis reviews opportunities to increase the planned density of those lands by identifying areas where an increase in planned density may be appropriate. Based on this analysis, it is determined that the planned density of the Existing DGA is 60 pjh, which is based on the assumption that all Existing DGA lands will be developed within the planning horizon.

The Growth Plan DGA density target is measured across the entirety of the DGA, minus the features noted for exclusion (employment lands, natural heritage features etc.). The planned density of the Existing DGA at 60 pjh combined with the planned density of the New DGA, which ranges from 53 pjh to 77 pjh in the modelled LNA scenarios, results in a minimum planned density that exceeds the Growth Plan target.

6.0 Key Decision Points

The draft LNA has identified a range of scenarios related to Community Area land need. Staff will be consulting with the public and stakeholders on the LNA and related documents over the coming months prior to reporting back to Committee with a final recommended LNA. Staff note that several key decisions will need to be made which have an impact on the ultimate determination of Community Area land need and these are discussed further below.

Regarding Employment Area land need, the LNA has identified a balanced supply and demand of employment land based on the assumptions of future planned density of the City's employment areas. There is less opportunity for variability in these assumptions, though opportunities to provide comment on that conclusion will still be available.

The focus of this section will therefore be on key decisions related to Community Area land need. Some considerations and preliminary analysis of these key decision points is provided below.

6.1 Key Decision #1 - Intensification Target

As is noted in section 5 above, the intensification target has a significant impact on Community Area land need: the higher the intensification target, the lower the resulting land need as a greater number of units are planned to be accommodated over the long term within the existing built-up area. The scenarios modelled in the LNA present intensification target options ranging from an average of 40% (Current Trends scenario) up to an average of 60% in the Ambitious Density scenario (ranging from 50% to 70% from the beginning to the end of the planning period).

A key decision which will need to be made as part of the approval of the LNA is the determination of an appropriate intensification target for the City. Determining an appropriate intensification target will need to consider the following:

- provincial direction;
- past intensification trends;
- intensification unit requirements;
- supply potential;
- market demand;
- public and stakeholder input;
- GRIDS 2 10 directions;
- climate change impacts;
- implications on land need; and,
- financial implications.

Each of these considerations is detailed below:

Provincial direction:

The Provincial Growth Plan requires a minimum intensification target of 50% for the period from 2021 to 2051. The City has the opportunity to plan for a higher target, or to request a lower alternative target. A lower alternative target would require ministerial approval and there is no guarantee of such approval, particularly in light of the resulting land need from a reduced target which would exceed the City's available land supply (section 6.3 below).

Further, the Land Needs Assessment methodology requires a market-based approach be used in the completion of the LNA. The RI Market Demand Report has identified that 50% is a suitable aspirational target for the City and represents the high end of market demand. Adopting a target that is significantly higher than the identified market demand may not be in line with the provincial requirements.

Past intensification trends

The percentage of new housing unit growth that has occurred as residential intensification (RI) over the last 10 years is an average of 35%. Table 5 identifies the number of housing units constructed on a yearly basis and the location of the units (inside or outside the built boundary line):

Table 5: Geographic Distribution of New Dwelling Unit Construction and Intensification Rates, City of Hamilton, 2010 - 2019

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Total
Inside built line	666	573	583	618	810	1,171	607	659	1,270	1,302	8,259
Outside built	1,716	1,129	1,749	1,284	1,435	1,647	1,576	1,906	1,270	1,524	15,236

line											
Total units	2,382	1,702	2,332	1,902	2,245	2,818	2,183	2,565	2,540	2,826	23,495
RI %	**28**	**34**	**25**	**32**	**36**	**42**	**28**	**26**	**50**	**46**	**35**

Source: City of Hamilton

Recent years have seen a rise, but past trends indicate that annually this number will fluctuate. Two years of higher percentage rates is not enough to conclude the RI rate will consistently remain at 50%. The statistics illustrate the challenge in meeting the 50% minimum target on a yearly basis.

Other recent intensification trends of note:

- From 2007 to 2018, the majority of intensification (68% of units) occurred within the neighbourhoods element of the urban structure, while 13% occurred in the downtown and 19% occurred in the other nodes and corridors. It is anticipated that this pattern will shift over time to reflect a nodes and corridors intensification focus.

- Recent trends have shown an increase in new dwelling unit construction in the downtown, increasing from a total of almost 700 new units in the downtown in the five year period between 2010 to 2014 to over 1,200 new units between 2015 and 2018.
- The share of apartment units as part of the yearly intensification unit construction has increased from an average of 37% between 2007 and 2012 to 70% between 2013 and 2018.

These numbers suggest that the type of intensification the City is experiencing is shifting to a pattern that is comprised of higher density units in the downtown and nodes and corridors. The continued success of the City's RI rate will depend on the continued uptake of development interest in the downtown and other nodes and corridors.

Intensification Unit Requirements

Table 6 below identifies the required number of intensification units that would need to be realized over the planning period to achieve the targets modelled in the four LNA scenarios:

Table 6: Impact of Change in Intensification Target on Intensification Unit Requirements

LNA Scenario	Intensification Target	Intensification Units Required 2021 - 2051
Current Trends	40%	44,130

Growth Plan Minimum	50%	55,160
Increased Targets	55% (average of phased target)	60,680
Ambitious Density	60% (average of phased target)	66,190

Source: Lorius & Associates, Technical Land Needs Assessment, 2020

Table 6 illustrates the significant increase in intensification units required to meet the target increase from 40% to 60%, requiring more than 22,000 additional RI units in the 30 year timeframe, or an increase of 700 units annually to be realized over the timeframe.

Under all scenarios the number of intensification units required to meet the target is significantly greater than the City's past intensification rates. In the 10 year period between 2010 and 2019, approximately 8,300 RI units were constructed within the built-up area. Even at the lowest rate (40%) modelled in the LNA, the requirement over a 10 year period is significantly greater at almost 15,000 units. The increase is due to the significantly greater overall growth rates that the City is forecast to experience.

Supply

The City's intensification supply update (attached as Appendix "D") has confirmed that there is significant intensification potential across the City, with an identified potential supply of approximately 70,000 units to 2051.

On the supply side, the issue is not what is the available supply, but what will be the absorption rate of the supply. Supply potential must be facilitated by planning policy and other initiatives / incentives to increase the City's attraction for new investment, and considered in conjunction with market demand to determine an appropriate and supportable target moving forward.

Market demand

The Residential Intensification Market Demand Report (attached as Appendix "C") has identified a 50% intensification target as a suitable aspirational goal for the City of Hamilton.

The study recommends a target of 50% being at the high end of the reasonable market demand outlook, but a suitable aspirational target for planning purposes. However, the report notes that assumptions / findings should be monitored and reviewed during the next comprehensive review cycle to ensure that assumptions are correct for the latter half of the planning horizon. There may be potential for greater intensification later in the planning period.

Public / stakeholder / staff input

As part of the second round of public engagement on GRIDS 2 / MCR (public open houses, stakeholder session and staff working group), staff consulted on the intensification target, and whether the City should plan for a target that is higher, at the minimum, or lower than the minimum Growth Plan intensification target of 50%.
The general consensus from members of the public and stakeholders was for a higher intensification target, above the Growth Plan minimum of 50%, with an emphasis on supporting complete communities and accommodating a greater portion of future development within the existing urban boundary. The complete summary of the second round of public consultation is provided in Report PED17010(g) presented at the December 14, 2020 General Issues Committee. As part of the next round of public consultation on the LNA and related reports, the public will once again have an opportunity to comment on the intensification target with the added context of the implications of different intensification targets on the City's overall land need.

GRIDS 2 10 Directions

The GRIDS2 10 Directions would indicate that a higher intensification target is preferred, which allows for more development to be accommodated in the existing urban area (#3), supports the efficient reuse of existing buildings, infrastructure and land (#8), and supports climate change mitigation and adaptation goals of planning at transit-supportive density (#1).

Climate change implications

From a climate change perspective, there is benefit to planning for increased intensification, provided a balanced approach to growth is maintained. In terms of climate change mitigation, an increased intensification target and resulting lower Community Area land need can result in more compact development, reducing overall need for vehicular travel, potentially resulting in greater opportunities for active transportation and transit supportive density.

Further, an increased intensification target and resulting lower land need will result in greater preservation of rural and open space lands. This preservation can provide a mitigation benefit through carbon sequestration properties and an adaptation benefit through opportunities for stormwater management and flooding resilience in response to extreme weather events, in addition to local food production.

To maximize benefits from increased intensification there is a need to consider how net zero building design, green energy, embodied carbon, protection of the urban tree canopy and other matters can be incorporated in the design of new developments. Without thoughtful consideration of these matters when planning for intensification and

in designing new developments, the climate benefits of increased intensification can be reduced by negative impacts from an increased urban heat island effect, for example.

Implications on land need

The LNA identifies the difference in overall land need resulting from a change in the RI target, which is summarized in Table 7 below.

Table 7: Impact of Change in Intensification Target on Community Area Land Need

Intensification Target	Community Area Land Need to 2051 (ha)
40%	3,440
50%	2,200
55% (average of phased target)	1,640
60% (average of phased target)	1,340

Source: Lorius & Associates, Technical Land Needs Assessment, 2020

The LNA has shown that planning for an RI target below 50% (Current Trends Scenario) or at the Growth Plan Minimum of 50% will result in a Community Area land need that exceeds the City's available land supply to accommodate Community Area urban expansion, which effectively negates these options. This land supply issue will be discussed further in section 6.3.

Staff note that the scenarios modelled in the LNA vary both the intensification target and the density assumptions for new DGA development for each scenario (see section 6.2 below for density discussion). However, it is the intensification target that has the greatest impact on future land need. Even if the density assumptions under the Current Trends or Growth Plan Minimum Scenarios are increased, the resulting land need would still exceed the available whitebelt land supply.

Financial implications if intensification target is not achieved:

A consideration when setting the intensification target must be the consequences which could occur if the City does not achieve the required intensification. If the City does not achieve the required levels of intensification (for any number of reasons including lack of demand, market changes, supply constraints etc.) there may be financial implications for the City if the forecasted population / unit growth is not achieved. If the growth is not achieved through intensification, and the City has designated a lesser amount of

expansion land to accommodate greenfield growth due to the higher target, the growth that is not realized through intensification may go elsewhere (i.e. other municipalities).

Development Charges (DCs) are calculated by dividing the forecasted capital cost required to service growth by the forecasted population growth (residential) or job growth (employment). If the City's actual population growth does not keep pace with the forecasted growth, the City will not collect enough in DCs to pay for the infrastructure investment; because the calculated amount per unit collected is insufficient (unless the full planned population occurs within the planned timeframe). The insufficient collection of DCs results in the City debt financing future growth with related financial implications. If the City is not collecting enough DCs to pay for the infrastructure then the City needs to internally borrow funds to cover the costs / debt payments.

Intensification Target – Options to Consider:

Planning at or below the Growth Plan minimum target of 50% is not a feasible option given the constraints on the City's available Community Area whitebelt land supply. Given this constraint, staff suggest the following <u>two options for consideration</u>:

1. Plan for a phased in RI target over the period from 2021 to 2051 with an average target of 55% over the period, as illustrated in the LNA *Increased Targets Scenario*. This approach has the benefit of planning for an intensification target that is close to the identified aspirational target of 50% as identified in the RI Market Demand Report, therefore making the achievement of the target more of a realistic goal, but will result in a Community Area land need of approximately 1,640 ha. As is illustrated in Section 6.3 below, this area would encompass all of the City's available Community Area whitebelt lands.

2. Plan for a phased in RI target over the period from 2021 to 2051 with an average target of 60% over the period, as illustrated in the LNA *Ambitious Density Scenario*. This approach requires the City to plan to achieve intensification rates of up to 70% at the later end of the planning period which is significantly higher than the demand identified in the RI Market Demand report and the City's current trends. However, the higher target will result in a Community Area land need of approximately 1,340 ha and therefore require the City to designate less land to accommodate future growth.

The benefit of both of these options is that planning for an RI target that is phased over the planning period and increases over time allows for monitoring and review of the City's intensification performance at future Official Plan Reviews at which time the target could be reconsidered if necessary. Both the Increased Targets and the Ambitious Density scenarios take this approach.

6.2 Key Decision #2 – Density Assumptions by Unit Type

A second factor which influences Community Area land need is the assumed density of future development by unit type within the new DGA expansion lands. Once the LNA has identified the future required unit mix in the new DGA, a density factor in units per hectare is applied to each unit type to ultimately determine the required additional Community Area land (see Table 8 below). The unit types are broken down into single and semi-detached, rowhouses (townhouses, including stacked and back-to-back townhouses) and apartments. If density assumptions are increased, the required Community Area land need will decrease. The focus of this discussion is on the density of single and semi-detached and townhouse dwellings, as the density assumptions for apartment buildings are held constant across all LNA scenarios.

Table 8: LNA Density Assumptions by Unit Type – New DGA

Scenario	Density (uph) – Singles/ Semis	Frontage – Singles / Semis	Density (uph) - Rowhouses	
Current Trends	25	14 – 15 m (45 – 50 ft)	46	100% street / blocks
				0% stacked / back to back
Growth Plan Minimum	30	12 m (40 ft)	60	100% street / blocks
				0% stacked / back to back
Increased Targets	35	11 m (36 ft)	65	80% street / blocks
				20% stacked / back to back
Ambitious Density	35	11 m (36 ft)	70	50% street / blocks
				50% stacked / back to back

Source: Lorius & Associates, Technical Land Needs Assessment, 2020

Factors to consider in determining appropriate density assumptions for future development in the new DGA include:

- Current trends;
- Urban design;
- Public / stakeholder input; and,
- GRIDS 2 10 Directions and climate change impacts.

Each of these considerations is detailed below:

Current Trends

A review of recent subdivision activity in the City identifies a range of densities of new development, with averages in the range of 10 – 30 uph for single / semi-detached dwellings and 35 – 60 uph for townhouses. This is consistent with the density assumptions made in the LNA under the Current Trends and Growth Plan Minimum Scenarios which assumed net densities of 25 uph for singles and semis and 46 uph for rowhouses (Current Trends scenario) and 30 uph for singles / semis and 60 uph for rowhouses (Growth Plan Minimum scenario).

The densities modelled in the Increased Targets and Ambitious Density scenarios are somewhat higher than current trends for new development within the City, particularly the 70 uph assumption for rowhouses under the latter scenario. It should be noted that the density assumptions in the LNA include stacked townhouses and back to back townhouses within the rowhouse category, whereas within the City's Zoning By-law, stacked townhouses are considered multiple dwellings and not townhouse dwellings. The inclusion of this form in the higher scenarios, particularly in the Ambitious Density Scenario where stacked townhouses form 50% of the rowhouse total, has the effect of increasing the overall density.

Community Design

Design considerations for new greenfield communities must be a factor when considering the planned density and housing mix of new communities. New communities should be designed with a mix of unit types, meeting the requirements of a complete community. All proposed scenarios and density ranges modelled in the LNA would result in new communities designed with a mix of unit types, with higher density uses becoming more prominent in the Increased Targets and Ambitious Density scenarios. Particularly in the Ambitious Density scenario, the increased weighting toward higher density forms of rowhouses (stacked towns and back to backs) will result in a denser community form. The City is actively working on design guidelines for medium density housing developments as part of the work on the new Residential Zoning By-law which will assist in considering design implications of density in the future.

Public and Stakeholder Input

As part of the second round of public engagement on GRIDS 2 / MCR, staff consulted on the DGA density target, and whether the City should plan for a target that is higher, at the minimum, or lower than the minimum Growth Plan density target of 50 pjh. While the DGA density target is no longer an input into the LNA as per the previous method, the density of development of the New DGA is an important factor, and it directly impacts the planned DGA density as an LNA output. Therefore, the comments from the public and stakeholders regarding density are still relevant to this discussion. The

general consensus from members of the public and stakeholders was for a higher density, above the Growth Plan minimum of 50 pjh, with an eye to supporting complete communities and accommodating a greater portion of future development within the existing urban boundary.

GRIDS 2 10 Directions

Planning for increased densities is consistent with the GRIDS2 10 Directions, as increasing the planned density supports planning of new communities with a greater variety of housing types and live/work options (#2), and supports climate change mitigation and adaptation goals of planning at transit-supportive density (#1).

Climate change impacts

From a climate change perspective, the question of density is an important consideration. Planning for increased density brings mitigation benefits such as compact community design which can encourage active transportation and increase transit usage. Further, planning at increased densities may provide greater opportunity to investigate usage of alternative energy models, which can be more cost effective and easier to implement in higher density developments.

However, climate change adaptation requirements resulting from the increased risks of extreme weather events brings new considerations related to stormwater management, floodplain mapping, increased need for low impact development techniques, and the maintenance and protection of the urban tree canopy. Incorporating these considerations into the design of new communities means that additional lands may be required to accommodate these features, reducing the overall land area available for development. The need to maintain permeable surfaces and natural / open space areas will be important in future community design.

Unit Densities – Options to Consider

Unlike the intensification target where the option to plan for the minimum Growth Plan target (or less) is not feasible due to land supply issues, all potential density assumptions modelled in the LNA could be considered going forward, and will be evaluated based on the considerations above and feedback from the public and stakeholders.

6.3 Key Decision #3 - Community Area Land Need

Tied to the determination of an appropriate RI target and supportable density assumptions, a final key decision point surrounds the Community Area land need resulting from the LNA calculations.

As noted above, the application of different intensification targets and density assumptions results in different Community Area land need outputs. The following are some important points to consider related to overall land need:

Land supply

By land area, Hamilton is a primarily rural community. The majority of Hamilton's land area is designated Rural, and urban development is not permitted within the Rural area. Of note, the vast majority of the City's land area would remain rural even if a proposed expansion area of 1,640 ha as an example (Increased Targets scenario) is added to the urban boundary:

Table 9: Urban and Rural Land Area, City of Hamilton

Land area split	Current		After 1,640 ha expansion	
	Area (ha)	%	Area (ha)	%
Urban	24,000	21	25,640	23
Rural	88,830	79	87,190	77
Total	112,830	100	112,830	100

Source: City of Hamilton

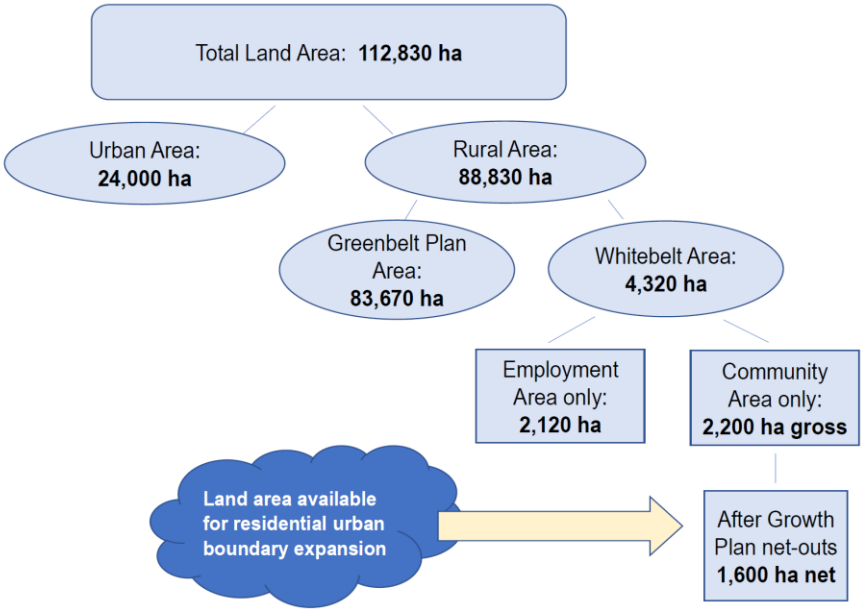
Within Rural Hamilton, the majority of the lands are located within the Greenbelt Plan area. 'Whitebelt' lands are those lands which are located within Rural Hamilton but are not included in the Greenbelt Plan area. The whitebelt land area is shown on Appendix "H" to Report PED17010(h). The whitebelt lands equate to approximately 5% of the total rural land area.

The City may only consider an urban expansion into the whitebelt area. Expansion into the Protected Countryside of the Greenbelt is protected from being redesignated for urban uses (with a minor exception of a 10 ha expansion from Waterdown / Binbrook).

A large portion of the City's whitebelt lands are constrained by the airport Noise Exposure Forecast (NEF) contours and / or natural heritage features and are therefore not available to accommodate future Community Area (i.e. residential) growth. The whitebelt lands which can be considered to accommodate future Community Area land need (referred to as "Community Area whitebelt" for the purposes of this Report) total approximately 1,600 ha (after the Growth Plan 'net-outs' including natural heritage features are removed).

As is illustrated in Figure 2 below, the City's available Community Area whitebelt land supply is limited:

Figure 2: City of Hamilton Land Area Breakdown by Policy Area



Source: City of Hamilton

The draft LNA has identified that most or all of the City's Community Area whitebelt lands will be required for future growth to the year 2051 under all scenarios modelled. The exact amount of urban expansion land will be impacted largely by the chosen intensification target, as per the above discussion. Additional factors related to the potential Community Area whitebelt lands should also be considered before reaching a final determination of Community Area land need, including those outlined below.

Community Area whitebelt land areas:

Of the 1,600 net ha of Community Area whitebelt land which are not constrained by NEF contours or natural heritage features and are therefore available to accommodate residential urban boundary expansion, the majority of the lands are located contiguous to the City's southern urban boundary, as indicated on Appendix "H" to Report PED17010(h).

These whitebelt lands can be broadly categorized into four areas, referred to as:

- 'Elfrida' – most easterly whitebelt lands, in the vicinity of Rymal Road East and Upper Centennial Parkway, bounded by Mud Street East, Second Road West, Golf Club Road and Trinity Church Road (approx. 1,200 gross ha, 930 net ha)

- 'Twenty Road East' – whitebelt lands north and south of Twenty Road East, in the vicinity of Miles Road (approx. 450 gross ha, 270 net ha)

- 'Twenty Road West / Garner Road' – westerly whitebelt lands located on the south side of Twenty Road West and Garner Road (approx. 175 gross ha, 125 net ha)

- 'Whitechurch' – most southerly Community Area whitebelt land, east of Upper James Street, in the vicinity of Whitechurch Road, Miles Road and Airport Road (approx. 350 gross ha, 275 net ha)

Note that the gross and net land areas noted above are approximations based on City of Hamilton Core Area mapping. Detailed determination of available developable land area will be determined through future study.

The scenarios in the draft LNA range from a Community Area land need of 3,440 ha to 1,340 ha. As noted, the Current Trends and Growth Plan Minimum options result in a land need that exceeds the City's available Community Area whitebelt land supply, and therefore cannot be considered going forward. The remaining 2 options range from a need to include all of the above whitebelt areas in the urban boundary to accommodate 2051 growth (Increased Targets scenario), to a reduced land need option that would exclude a portion of the lands from being designated for urban growth, but would rely on a significantly higher intensification target going forward (Ambitious Density Scenario).

Evaluation considerations of more or less Community Area land need:

To assist Committee and the public with understanding the implications of adding more or less land to the urban area, some factors for consideration are noted below. Upon finalization of the LNA in early 2021, the next phase of GRIDS 2 / MCR will be a detailed evaluation of the phasing and order of growth options to 2051 which will include financial, servicing, transportation, environmental and social considerations. The factors below are not intended to replace the future detailed evaluation, and are intended only to assist with understanding the implications of a greater or lesser Community Area land need in relation to the available Community Area whitebelt lands.

- Relationship of Community Area whitebelt land areas to urban structure:

  In terms of the locational characteristics of the Community Area whitebelt lands, it is apparent that the Whitechurch lands are physically separated from the remainder of the City's urban area by a large swath of rural land on the east side of Upper James Street that could only be developed in the future for employment uses due to the airport NEF contours. Based on the findings of the LNA which identifies a balanced employment land supply, and existing Council direction for the City's next employment area expansion to be within Phase 2 of the AEGD, it is unlikely that the NEF-constrained rural lands between the Whitechurch area and the Twenty Road East area will develop within the current planning horizon. This would result in a residential expansion area in the Whitechurch area which is largely separated from the remaining urban area.

The remaining areas (Elfrida, Twenty Road East, and Twenty Road West / Garner Rd) are contiguous to the existing urban area. In addition, the Elfrida lands would represent the completion of a Community Node at the Rymal Road and Upper Centennial intersection.

All potential whitebelt growth areas are well situated in terms of being located close to employment areas (AEGD, Red Hill North/South etc) to promote a balanced jobs to housing ratio.

- Whitebelt land areas and previous planning decisions:

  Since the completion of the first GRIDS study and the adoption of the Rural and Urban Hamilton Official Plans, there is considerable history related to the identification of future growth areas, directions for future considerations and LPAT appeals / decisions.

  The first GRIDS followed the direction of the City's Building A Strong Foundation and Vision 2020 which espoused smart growth principles, complete community development, protection of farmland and limited urban expansion, and environmental protections. Through the GRIDS study design and analysis, Elfrida was identified as the preferred growth option after scoring highest in the evaluation criteria overall. Elfrida was identified as the preferred growth option to 2031 and implemented through the adoption of the Official Plans, currently under appeal. (Through this staff report, staff are recommending that the GRIDS 2 / MCR study design be expanded to include consideration of the 2021 to 2031 time horizon).

  The Twenty Road East lands were considered in the first GRIDS as part of the review of growth options. While not identified as the preferred growth option in the final GRIDs report, Council motion in 2006 following the approval of the GRIDS report directed staff to consider the evaluation of the Twenty Road East lands to accommodate future growth as part of the next MCR (which is currently underway).

  The Twenty Road West / Garner Road lands were initially identified as part of the AEGD study area and identified to accommodate employment growth needs to 2031. Through the OMB hearing and the signing of a minutes of settlement (see below), the Twenty Road West / Garner lands were removed from the AEGD and left in a rural designation for future consideration of urban uses.

  A minutes of settlement was signed at the conclusion of the AEGD Secondary Plan hearing which included parties related to Elfrida, Twenty Road East and Twenty Road West / Garner Road and the City. Through the MOS, it was agreed that Elfrida was the City's next area for future residential growth, and that a westerly order of future growth progression for residential purposes would follow to Twenty

Road East. The Twenty Road West / Garner Road lands would be evaluated through the next MCR for inclusion in the urban boundary and for what type of use.

At the October 6, 2020 Planning Committee meeting (confirmed by Council on October 14, 2020) the following resolution was approved: "That all eligible lands including Twenty Road West lands be part of the consideration of future growth options (residential or employment) as part of GRIDS 2 / MCR".

While there is significant history related to the three above noted Community Area whitebelt land areas, there has been little to no consideration of the Whitechurch lands as a future growth area. Largely due to the physical separation of the lands from the remainder of the urban area, this area has not historically been contemplated for future growth.

- Servicing and transportation costs

  Consideration of servicing and transportation costs will be a significant portion of the evaluation and phasing of future growth options during the next phase of GRIDS 2 / MCR. A detailed costing of the servicing and transportation considerations of all whitebelt lands areas has not yet been undertaken. However, some general comments can be made:

  - Servicing costs will increase with distance from the existing urban area
  - In terms of Master Plan level servicing considerations, the three Community whitebelt areas contiguous to the urban area (Elfrida, Twenty Road East, and Twenty Road West / Garner Road) can be serviced through the future Dickenson Road trunk sewer which will extend from Upper Centennial to Upper James
  - Servicing of the Whitechurch lands would require a new trunk sewer and a new / upsized watermain along Miles Rd at a cost of more than $34 million
  - Upstream and downstream impacts on the transportation network from the introduction of any new growth area need to be evaluated
  - Urbanization of boundary roads would be required. The more rural boundary roads surrounding the growth area, the higher the cost
  - Introducing and growing transit ridership is a challenge in any new growth area, to achieve the minimum coverage service standard of 90% of residents / workplaces within the Urban Transit Area to be within 400 metres of weekday peak service.

- Complete community considerations

  An important criteria when considering Community Area land need in relation to the available Community Area whitebelt is the ability of a future expansion area to both function as a complete community and contribute to building a complete community with surrounding lands. A complete community refers to a community with a mix of land uses, housing options and amenities to support residents' choices for active transportation, walkability, and the option to live, work and play in close proximity. A complete community can be considered in terms of the development of a new growth area as a stand-alone complete community which within itself provides for the options above. In addition, a new growth area can also contribute to enhancing the existing community around it by introducing more housing options, services and amenities to existing residents. The Community Area whitebelt lands that are located contiguous to the existing urban area may be better suited to contribute to enhancing surrounding communities. When considering the options related to Community Area land need, the ability of the growth areas to fulfil these functions should be a factor.

- GRIDS 2 10 Directions

  The GRIDS 2 10 Directions support the development of compact, mixed use communities, active transportation options and development of complete streets, intensification and development within the existing urban boundary. All future Community whitebelt areas have the potential to develop as mixed use communities at a higher density than traditional forms of greenfield development. In addition, all whitebelt areas could be designed with active transportation options, pedestrian and cycling amenities and open space options. However, for any new whitebelt area, the provision of transit and the growing of transit ridership will be a challenge.

  Direction 3 supports new development to be concentrated within the urban boundary through intensification and redevelopment, supporting an option for a lesser overall land need.

- Climate change implications

  The draft LNA identifies a need for urban boundary expansion under all scenarios. Staff are cognizant of the climate change impacts that can arise from an expanded urban boundary, including increased vehicular emissions from the potential for greater travel time and urbanization of rural lands. However, as is noted in the next section, planning for all of Hamilton's growth to 2051 within the existing urban boundary is not a reasonable option. The intensification targets modelled in the LNA scenarios are already above the Growth Plan minimum, at the highest level deemed reasonable from a market demand perspective and represent an aspirational target. Further, the planned DGA density in new DGA areas under the highest LNA

scenarios is between 75 and 77 pjh which is a significant increase over the planned density of the Existing DGA (60 pjh). This target will require the new areas to be planned at higher density than traditional suburban development.

From a regional climate change perspective, Hamilton is well-suited to accommodate growth, has transit connections to Toronto and adjacent municipalities, and has regional amenities (e.g. institutions, hospitals etc). If Hamilton does not accommodate greenfield housing, the supply will be provided elsewhere, causing potential regional climate change implications if new homebuyers in outer areas are forced to commute longer distances.

From an urban structure viewpoint, all potential Community Area whitebelt growth areas are well situated in terms of being located close to employment areas (AEGD, Red Hill North/South etc) to promote a balanced jobs to housing ratio. The Community Area whitebelt lands which are contiguous to the existing urban area are in proximity to transit hubs / routes (including the Centennial GO).

From a climate change perspective, in considering a greater or lesser Community Area expansion requirement, a lesser required urban expansion area can have climate change mitigation benefits through the preservation of rural / agricultural / open space lands (carbon sinks) and reduced need for new transportation and servicing infrastructure outside of the existing urban boundary. Further, from a mitigation perspective, if urban expansion is to occur, an expansion closer to the existing urban area would be preferable to benefit from proximity to existing services, transit and transportation networks, amenities and jobs, thereby potentially decreasing transportation related impacts.

From the adaptation perspective, a reduced land area is preferred in order to preserve rural / open space lands and maximize opportunities for natural stormwater management and flooding resilience. While a reduced land need would be preferred for these reasons noted above, consideration of climate change adaptation will be critical within any new growth area regardless of its size, in planning for stormwater management, natural heritage protection, green energy opportunities and other factors.

- No urban boundary expansion option?

  The LNA did not explore an option to focus all of the City's growth into the existing urban area through intensification of the built-up area and through development of the existing DGA. However, a calculation can be completed to determine what would be required in terms of intensification rates in order to result in a need for no urban boundary expansion:

City's overall forecasted unit growth 2021 – 2051: 110,320 units
Capacity of existing DGA to accommodate growth: 20,560 units
Required units to accommodate through intensification in the built-up area: 89,760 units
Rate of intensification: 81% (through the entirety of the planning period)

This option was not included as a modelled scenario in the LNA for the following reasons:

- This option, with a significantly increased intensification target, far exceeds the identified market demand in the RI Market Demand report. The provincial LNA methodology requires the use of a market-based demand approach to the calculation of land needs. In light of the market-based direction, it is questionable if the Province would accept a proposed intensification rate of 80%.

- The RI Supply Update attached as Appendix "D" to Report PED17010(h) has identified a supply potential of approximately 70,000 units to 2051. The required intensification units under this option would be in the range of 89,000 units to 2051 which exceeds the estimated supply within the planning horizon.

- This option would not result in a balanced unit supply of new units as is required by planning policy to contribute to the development of complete communities. Approximately 75% of new intensification units would be in the form of apartments. There is a concern that an unbalanced future unit supply would not satisfy the demand for lower density housing forms, and that the City may lose growth opportunities if that demand cannot be met.

Community Area Land Need – Options to Consider:

Based on the findings of the LNA and the considerations noted above, the following two options for consideration related to the required Community Area land need are proposed:

1. Support the *Increased Targets Scenario* in the LNA which would result in a Community Area land need of 1,640 ha, resulting in the requirement for the City to designate all of the available Community Area whitebelt lands to Urban.

2. Support the *Ambitious Density Scenario* in the LNA which would result in a Community Area land need of 1,340 ha. Not all of the City's whitebelt lands would be required for growth to 2051. Through the next phase of GRIDS 2 /MCR, determination of which whitebelt lands to add to the urban boundary would be made.

7.0 Next Steps

Staff are requesting Council to receive the attached reports and authorize staff to commence public and stakeholder consultation on the documents. Staff anticipate collecting comments and feedback on the reports in a variety of ways, including virtual open houses, a virtual stakeholder meeting, the Engage Hamilton portal with options to provide feedback and ask questions on line, and through direct email contacts. Staff are planning an innovative communication strategy to ensure that word of this important city-building initiative is spread in the community, and will include mail-outs, signage and billboards, social media and website / video messages.

Following consultation on the LNA and related reports, staff will bring forward a recommendation report anticipated for March 2021 with the final LNA requesting Council endorsement of the intensification target, planned density, and the resulting Community / Employment Area land need. At the March meeting, staff will also request approval of the evaluation framework to be utilized in the next phase of GRIDS 2 / MCR.

The next phase of GRIDS 2 / MCR will be the evaluation of where and when future residential growth will occur. Since it is apparent that the required land area encompasses most of the available whitebelt growth areas, the evaluation phase of GRIDS 2 / MCR will be primarily focussed on the timing / phasing of when growth will occur.

Evaluation will include input from all departments, stakeholders and members of the public. Evaluation will include impact modelling of future growth options on infrastructure and transportation networks, to be integrated with updates to the Infrastructure Master Plans. As per the Council motion from January 15, 2020, the evaluation will include a transportation infrastructure needs assessment including implications of a front-ending model for major transportation infrastructure as part of the financial impact assessment of growth options. The evaluation phase (phase 3) will commence immediately upon endorsement of the Land Needs Assessment and continue through the summer and Fall of 2021.

ALTERNATIVES FOR CONSIDERATION

1. Do not support the staff recommendation to revise the GRIDS 2 / MCR planning horizon to include 2021 to 2051, which would have the impact of maintaining the current horizon which plans for growth from 2031 to 2051, and it would maintain Elfrida as the preferred growth option from 2021 to 2031. It must be noted that accepting the staff recommendation to revise the planning horizon does not mean that Elfrida will not ultimately be identified as the preferred growth option to 2031, rather it means that the GRIDS 2 / MCR evaluation will be undertaken to consider all options during that period.

2. Do not receive the technical reports and / or authorize consultation on the reports. This option would have the risk of delaying the GRIDS 2 / MCR process which is on an expedited timeline in order to meet the provincial MCR conformity date of July 2022.

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

Economic Prosperity and Growth

Hamilton has a prosperous and diverse local economy where people have opportunities to grow and develop.

Clean and Green

Hamilton is environmentally sustainable with a healthy balance of natural and urban spaces.

Built Environment and Infrastructure

Hamilton is supported by state of the art infrastructure, transportation options, buildings and public spaces that create a dynamic City.

APPENDICES AND SCHEDULES ATTACHED

Appendix "A" – GRIDS 2 10 Directions: proposed revisions incorporating Our Future Hamilton themes and stakeholder / public comments
Appendix "B" – Land Needs Assessment to 2051 Technical Working Paper
Appendix "C" – Residential Intensification Market Demand Analysis
Appendix "D" – Residential Intensification Supply Update
Appendix "E" – Designated Greenfield Area Density Analysis
Appendix "F" – Policy Review
Appendix "G" – Boundary Map of Built Up Area and Designated Greenfield Area
Appendix "H" – Map of Urban and Rural Land Areas Including Greenbelt Plan Boundary and Whitebelt Lands

GRIDS 10 Directions – proposed revisions incorporating Our Future Hamilton themes and stakeholder / public comments:

Bold – additions / modifications by staff, stakeholders and public
~~Strikethrough~~ – deletions by staff, stakeholders and public

1. **Plan for climate change mitigation and adaptation, and reduce greenhouse gas emissions.**

2. Encourage a compatible mix of uses in neighbourhoods, **including a range of housing types and affordabilities**, that provide opportunities to live, work, **learn, shop** and play, **promoting a healthy, safe and complete community**.

3. Concentrate new development **and infrastructure** within existing built-up areas and within **the** ~~a firm~~ urban boundary **through intensification and adaptive re-use.**

4. Protect rural areas for a viable rural economy, agricultural resources, environmentally sensitive recreation and the enjoyment of the rural landscape.

5. Design neighbourhoods to improve access to community life **for all, regardless of age, ethnicity, race, gender, ability, income and spirituality.**

6. Retain and **intensify existing employment land,** attract jobs in Hamilton’s strength areas and targeted new sectors, **and support access to education and training for all residents.**

7. Expand transportation options **through the development of complete streets** that encourage travel by foot, bike and transit, and enhance efficient inter-regional transportation connections.

8. Maximize the use of existing buildings, infrastructure, and vacant or abandoned land.

9. Protect ecological systems **and the natural environment, reduce waste**, improve air, land and water quality, **and encourage the use of green infrastructure**.

10. Maintain and create attractive public and private spaces and respect the unique character of existing buildings, neighbourhoods and ~~settlements~~ **communities, protect cultural heritage resources, and support arts and culture as an important part of community identity.**

Alignment with Our Future Hamilton and Strategic Plan priorities:

Strategic Priority	Reflected in GRIDS Directions?
Community Engagement & Participation ***Hamilton has an open, transparent and accessible approach to City government that engages with and empowers all citizens to be involved in their community.***	Yes, #5, with modifications to address inclusiveness and accessibility in neighbourhood design.
Economic Prosperity & Growth ***Hamilton has a prosperous and diverse local economy where people have opportunities to grow and develop.***	Yes, #3, #4, #6, and #8, with modifications to #6 to address intensifying existing employment lands and supporting education for all.
Healthy & Safe Communities ***Hamilton is a safe and supportive city where people are active, healthy and have a high quality of life.***	Yes, #1, #2, #3, #4, #5, #7, #9, and #10, with modification to #2 to address affordable housing and healthy and safe community.
Clean & Green ***Hamilton is environmentally sustainable with a healthy balance of natural and urban spaces.***	Yes, #1, #2, #3, #4, #7, #8, #9, with modification to #9 to address waste reduction.
Built Environment & Infrastructure ***Hamilton is supported by state of the art infrastructure, transportation options, buildings and public spaces that create a dynamic City.***	Yes, #2, #3, #6, #7, #8, #10 with modification to #7 to include complete streets.
Culture & Diversity ***Hamilton is a thriving, vibrant place for arts, culture, and heritage where diversity and inclusivity are embraced and celebrated.***	Yes, #5, #10, with modification to #10 to add arts and culture.

Additional revisions resulting from stakeholder and public comments:

Direction #1:

- Separate climate change mitigation and adaptation and reduction of greenhouse gas emissions as separate goal and move to #1

Direction #2:

- Add reference to provision of affordable housing and opportunities to ‘learn’

Direction #3:

- Remove reference to “firm” urban boundary
- Add “infrastructure” and “through intensification and adaptive re-use”

Direction #5:

- Add reference to ‘spirituality’

Direction #6:

- Add ‘access’ to education

Direction #10:

- Add ‘protection of cultural heritage resources’

City of Hamilton Land Needs Assessment to 2051

Technical Working Paper – Draft Summary of Results

December 2020

LORIUS AND ASSOCIATES

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Section 1: Introduction

The Land Needs Assessment and 'GRIDS 2'

The City of Hamilton has retained Lorius and Associates, in association with Hemson Consulting Ltd., to prepare an assessment of urban land needs over the period to 2051. The Land Needs Assessment (LNA) is required to support the update of the Growth Related Integrated Development Strategy (the GRIDS 2 update) and the Municipal Comprehensive Review (MCR) for the period to 2051.

The LNA has been prepared in accordance with the *Growth Plan for the Greater Golden Horseshoe: A Place to Grow* (*Growth Plan*, 2020) and updated method for completing the analysis set out in the report: *Land Needs Assessment Methodology for the Greater Golden Horseshoe (2020)* (the "Provincial method" or "mandated method"). The mandated method (2020) replaces the previous 2018 version. In accordance with the new Provincial method, the LNA for the City of Hamilton includes:

- A forecast of population, housing and employment by type to 2051;
- Housing market and trends analysis;
- Residential intensification market demand analysis;
- Employment and economic analysis; and
- Designated Greenfield Area (DGA) analysis.

The LNA is undertaken based on the results of the above technical inputs, *Growth Plan* policy directions and required components of the mandated method for analysis. The results are summarized in this Technical Working Paper. The City of Hamilton will be engaging with Provincial staff to review the draft LNA results as part of the GRIDS 2 update. A process of public consultation will also be undertaken as part of the approval process for the MCR and implementing official plan amendment(s).

As a result, the draft results of the LNA summarized in this document are subject to revision depending on the feedback received through the process of public consultation and Provincial review. The results may also be subject to revision as new or updated information becomes available.

Section 1: Introduction

Economic and demographic context for analysis

1 Positive Long-Term Economic Outlook for the GGH

- Notwithstanding the short-term impacts of the COVID-19 Pandemic, the long-term economic outlook for the Greater Golden Horseshoe (GGH) is positive.
- The Greater Toronto and Hamilton Area (GTHA) will continue to attract international migrants that drive population growth.
- Rates of long-term economic growth will be generally sufficient to absorb the expanding labour force through migration.

2 Shifts in the Housing Market to Higher Density Forms

- Several factors have led to a sharp rise in housing prices over the last decade.
- A corresponding shift has occurred in the proportion of people living in denser and more affordable housing forms.
- Intensification has become more prevalent throughout the GTHA, including in the City of Hamilton, though more working from home may affect the tolerance for smaller living spaces going forward.

3 Changes in the way Office Space is Being Used

- Increased mixing of work activities, office sharing and automation are changing the way office space is being used.
- 'Offices' are increasingly occupying non-office forms: "flex space", co-working and industrial multiples.
- Trends are blurring the lines between traditional industrial and office use with implications for density and land use within employment areas.

4 Continued Demand for Greenfield Employment Land

- The economic outlook anticipates greater success in accommodating employment land activities through intensification.
- However, the availability of greenfield sites with good highway access will continue to be the primary driver of demand.
- Growth in e-commerce and weaknesses in global supply chains revealed by COVID-19 will support demand for local manufacturing, storage, distribution and logistics space.

Section 1: Introduction

Approach to the analysis

The assessment of urban land needs is undertaken by comparing a forecast of future demand for housing and employment to the current land supply. Within the context of *Growth Plan* policy directions to encourage a more compact urban form, conclusions are then drawn on the need, if any, for additional lands over the forecast horizon. Land needs are assessed for two key areas:

- **Community Areas –** where the vast majority of housing required to accommodate forecasted population will be located, as well as the majority of population-related jobs, most office jobs and some employment land employment jobs. Community areas include the Delineated Built-up Areas and the Designated Greenfield Area (excluding employment areas); and

- **Employment Areas**: where most of the employment land employment (employment in industrial-type buildings) jobs are, as well as some office jobs and some population-related jobs, particularly those providing services to the employment area. Employment Areas may be located in both delineated built-up areas and the designated greenfield area.

Important Terminology for Understanding the Approach

The **Delineated Built-up Area** is defined as the area that was already built when the 2006 *Growth Plan* first came into effect. **The Designated Greenfield Area** is defined as lands within settlement areas (lands within the urban boundary) but outside of delineated built-up areas, designated in an official plan for development and required to accommodate growth over the planning horizon. The **Rural Area** is all lands outside the urban boundary, including Prime Agricultural Areas and existing employment land uses: the **Hamilton International Airport (HIA) facility** is located within the City's Rural Area.

The starting point for the analysis is the population and employment forecasts for the upper- and single-tier municipalities that are shown in **Schedule 3 of the *Growth Plan* (2020)**. These are the minimum population and employment **forecasts that must be used** for long-range planning and growth management by all municipalities in the GGH, including the City of Hamilton. Higher forecasts may be considered as part of the MCR, however lower forecasts are not permitted.

Section 1: Introduction

Method for land needs assessment

The analysis is undertaken according to the key components involved in the Provincial method for Community Area and Employment Area land need assessment. As described in the Provincial method report, there can be flexibility in the sequence of the LNA analysis as long as all components are completed. The sequence taken in this report is summarized below for Community (R1-R6) and Employment (E1 –E5) areas.

R1	Forecast Population Growth Over the Planning Horizon
R2	Forecast Housing Need by Dwelling type to Accommodate Population
R2	Allocate Housing Units to *Growth Plan* Policy Areas
R4	Determine Housing Supply Potential by Policy Area
R5	Determine Housing Unit Shortfall within the Designated Greenfield Area
R6	Establish Community Area Land Need Including Community Area Jobs

Output is Community Area Land Need (in ha)

E1	Calculate Total Employment Growth to *Growth Plan* Horizon
E2	Categorize Employment Growth into the Major Land Use Planning Types
E3	Allocate Growth to the *Growth Plan* Policy Area
E4	Calculate Capacity of Employment Areas to Accommodate Growth
E5	Establish Employment Area Land Need

Output is Employment Area Land Need (in ha)

Section 1: Introduction

Key influences on land need under the *Growth Plan*

Within a *Growth Plan* policy context, there are two key influences on land needs. The first relates to the minimum proportion of future growth that is to be accommodated through **intensification.** The second relates to the **density of new development** to be anticipated in greenfield locations.

The 50% Intensification Target

The *Growth Plan* states that by 2015 and each year thereafter, "a minimum of 50% of all residential development occurring annually… will be within the built up area" (Section 2.2.2.1a). This rule provides direction on the minimum proportion of new residential development to occur through intensification and refers to a **total number of new units added**, but not number of people, overall density, specific unit types or units gained or lost through changes in occupancy of the existing stock. The **intensification target has a strong influence** on the LNA results because it limits both the balance of units (and associated land) allocated to the DGA and the different types of units available to satisfy demand to 2051.

The Greenfield Density Target (50 Residents and Jobs Combined per ha)

The *Growth Plan* states that the minimum density target applicable to the DGA of each upper-and single-tier municipality…is not less than 50 residents and jobs combined per ha" (Section 2.2.7.2). Under the new LNA method, the **greenfield density target is no longer a policy input**, but a minimum threshold for conformity purposes. The density target is measured on a regional or upper-tier basis over the entire DGA, excluding natural features identified in local or Provincial plans, applicable rights-of-ways and cemeteries. The target does not include the designated Employment Areas, which are treated separately.

No Mandated Density and Intensification Targets for Employment Areas

Under the Provincial method, Employment Area land needs are based on an analysis of the economic activities likely to locate on those lands and approximate densities at which they are anticipated to develop. A **market-based approach is taken** to recognize the importance of economic activities to the development of 'complete communities' and the challenges associated with changing the pattern of employment growth through *Growth Plan* and associated planning policy directives.

Section 1: Introduction

Scenarios provide a range of future land need

Three scenarios of land need have been prepared. The scenarios are varied by changing the *Growth Plan* intensification target and density of new development by unit type, which are the primary determinants of land need. It is worth reiterating that the under the new Provincial LNA method, **the greenfield density target is an output of the LNA** depending on the intensification rate and unit densities applied to the analysis. The land need scenarios and results are summarized below.

***Growth Plan* Minimum**	**Increased Targets**	**Ambitious Density**
The *Growth Plan* Minimum scenario is based on applying the minimum intensification target in the *Growth Plan,* which is at the high end of the range of market demand. It is considered to be a suitable aspirational goal.	The *Increased Targets* scenario is based on achieving even higher rates of intensification and greenfield density. It may be a challenge to meet all segments of housing demand towards the end of planning horizon to 2051.	The *Ambitious Density* scenario is based on achieving still higher rates of intensification and greenfield density. This scenario would require careful monitoring and reporting on progress to ensure a balanced housing supply to 2051.
50% Intensification to 2051 **2,200 gross ha** required **= 65 residents & jobs/ha** in new greenfield areas	**50%** Intensification to 2031, **55%** to 2041, **60%** to 2051. **1,640 gross ha** required **= 75 residents and jobs/ha**	**50%** Intensification to 2031, **60%** to 2041, **70%** to 2051. **1,340 gross ha** required **= 77 residents and jobs/ha**

Highest — **Range of urban land need** — **Lowest**

To provide further context for the scenarios, a "Current Trends" analysis has also been prepared to show the results of a 40% intensification target, consistent with the approach taken in the *Residential Intensification Market Demand Analysis* (December 2020). The results indicate an even higher land need – **3,440 gross ha** – and would require that the City request an alternative target under the *Growth Plan.* Employment Area land need (mainly industrial and business park development lands) is held constant for all the scenarios since it is primarily the pattern of housing growth that the *Growth Plan* seeks to change through policy.

Section 1: Introduction

Structure of this report

The report that follows provides the results of the analysis, including Community Area and Employment Area land need, in accordance with the mandated Provincial method. It is structured as five sections:

- **Section 1 sets out the purpose** of the assignment, approach taken to the analysis and the key influences on land need under the *Growth Plan*;
- **Section 2 provides the growth context**, including the population and housing unit growth anticipated, the role of residential intensification, the employment outlook and trends in land and building space requirements, especially office and industrial-type uses;
- **Section 3 summarizes the results of the Community Area LNA** according to the mandated method for analysis. A minimum of 1,340 buildable ha is required to accommodate growth over the period to 2051.
- **Section 4 summarizes the results of the Employment Area LNA**. The analysis shows that land supply and demand are largely in balance, with no additional lands required for current planning purposes. This result is due largely to the unanticipated lag in employment growth experienced across the GTHA over the 2011 – 2016 period. Employment growth had been accelerating in the post-2016 period until the COVID-19 Pandemic began, leading to significant job losses in early 2020; and
- **Section 5 provides our conclusions,** including a summary of total urban land needs over the period to 2051 and implications for the current UHOP, GRIDS 2 and the MCR process.

***Growth Plan* (2020)**
The Provincial vision for growth is that Hamilton will play an **expanded economic and demographic role** within the regional metropolitan area (GGH) over the planning horizon to 2051

Community Area Land Needs
Under the mandated method for analysis **a minimum of 1,340 buildable ha** (*Growth Plan* definition) is required depending on the unit density and intensification targets involved.

Employment Area Land Need
No additional lands are required. Forecast demand and land supply are largely in balance. A small surplus is shown over the planning horizon to 2051.

Section 2: Growth Context to 2051

Population forecast to grow significantly

The *Growth Plan* (2020) sets out the Provincial vision for growth in the GGH, including: a strong economy, cleaner natural environment and the achievement of complete communities with access to transit. A key element of the Provincial vision is a **set of forecasts that must be used**, at a minimum, for planning and growth management in the GGH, including Hamilton (Section 5.2.4). The historic and forecast minimum *Growth Plan* population forecast for 2051 is shown below in Table 1.

Table 1

City of Hamilton Historic and Forecast Population

Components of Population	2001	2011	2021	2031	2041	2051
Total Population (with undercount)	510,140	535,000	584,000	652,000	733,000	**820,000**
Growth last 20 years (2001-2021)			**73,860**			
Growth next 20 years (2021-2041)					**149,000**	
Growth next 30 years (2021-2051)						**236,000**

Source: Hemson Consulting Ltd. based on Statistics Canada Census data and *Growth Plan* Schedule 3 forecasts for 2051. Figures for 2001, 2011, 2021, 2031 and 2041 are from the base forecast models used by Hemson Consulting Ltd. to prepare the report: *Greater Golden Horseshoe: Growth Forecasts to 2051* (August 2020). Figures include Census undercount.

As shown in Table 1, under the *Growth Plan* the City of Hamilton is forecast to achieve a total population of 820,000 in 2051. This forecast is for a significant amount of growth relative to the past: **twice as much over the next 20 years** than the last 20 years, and beyond to 2051. The reason is that, from a regional planning perspective, the *Growth Plan* anticipates an expanded economic and demographic role for the City of Hamilton over time, along with other priority centres in the western GGH.

As described in the updated *Growth Plan* forecast report, the **long-term growth outlook remains positive** notwithstanding the impacts of the COVID-19 Pandemic. In general, both the GTHA and Outer Ring are anticipated to experience rates of long-term economic growth sufficient to absorb the expanding labour force created through migration. This expectation is consistent with the Ministry of Finance's *Ontario's Long Term Report on the Economy* (2017) which remains a sound economic outlook.

Section 2: Growth Context to 2051

Forecast translates into significant new housing units

The *Growth Plan* population forecast translates into significant demand for new housing units, as shown in Table 2 below. In accordance with the mandated method, the housing forecast is based on applying household formation rates to the forecast of population growth by age cohorts as well as age-specific propensities to occupy different housing unit types. The overall housing forecast associated with the *Growth Plan* population forecast to 2051 is shown below in Table 2.

Table 2

City of Hamilton Historic and Forecast Housing Growth

Components of Housing	2001	2011	2021	2031	2041	2051
Occupied Housing Units	188,140	203,800	222,540	258,100	295,170	332,860
Growth last 20 years (2001-2021)			**34,400**			
Growth next 20 years (2021-2041)					**72,630**	
Growth next 30 years (2021-2051)						**110,320**

Source: Hemson Consulting Ltd. based on Statistics Canada Census data and *Growth Pla*n Schedule 3 forecasts for 2051. Figures for 2001, 2011, 2021, 2031, 2041 and 2051 are from the base forecast models used by Hemson Consulting Ltd. to prepare the report: *Greater Golden Horseshoe: Growth Forecasts to 2051* (August 2020). Figures are units occupied by usual residents.

As shown in Table 2, and similar to population, the housing forecast is for a significant amount of growth relative to the past. Under the *Growth Plan*, the City of Hamilton is forecast to grow to a total of 332,860 housing units in 2051. This forecast translates into more than **twice the number of new units** over the next 20 years than were completed in the last 20 years, and beyond to 2051.

Again, this outlook reflects *Growth Plan* expectations for an expanded economic and demographic role for the City of Hamilton over the planning horizon. More specifically, the *Growth Plan* forecasts are structured as a share of the GGH housing market taking into account land supply, especially in southern Halton and Peel regions where rapid growth continues. Over time, as the supply of available development lands in these locations becomes increasingly constrained, Hamilton will be effectively drawn 'closer' to these established communities in the GTA-west and demand for housing will increase considerably.

Section 2: Growth Context to 2051

Outlook for residential intensification is bright

Housing Market has Shifted to Smaller and More Affordable Options

As described in more detail in the *Residential Intensification Market Demand Analysis* report (December 2020) some important shifts have occurred in the pattern of housing demand across the GGH, especially related to demand by unit type. In short, a combination of market, pricing and policy-based factors has led to increased housing cost and affordability challenges and, in turn, a growing number of people living in denser and more affordable housing forms such as rowhouses and apartment buildings.

Large-Scale Intensification is Emerging in other GTHA Municipalities

The shift towards more affordable housing forms, combined with emerging trends in lifestyle and employer preferences, among other factors, is one of the major reasons for the well-documented surge of new development in in central Toronto. Consistent with long-standing demographic patterns, the City of Toronto will continue to play a major role in accommodating apartments: however, it is no longer the only part of the market. Large-scale intensification has started to emerge outside Toronto in more urbanized areas such as southern York and Halton Regions and the City of Hamilton.

Growth Plan Target Represents a Rapid and Substantial Increase in Intensification

As noted, under the *Growth Plan*, municipalities in the GGH are required to plan for a minimum proportion of future growth through intensification: 50% of new housing units in the case of the City of Hamilton and other major urban centres in the GGH such as the Cities of Barrie, Brantford and Guelph.

There is no question that recent housing market trends point to a strong future for intensification. And it is also clear that the City of Hamilton is in an attractive position to shift historic patterns of growth towards denser and more urban forms. However, it is important to understand that the *Growth Plan* target embodies a major shift in the nature of housing demand that will be a challenge for most municipalities to achieve, including Hamilton. So although characterized as "minimum", the *Growth Plan* target is at the **high end of the range of demand** from a market perspective. For the City of Hamilton it represents a rapid and significant increase in the amount of growth to occur through intensification and a substantial change to the profile of future housing demand in favour of apartments.

Section 2: Growth Context to 2051

Long-term economic outlook is positive

Notwithstanding the current COVID-19 Pandemic situation the broad economic outlook for the GGH remains positive. As described in the updated *Growth Plan* forecast report, overall growth is anticipated to return to pre-pandemic expectations within three years along with associated growth in employment and income. The employment forecast for the City of Hamilton within this context is shown below in Table 3.

Table 3

City of Hamilton Historic and Forecast Employment

Components of Employment	2001	2011	2021	2031	2041	2051
Total Employment	205,100	216,900	238,000	271,000	310,000	360,000
Growth last 20 years (2001-2021)			**32,900**			
Growth next 20 years (2021-2041)					**72,000**	
Growth next 30 years (2021-2051)						**122,000**

Source: Hemson Consulting Ltd. based on Statistics Canada Census data and *Growth Plan* Schedule 3 forecasts for 2051. Figures for 2001, 2011, 2021, 2031 and forecast to 2051 are from the base forecast models used by Hemson Consulting Ltd. to prepare the report: *Greater Golden Horseshoe: Growth Forecasts to 2051* (August 2020). Employment includes usual place of work, work at home and no fixed place of work employment.

As discussed in the *Residential Intensification Market Demand Analysis* report (December 2020) the prior *Growth Plan* forecasts prepared in 2012 generally overestimated growth in Hamilton to 2019 as well as all other upper and single-tier municipalities, except the City of Toronto. The main reason for the shortfall in growth is that the forecasts prepared for 2011 to 2016 did not anticipate the degree of out-migration to western Canada from Ontario or Ontario's decline in its national share of immigration.

In the post-2016 period, however, migration patterns had returned to historic averages and growth was accelerating until the COVID-19 Pandemic began in early 2020. For Hamilton, the employment forecast is for **a total of 360,000 jobs in 2051.** The growth outlook is predicated on continued diversification of the local economy, the revitalization of central City employment areas and the emergence of small major office clusters supported by well-located and extensive employment areas throughout the City.

Section 2: Growth Context to 2051

Outlook structured by major land use planning types

The approach taken to forecasting employment growth for the purposes of the LNA is based on four land use planning-based types: population-related, major office, employment land and rural-based employment. The four employment types are described below.

Population-Related Employment	Major Office Employment	Employment Land Employment	Rural-based Employment
Jobs that exist primarily to serve the resident population, including retail, education, health care, local government and work-at-home employment, the vast majority of which are located in community areas.	Jobs contained within free-standing buildings more than **20,000 net square feet** (1,858 m2) in size. This definition differs from the size threshold of 4,000 m2 used in *Growth Plan* policy for other planning purposes.	Jobs accommodated primarily in industrial-type buildings. The vast majority are located within business parks and industrial areas. However, some jobs can be found in older community areas and rural locations.	Jobs scattered throughout rural lands that typically include agriculture-related uses, small manufacturing or construction businesses run from rural properties and some scattered retail, service or commercial uses.

From an employment perspective, most of the lands required to accommodate growth will be for employment land employment. The **LNA term "Employment Area" is different,** and refers to the geographic areas typically planned to be occupied by, but not necessarily used exclusively for, employment land employment. Employment Areas tend to be where most employment land employment (i.e. jobs in industrial-type buildings) are located but also contain limited major offices, in some cases, and population-related employment, particularly those providing services to the designated Employment Area.

Population-related employment tends to be accommodated in existing locations (such as the Downtown and other nodes) and through the normal course of secondary planning for new residential communities. Major office employment occurs under a unique market dynamic and at extremely high densities, so requires very little urban lands. Rural-based employment, while an important part of the City's economy, is a relatively small part of the employment base and forecast to grow marginally over the planning horizon.

Section 2: Growth Context to 2051

Land and building space requirements are evolving

From a land needs perspective, there have been some relevant trends in the recent pattern of land use and real estate development, especially for major office and industrial-type buildings. Some of these trends have been accelerated by the COVID-19 Pandemic in the short-term, however the extent to which these represent a permanent shift remains unclear.

Market Shift for Major Office Development to Downtown Toronto

One of the key features of recent growth in the GTHA has been the surge of major office development in downtown Toronto. This concentration of offices generally had the effect of reducing new space demand in other parts of the GTHA. Notwithstanding current COVID-19 effects, the short-term attraction of downtown Toronto is likely to remain. Over the longer term, however, the major office market is expected to cycle back to a more even balance between Toronto and established suburban nodes in southern York, Peel and Halton regions as well as emerging markets in Durham and Hamilton.

Office Work Increasingly Occupying Non-Office Forms

Partly in response to the recent concentration (and rising cost) of major office space, an emerging trend in many communities outside the City of Toronto has been a broadening of the built forms in which office uses are choosing to locate, including co-working, flex space and industrial multiples. The prevalence of this type of space has become more widespread across the GTHA, including Hamilton, and may be accelerated by the COVID-situation as users explore new office models. This trend along with the attraction of suburban office markets from a real estate cost perspective bodes well for the future of office growth.

Pattern of Change in Employment Areas More Complex

Trends in the locational preference of office use are 'blurring' the lines between traditional industrial and major office uses, with resulting impacts on density and land needs. While densities in some areas may increase as a result of the growing integration of different functions, this effect is being tempered by more land-extensive development elsewhere, particularly in newer employment areas focussed on the fulfilment and distribution of e-commerce activity. For the City of Hamilton, the overall density impacts depend on the nature of the individual area and types of economic activities being carried out.

Section 2: Growth Context to 2051

Demand for Employment Areas will remain strong

Notwithstanding recent shifts in the pattern of development, significant growth is still anticipated for the range of economic activities typically accommodated in Employment Areas. And although the structure of employment in the GTHA and City of Hamilton continues to shift gradually away from traditional economic sectors, Employment Areas are still required to accommodate new development.

Grown in 'E-commerce' Driving Demand for Warehousing and Distribution Facilities

Growth in e-commerce has driven a surge in demand for warehouse, distribution and logistics space. There is no evidence this pattern will change, and in the short term may be accelerated by COVID-19 Pandemic. According to many sources, e-commerce is still in its infancy and has considerable potential for further growth and disruption. Although the employment outlook anticipates greater success in accommodating employment land activities through intensification, the availability of large sites with good transportation access, especially 400-series highways, will remain the key driver of demand.

Many Service Sector Uses Also Occupy Industrial Space

Contrary to popular perception, not all Employment Areas are dominated by the goods-producing sector. Recent years in the GTHA have seen significant growth in service-type activities within Employment Areas, reflected in part by the rise of the 'flex' space market and adaptive re-use in older more mature industrial areas. As these sectors grow there will be continued demand for space in Employment Areas beyond the 'traditional' manufacturing and distribution typically associated with industrial buildings.

Manufacturing will Continue to Play a Role

In our view, manufacturing will continue to play a role in new building space requirements, although the overall amounts are unclear. Some sectors have the potential to outpace expectations, especially as rates of technology adoption and the economics of small-scale local production improve. Two of the more likely outcomes arising out of the COVID-19 Pandemic are: first, a reshoring of some industries (medical supplies for instance); and second, increased automation to lower production costs and limit vulnerability to health risks. The outlook for the goods producing sector is more positive under this scenario, but likely with fewer employees (and therefore at lower densities) relative to the past.

Section 3: Community Area Land Need

Overview of mandated steps in the analysis

This section summarizes the results of Community Area land need analysis, within the broad growth context described in Section 2. The analysis is undertaken according to the mandated components of the Provincial method, shown again below for convenience. Key data sources and inputs to the analysis are summarized at right, with additional notes and commentary provided for the tables that follow.

R1	Forecast Population Growth Over the Planning Horizon
R2	Forecast Housing Need by Dwelling type to Accommodate Population
R3	Allocate Housing Units by *Growth Plan* Policy Area
R4	Determine Housing Supply Potential by Policy Areas
R5	Determine Housing Unit Shortfall within the Designated Greenfield Area
R6	Establish Community Area Land Need Including Community Area Jobs

Key Data Sources and Inputs

1. 2016 base population and household information are from Statistics Canada, including net under-coverage and non-household population rates. Total 2051 population is the *Growth Plan* forecast (2020).
2. Estimated 2021 housing units and population and forecast total housing units to 2051 are provided by Hemson Consulting Ltd. based on Statistics Canada and CMHC housing market information.
3. The allocation of housing units by *Growth Plan* policy area is based on a typical housing mix inside and outside the built-up area and the specific intensification target applied to the analysis.
4. Housing supply potential is based on information from the City of Hamilton Geographic Information System (GIS), land use and building permit tracking systems.
5. The housing unit shortfall within the DGA is determined based on a comparison of housing supply (R4) to forecast housing demand (R3) by unit type.
6. Community Area land need is determined by applying appropriate density factors to the unit shortfall by type and taking into account population-related employment, in accordance with the mandated method for analysis. Total DGA density is estimated based on PPU factors from the 2019 Development Charge (DC) Background Study prepared by Watson & Associates.

Section 3: Community Area Land Need

R1

Step R1 Forecast population growth over the planning horizon

The first component in the assessment of Community Area Land Need is the forecast of population over the period to 2051, shown previously in Table 1. In accordance with the *Growth Plan* Schedule 3 forecasts (2020) Hamilton is forecast to achieve a **2051 population of 820,000** including the Census net undercoverage.

Step R2 Forecast Housing Need by Dwelling Type

R2

The *Growth Plan* population forecast **translates into demand for approximately 110,320 new housing units** over the 2021-2051 period, shown previously in Table 2. In accordance with the mandated method, the housing forecast is based on applying household formation rates to the forecast of population growth by age cohorts as well as age-specific propensities to occupy the four main housing unit types established in the updated *Growth Plan* forecasts: single and semi detached, rowhouse, accessory and apartment units. The result is a **market-based housing need forecast by dwelling type** shown below in Table 4.

Table 4

City of Hamilton Market-Based Housing Need by Dwelling Type

Census Year	Single and Semi	Rows	Accessory Units	Apartment Building	Total
2021	135,360	29,370	3,940	53,880	222,540
2031	154,120	37,780	4,750	61,450	258,100
2041	173,180	47,110	5,680	69,200	295,170
2051	191,370	56,970	6,700	77,820	332,860
Growth 2021-2051	56,020	27,600	2,760	23,940	110,320
Share	50%	25%	3%	22%	100%

Source: Hemson Consulting Ltd. based on Statistics Canada Census, Annual Demographic Estimates and the *Growth Plan* Schedule 3 forecasts for 2051. "Single and Semi" includes single detached and semi detached houses as well as movable dwellings as defined by Statistics Canada. Rows are rowhouses as defined for the Census. Accessory units are apartment units added to an existing single or semi-detached house, either attached or not to the existing dwelling. Apartments comprise all apartment buildings whether greater than or less than 5 storeys in height.

Section 3: Community Area Land Need

R2

Step R2 Forecast Housing Need by Dwelling Type

As shown in Table 4, the market-based mix of housing is characterized largely by ground-related units; defined as single and semi-detached units and rowhouses. As summarized in Table 5 below, roughly three quarters of the forecast housing growth is for ground-related versus apartment units. Accessory units are apartments added to an existing single or semi-detached home rather than duplex units as defined by the Census. This change was introduced in the updated *Growth Plan* forecasts to more accurately reflect how these units are treated from a land use planning perspective.

Table 5

City of Hamilton Ground-Related versus Apartment Unit Growth

Census Year	Ground-Related	Accessory Units	Apartment Building	Total
2021	164,730	3,940	53,880	222,540
2051	248,340	6,700	77,820	332,860
Growth 2021-2051	83,610	2,760	23,940	110,320
Unit Mix 2021-2051	75%	3%	22%	100%

Source: Hemson Consulting Ltd. based on Statistics Canada Census, Annual Demographic Estimates and *Growth Pla*n Schedule 3 forecasts for 2051. Figures may not add due to rounding. Forecast housing mix by dwelling type varies slightly from the *Greater Golden Horseshoe: Growth Forecasts to 2051* report, the basis for the 2020 Schedule 3 to the *Growth Plan.*

As noted, the *Growth Plan* mandates the minimum target for intensification to be 50% of new units inside the built boundary over the period to 2051. The 'market-based' unit mix shown in Table 4 and Table 5, however, is not consistent with *Growth Plan* objectives to encourage a shift to higher density forms. As a result, the forecast **housing mix needs to be adjusted** to reflect *Growth Plan* objectives and allocate the forecast housing units by *Growth Plan* policy areas. This adjustment and allocation of housing units under to the *Growth Plan* policy areas is undertaken in step three of the analysis (Step R3).

Section 3: Community Area Land Need

R3

Step R3 Allocate housing units by *Growth Plan* policy area

The third step in the analysis is to assess how the housing growth projected in Step R2 will be allocated to address *Growth Plan* requirements to direct specific shares of housing growth between the delineated built-up area, rural area and the DGA. The analysis is undertaken from an estimated 2021 base to incorporate the most recent available information and serve as the effective date of the MCR completion.

Of particular relevance is the allocation to the DGA, which forms the basis for the comparison of supply and demand (Step R4) to determine housing unit shortfalls by unit type (Step R5) and, ultimately, Community Area land need (Step R6). As described in the *Residential Intensification Market Demand Analysis* report (December 2020), the vacant land supply within the City's Built-up Area is almost completely developed. As a result, there are not enough sites to accommodate the full range of housing growth, especially ground-related housing. Accordingly, **demand must be redistributed to higher density apartment unit and row housing forms** that can be accommodated through intensification. There are three steps to the redistribution:

Step 1

Typical Unit Types

First, a 'typical' housing unit mix is set for inside and outside the built-up area. The mix inside the built-up area is focussed on medium and high density housing and the mix outside the built-up area (the Designated Greenfields and limited rural) is the opposite, with proportionally more low density units.

Step 2

Intensification Target

Second, the housing mix inside and outside the built-up area is applied to the total housing unit forecast from 2021-2051 (110,300 units) shown previously in Tables 4 and 5, in accordance with the intensification target applied to the analysis (the *Growth Plan* mandates a minimum of 50% of new units)

Step 3

Adjusted Housing Mix

Finally, the resulting housing forecast (by type) for inside and outside the Built-up area is combined, with the result that the **City-wide mix of housing growth is "shifted"** away from ground-related units (under a market-based forecast) towards apartment units to reflect the intensification target applied.

Section 3: Community Area Land Need

R3

Step R3 Allocate housing units by *Growth Plan* policy area

The effect of the housing mix adjustment is to "shift" housing units out of the ground-related category to apartment units to achieve *Growth Plan* policy goals, specifically the intensification target. The degree of the shift depends on the intensification target applied to the scenarios: with lower targets requiring a less dramatic shift than higher targets. For example, the shift and resulting allocation of housing units for the *Growth Plan* Minimum Scenario is illustrated below in Table 6.

Table 6

City of Hamilton Allocation of Housing Units by *Growth Plan* Policy Area

Housing Mix by Policy Area – *Growth Plan* Minimum Scenario (50% Intensification)	Ground-Related	Accessory Units	Apartment Building	Total
Mix Inside the Built-up Area	20%	4%	76%	100%
Mix in DGA and Rural	94%	1.5%	4.5%	100%
Units – Inside the Built-up Area (50% of growth)	11,030	2,210	41,920	55,160
Units - DGA and Rural (50% of growth)	51,850	830	2,480	55,160
Policy-based Growth 2021 – 2051	62,880	3,030	44,400	110,320
Market-Based Growth (from Table 5)	83,610	2,760	23,940	110,320
Policy-based Growth (above)	62,880	3,030	44,400	110,300
Difference Market vs. Policy-based	(20,730)	+270	+20,460	0
Share of Market-Based Growth (from Table 5)	25%	10%	85%	0

Source: Hemson Consulting Ltd. forecast models. May not add due to rounding.

As shown shaded in Table 6, to achieve an intensification rate of 50% approximately 20,700 new households that would otherwise occupy ground-related housing are shifted to apartments. This represents about 25% of the ground-related housing growth from 2021-2051 or roughly 8% of the total ground-related housing that would exist in 2051 (248,400 units from Table 5) under the market-based forecast.

Section 3: Community Area Land Need

R3

Step R3 Allocate housing units by *Growth Plan* policy area

For context, the shift to apartments is lower under a "Current Trends" analysis, as described in more detail in the *Residential Intensification Market Demand Analysis* report (December 2020). The Current Trends forecast still embodies a shift in housing demand towards apartments though to a lesser extent than the *Growth Plan* Minimum Scenario. The shift is illustrated below in below in Table 7.

Table 7

City of Hamilton Allocation of Housing Units by *Growth Plan* Policy Area

Housing Mix by Policy Area – *Current Trends Scenario* (40% Intensification)	Ground-Related	Accessory Units	Apartment Building	Total
Mix Inside the Built-up Area	20%	4%	76%	100%
Mix in DGA and Rural	94%	1.5%	4.5%	100%
Units – Inside the Built-up Area (40% of growth)	8,830	1,760	33,540	44,130
Units - DGA and Rural (60% of growth)	62,220	990	2,980	66,190
Policy-based Growth 2021 – 2051	71,050	2,760	36,520	110,320
Market-Based Growth (from Table 5)	83,610	2,760	23,940	110,320
Policy-based Growth (above)	71,050	2,800	36,520	110,320
Difference Market vs. Policy-based	(12,570)	-	12,570	0
Share of Market-Based Growth (from Table 5)	15%	0	53%	0

Source: Hemson Consulting Ltd. forecast models. May not add due to rounding.

As shown shaded in Table 7, to achieve an intensification rate of 40% approximately 12,600 new households that would otherwise occupy ground-related housing are shifted to apartments. This represents about 15% of the ground-related housing growth from 2021-2051 or roughly 5% of the total ground-related housing that would exist in 2051 (248,400 units from Table 5) under the market-based forecast, which is less than the shift required under the *Growth Plan* Minimum Scenario shown previously in Table 6.

Section 3: Community Area Land Need

R3

Step R3 Allocate housing units by *Growth Plan* policy area

The shift to apartments is greater, however, under the *Increased Targets* and *Ambitious Density* scenarios because they are based on higher rates of intensification. The resulting allocation and City-wide unit mix for the three main scenarios is summarized below in Table 8.

Table 8

City of Hamilton Allocation of Housing Units by *Growth Plan* Policy Area

Housing Mix by Policy Area – *Allocation of units by Land Need Scenario*	Ground-Related	Accessory Units	Apartment Building	Total
Growth Plan Minimum (50% Intensification)				
Units – Inside the Built-up Area	11,030	2,210	41,920	55,160
Units - DGA and Rural	51,850	830	2,480	55,160
Growth 2021 – 2051	62,880	3,030	44,400	110,320
Unit Mix 2021-2051	57%	3%	40%	100%
Increased Targets (50%/55%/60% Intensification)				
Units – Inside the Built-up Area	12,140	2,430	46,120	60,680
Units - DGA and Rural	46,660	750	2,230	49,640
Growth 2021 – 2051	58,800	3,170	48,350	110,320
Unit Mix 2021-2051	53%	3%	44%	100%
Ambitious Density (50%/60%/70% Intensification)				
Units – Inside the Built-up Area	13,240	2,650	50,300	66,190
Units - DGA and Rural	41,480	660	1,990	44,130
Growth 2021 – 2051	54,720	3,310	52,290	110,320
Unit Mix 2021-2051	50%	3%	47%	100%

Source: Hemson Consulting Ltd. base forecast models. May not add due to rounding.

Section 3: Community Area Land Need

R4

Step R4 Determine Housing Supply Potential

After determining the allocation of housing units by *Growth Plan* policy area, the next step is to determine the supply potential to accommodate forecast growth. Of particular relevance to the LNA is the supply potential in the DGA since this provides the basis for determining housing unit shortfalls by unit type in the next step (R5). and ultimately Community Area land need in the final step of the analysis. The City's year-end 2019 housing supply potential within the DGA is summarized below in Table 9.

Table 9

City of Hamilton Designated Greenfield Area Housing Unit Potential

Local Community Data for Year-end 2019	Single and Semi	Rows	Apartment Building	Total
Ancaster	646	406	260	1,312
Dundas	1	0	0	1
Flamborough	1,051	599	3,215	4,865
Glanbrook	1,826	1,864	125	3,815
Hamilton	1,213	689	461	2,363
Stoney Creek	499	1,373	3,135	5,007
Fruitland-Winona	1,012	3,157	1,138	5,307
Total Greenfield Supply Potential	6,248	8,088	8,334	22,670

Source: City of Hamilton Vacant Urban Residential Land (VRL) Inventory for December 2019. Housing supply potential includes all vacant lands subject to registered, draft approved or pending plans of subdivision and estimates of unit potential on lands not yet subject to plan. Virtually all of the DGA supply is subject to active development plans.

City staff have determined that there is an ample supply of potential sites to accommodate intensification within the Built-up Area (see *Residential Intensification Supply Update*, 2020, City of Hamilton). Within the City's Rural Area, there is a large number of legal lots of record as well as Rural Settlement Areas (RSA) that have the potential for future infill development. However, from an LNA perspective only a very small proportion of growth is allocated to the rural area given *Growth Plan* and City planning policies to direct growth to urban settlement areas with full municipal services.

Section 3: Community Area Land Need

R4

Step R4 Determine Housing Supply Potential

As noted in Step R3, the Community Area LNA is undertaken from an estimated 2021 base to incorporate the most recent available information and serve as the effective date of the MCR completion. The City's most recent housing supply information, however, is year-end 2019 as shown previously in Table 9. In order to properly compare supply and demand over the 2021-2051 period, the City's year-end 2019 supply must be adjusted. The adjustment is made by removing an estimate of units that will be completed from year-end 2019 to mid-year 2021, as shown below in Table 10.

Table 10

City of Hamilton Designated Greenfield Area Housing Unit Potential

Components of DGA Housing Unit Supply Potential	Single and Semi	Rows	Apartment Building	Total
DGA Unit Supply Potential, Year-End 2019 (Table 9)	6,248	8,088	8,334	22,670
Estimated Completions Year-end 2019 to mid-year 2021				
City-wide estimated Completions	940	1,480	1,080	3,490
Share Designated Greenfield Area Completions	70%	80%	25%	60%
Estimated DGA Completions to mid-year 2021	660	1,180	270	2,110
DGA Unit Supply Potential 2021-2051	5,590	6,910	8,060	20,560

Source: Hemson Consulting Ltd., estimates of housing completions by type for the 2016 to 2021 period based on CMHC completed and under construction housing data and City of Hamilton VRL Inventory December 2019 and Geographic Information System (GIS) and Building Permit Tracking system data for residential construction to June 2020. Totals rounded.

The estimated share of DGA completions to mid-year 2021 is based on City of Hamilton building permit data for the first half of 2020 (to the end of June), which shows a pattern that one would expect based on the land supply situation discussed previously. Most of the ground-related housing activity (Singles and Semis and Rows) is occurring in the DGA (roughly 75%) whereas most apartment building activity is occurring inside the Built-up area through redevelopment and intensification. This pattern is continued. The result is an adjusted supply potential for mid-2021 that is approximately 2,110 units less than for year-end 2019.

Section 3: Community Area Land Need

R5

Step R5 Determine Housing Unit Shortfall

The next step is to determine the housing unit shortfalls by comparing housing demand (Step R3) to housing supply potential (Step R4). The demand side of the comparison is the forecast housing unit growth in the DGA over the 2021-2051 period, excluding the **very small share of growth (0.5%) allocated to the Rural Area** to account for limited infill in the RSAs over time. Accessory units are also included in the Apartment Building category for the purposes of the LNA, as shown below in Table 11.

Table 11

City of Hamilton Designated Greenfield Area Housing Demand

Land Need Scenario – Housing Demand for DGA Only (no Rural units)	Single and Semi	Rows	Apartment Building	Total
Current Trends (40% Intensification)				
Unit Growth 2021-2051 DGA	41,030	20,980	3,970	65,980
Growth Plan Minimum (50% Intensification)				
Unit Growth 2021-2051 DGA	32,350	19,320	3,310	54,980
Increased Targets (50%/55%/60%)				
Unit Growth 2021-2051 DGA	28,010	18,500	2,980	49,490
Ambitious Density (50%/60%/70%)				
Unit Growth 2021-2051 DGA	23,670	17,670	2,650	43,990

Source: Hemson Consulting Ltd. base forecast models. May not add due to rounding. A very small share (0.5%) of the City-wide demand for single and semi-detached units is allocated to the rural area. No growth in apartments or rows are allocated to the rural area. DGA housing demand for each scenario translates to approximately 99.7% of the total DGA and Rural demand from Table 8.

Ground-related housing demand inside the Built-up Area is allocated largely to Rows (75% of the total) since a greater proportion of rowhouses and other multiple forms tend to be achieved through intensification than single and semi-detached units. The remaining Rowhouse market is allocated as a residual to the DGA in accordance with the intensification target applied to the analysis. This approach has the effect of allocating a gradually increasing share of greenfield rowhouses within the ground-related category for the *Growth Plan* Minimum, *Increased Targets* and *Ambitious Density* Scenarios.

Section 3: Community Area Land Need

R5

Step R5 Determine Housing Unit Shortfall

Finally, demand (from Table 11) is compared to supply (from Table 10) to identify the additional housing by type that is required beyond the existing supply. The results are shown in Table 12 below.

Table 12

City of Hamilton Designated Greenfield Area Housing Unit Shortfall

Land Need Scenario – Calculation of Housing Unit Shortfall or Surplus	Single and Semi	Rows	Apartment Building	Total
Current Trends (40% Intensification)				
Unit Growth 2021-2051 DGA (Table 11)	41,020	20,980	3,970	65,980
DGA Unit Supply Potential (Table 10)	5,590	6,910	8,060	20,560
Unit (Shortfall) or Surplus	(35,440)	(14,070)	4,090	(45,420)
Growth Plan Minimum (50% Intensification)				
Unit Growth 2021-2051 DGA (Table 11)	32,350	19,320	3,310	54,980
DGA Unit Supply Potential (Table 10)	5,590	6,910	8,060	20,560
Unit (Shortfall) or Surplus	(26,760)	(12,420)	4,750	(34,420)
Increased Targets (50%/55%/60%)				
Unit Growth 2021-2051 DGA (Table 11)	28,010	18,490	2,980	49,490
DGA Unit Supply Potential (Table 10)	5,590	6,910	8,060	20,560
Unit (Shortfall) or Surplus	(22,420)	(11,590)	5,090	(28,930)
Ambitious Density (50%/60%/70%)				
Unit Growth 2021-2051 DGA (Table 11)	23,670	17,670	2,650	43,990
DGA Unit Supply Potential (Table 10)	5,590	6,910	8,060	20,560
Unit (Shortfall) or Surplus	(18,090)	(10,760)	5,420	(23,430)

Source: Lorius and Associates based on information from Hemson Consulting Ltd. May not add due to rounding.

Section 3: Community Area Land Need

R5

Step R5 Determine Housing Unit Shortfall

A summary is provided in Table 13 below. As can be seen, there is a shortage of ground-related housing supply for all scenarios. The largest shortage is shown for the *Current Trends* scenario because it has the lowest intensification target and associated shift in ground-related demand to apartment units. The housing unit shortfall is progressively reduced in the other land need scenarios as the intensification target is increased. There is no shortage of Apartment Building supply under any scenario.

Table 13

City of Hamilton Designated Greenfield Area Housing Unit Shortfall

Land Need Scenario – Summary DGA Supply Shortfall 2021-2051	Single and Semi	Rows	Apartment Building	Total
Current Trends (40% Intensification)				
Unit (Shortfall) or Surplus	(35,440)	(14,070)	4,090	(45,420)
Growth Plan Minimum (50% Intensification)				
Unit (Shortfall) or Surplus	(26,760)	(12,420)	4,750	(34,420)
Increased Targets (50%/55%/60%)				
Unit (Shortfall) or Surplus	(22,420)	(11,590)	5,090	(28,930)
Ambitious Density (50%/60%/70%)				
Unit (Shortfall) or Surplus	(18,090)	(10,760)	5,420	(23,430)

Source: Lorius and Associates based on information from Hemson Consulting Ltd. May not add due to rounding.

The shortfalls shown above represent the additional housing units that are required beyond the existing supply. In accordance with the new Provincial LNA method, these **additional units are to be provided through settlement area expansion.** The additional housing demand by type is converted to a land requirement in the final Step (R6) by applying density factors and taking into account population-related employment and other community land uses such as roads, schools, open space and utilities.

Section 3: Community Area Land Need

R6

Step R6 Establish Community Area land need

The final step in the Community Area LNA is to convert the housing unit shortfall into a land requirement. In the DGA, Community Area land requirements comprise two components: the private residential space (the net area of the actual housing unit and lot): and supporting community land uses such as open space, walkways, commercial and institutional use, roads and local infrastructure. The need for residential space and supporting community land uses combine to generate the overall land requirement.

Residential Space

New residential space is the area of the actual housing unit and lot only. The amount of new space required is determined by the mix of units and the densities at which they are set to develop. **Density factors are varied by unit type** in each of the scenarios to provide a range on the need for net new residential space in the DGA over the period to 2051.

Residential space and Community Land uses combine to generate the overall land requirement

Community Land Uses

In addition to the private residential space, new communities also include parks and walkways, open space, commercial and institutional use, storm water management (SWM) facilities and other utilities such as power corridors. These uses tend to **represent approximately 50% of the land area** in large new residential communities in the DGA.

Community Area Land Need

Overall Community Area land need is shown in the following series of summary tables, and **ranges from a high of 3,440 gross ha** under the *Current Trends* Scenario **to a low of 1,340 gross ha** under the *Ambitious Density* Scenario. The *Growth Plan* density is estimated by applying Person Per Unit (PPU) factors to the unit shortfalls by type and accounting for non household population and the Census net undercoverage (or "Undercount"). Population-related employment (PRE) is estimated in terms of a standard ratio to population within the broader City-wide economic context. Such PRE ratios do not tend to change significantly or rapidly over time for most large municipalities.

Section 3: Community Area Land Need

R6

Step R6 Community Area land need – *Current Trends Scenario*

A summary of Community Area land need for the *Current Trends* Scenario is shown below in Table 14. A total housing unit shortfall of 45,420 units translates into a net residential land need of approximately 1,720 net ha. Accounting for additional Community Land uses at a typical rate of 50% (i.e. 50% of the total new lands required are in non-residential use) results in a **total land need of 3,440 gross ha.** Estimated *Growth Plan* density is approximately **53 residents and jobs combined** per ha.

Table 14

City of Hamilton Community Area Land Need to 2051

Scenario Summary LNA Results	Single and Semi	Rows	Apartment Building	Total
Current Trends (40% Intensification)	*Ground-Related*			
Unit (Shortfall) or Surplus (Table 13)	(35,440)	(14,070)	4,090	(45,420)
Density Factors (Units per net ha)	25	46	150	n/a
Land Need for Residential Space (net ha)	1,420	310	n/a	1,720
Factor to account for Community Land Use				50%
Community Area Land Need (gross ha)				**3,440 ha**
Growth Plan density (residents+jobs per ha)				**53 rjha**

Source: Lorius and Associates based on information from Hemson Consulting Ltd. and City of Hamilton. *Growth Plan* density is estimated by applying PPU factors for new units from the 2019 Development Charge (DC) Background Study prepared by Watson & Associates to the housing unit shortfall and adjusted to include non-household population and the undercount. Population-related employment is added at a standard rate of 1 job per 8.0 new residents in new DGA communities. May not add due to rounding.

The density factors applied to the ground-related housing unit shortfall under the *Current Trends* Scenario are recent densities: measured from a sample of residential subdivisions from 2017-2020 in the Hamilton DGA. The density for single and semi-detached units **(25 units per net ha)** represents relatively large new units (on average, between a 45 ft. and 50 ft. lot frontage). The density for Rows **(46 units per het ha)** represents 100% "Street" and traditional block towns as opposed to back-to-back or 'stacked' multiple towns that develop at higher densities than traditional street-related rowhouses.

Section 3: Community Area Land Need

R6

Step R6 Community Area land need – *Growth Plan* Minimum

A summary of Community Area land need for the *Growth Plan* Minimum Scenario is shown below in Table 15. A total housing unit shortfall of 34,420 units translates into a net residential land need of approximately 1,100 net ha. Accounting for additional Community Land uses at a typical rate of 50% (i.e. 50% of the total new lands required are in non-residential use) results in a **total land need of 2,200 gross ha.** Estimated *Growth Plan* density is approximately **65 residents and jobs combined** per ha.

Table 15

City of Hamilton Community Area Land Need to 2051

Scenario Summary LNA Results	Single and Semi	Rows	Apartment Building	Total
Growth Plan Minimum (50% Intensification)	*Ground-Related*			
Unit (Shortfall) or Surplus (Table 13)	(26,760)	(12,420)	4,750	(34,420)
Density Factors (Units per net ha)	30	60	150	n/a
Land Need for Residential Space (net ha)	890	210	n/a	1,100
Factor to account for Community Land Use				50%
Community Area Land Need (gross ha)				**2,200 ha**
Growth Plan density (residents+jobs per ha)				**65 rjha**

Source: Lorius and Associates based on information from Hemson Consulting Ltd. and City of Hamilton. *Growth Plan* density is estimated by applying PPU factors for new units from the 2019 Development Charge (DC) Background Study prepared by Watson & Associates to the housing unit shortfall and adjusted to include non-household population and the undercount. Population-related employment is added at a standard rate of 1 job per 8.0 new residents in new DGA communities. May not add due to rounding.

The density factors applied to the ground-related housing unit shortfall under the *Growth Plan* Minimum Scenario reflect a smaller lot pattern of development. The density for single and semi-detached units **(30 units per net ha)** represents a 40ft. lot frontage on average. The density for Rows **(60 units per het ha)** represents newer block towns with a 20 ft. lot frontage. The density of single and semi-detached units is increased further for the *Increased Targets* Scenario. Higher-density rows are also introduced into the mix in the form of 'stacked' multiple towns at an estimated density of 80 units per net ha.

Section 3: Community Area Land Need

R6

Step R6 Community Area land need – *Increased Targets*

A summary of Community Area land need for the *Increased Targets* Scenario is shown below in Table 16. A total housing unit shortfall of 28,930 units translates into a net residential land need of approximately 820 net ha. Accounting for additional Community Land uses at a typical rate of 50% (i.e. 50% of the total new lands required are in non-residential use) results in a **total land need of 1,640 gross ha.** Estimated *Growth Plan* density is approximately **75 residents and jobs combined** per ha.

Table 16

City of Hamilton Community Area Land Need to 2051

Scenario Summary LNA Results	Single and Semi	Rows	Apartment Building	Total
Increased Targets (50%/55%/60%)	*Ground-Related*			
Unit (Shortfall) or Surplus (Table 13)	(22,420)	(11,590)	5,090	(28,930)
Density Factors (Units per net ha)	35	65	150	n/a
Land Need for Residential Space (net ha)	640	180	n/a	820
Factor to account for Community Land Use				50%
Community Area Land Need (gross ha)				**1,640 ha**
Growth Plan density (residents+jobs per ha)				**75 rjha**

Source: Lorius and Associates based on information from Hemson Consulting Ltd. and City of Hamilton. *Growth Plan* density is estimated by applying PPU factors for new units from the 2019 Development Charge (DC) Background Study prepared by Watson & Associates to the housing unit shortfall and adjusted to include non-household population and the undercount. Population-related employment is added at a standard rate of 1 job per 8.0 new residents in new DGA communities. May not add due to rounding.

The density factors applied to the ground-related housing unit shortfall under the *Increased Targets* Scenario are increased further. The density for single and semi-detached units **(35 units per net ha)** represents still smaller lot units (on average a 36 ft. lot frontage). The density for Rows **(65 units per net ha)** represents a blended rate of 80% "Street" and traditional block towns with a 20 ft. lot frontage and 20% 'stacked' multiple towns at an estimated density of 80 units per net ha. For the *Ambitious Density* Scenario, the share of higher-density stacked towns is increased even further within the housing mix.

Section 3: Community Area Land Need

R6

Step R6 Community Area land need – *Ambitious Density*

A summary of Community Area land need for the *Ambitious Density* Scenario is shown below in Table 17. A total housing unit shortfall of 23,430 units translates into a net residential land need of approximately 670 net ha. Accounting for additional Community Land uses at a typical rate of 50% (i.e. 50% of the total new lands required are in non-residential use) results in a **total land need of 1,340 gross ha.** Estimated *Growth Plan* density is approximately **77 residents and jobs combined** per ha.

Table 17

City of Hamilton Community Area Land Need to 2051

Scenario Summary LNA Results	Single and Semi	Rows	Apartment Building	Total
Ambitious Density (50%/60%/70%)	*Ground-Related*			
Unit (Shortfall) or Surplus (Table 13)	(18,090)	(10,760)	5,420	(23,430)
Density Factors (Units per net ha)	35	70	150	n/a
Land Need for Residential Space (net ha)	520	150	n/a	670
Factor to account for Community Land Use				50%
Community Area Land Need (gross ha)				**1,340 ha**
Growth Plan density (residents+jobs per ha)				**77 rjha**

Source: Lorius and Associates based on information from Hemson Consulting Ltd. and City of Hamilton. *Growth Plan* density is estimated by applying PPU factors for new units from the 2019 Development Charge (DC) Background Study prepared by Watson & Associates to the housing unit shortfall, and adjusted to include non-household population and the undercount. Population-related employment is added at a standard rate of 1 job per 8.0 new residents in new DGA communities. May not add due to rounding.

The density factors applied to the ground-related housing unit shortfall under the *Ambitious Density* Scenario are increased still further. The density for single and semi-detached units **(35 units per net ha)** is maintained to represent small lot units (a 36ft. lot frontage on average). The density for Rows **(70 units per het ha)** however is increased to a blended rate of 50% 'stacked' towns at an estimated density of 80 units per net ha and 50% in traditional street-related towns at 60 units per net ha (as shown in the *Growth Plan* Minimum Scenario).

Section 3: Community Area Land Need

R6

Step R6 Community Area land need Scenario Summary

A summary is provided in Table 18 below. As shown, Community Area land need is greatest for the *Current Trends* Scenario because it has the lowest intensification target and associated densities of ground-related housing development. Land need is reduced as the intensification target is increased and a steadily 'denser' pattern of ground-related housing development is incorporated into the analysis. These results are also reflected in the estimated *Growth Plan* density, which increases in a similar fashion.

Table 18

City of Hamilton Community Area Land Need to 2051

Summary of results by Scenario 2021-2051 by Land Need Scenario	Community Area	*Growth Plan* Density
Current Trends (40% Intensification)	3,440 ha	53 rjha
Growth Plan Minimum (50% Intensification)	2,200 ha	65 rjha
Increased Targets (50%/55%/60%)	1,640 ha	75 rjha
Ambitious Density (50%/60%/70%)	1,340 ha	77 rjha

Source: Lorius and Associates based on information from Hemson Consulting Ltd. and City of Hamilton

As shown above, the *Growth Plan* minimum density target of 50 residents and jobs per ha is achieved for all land need scenarios. From a market perspective, achieving both the *Increased Targets* and *Ambitious Density* scenarios may be a challenge, but only towards the end of the planning horizon to 2051 as the available greenfield supply becomes constrained. As noted in the *Residential Intensification Market Demand Analysis* report (December 2020) Hamilton is in an attractive position to shift the historic pattern of growth towards denser and more compact urban forms: but there are limits to the level of change that can be reasonably achieved. As such, careful monitoring and reporting on progress would be required to ensure a balanced land supply is available to accommodate growth under the higher-density land need scenarios.

Section 3: Community Area Land Need

R6

Step R6 Community Area land need Scenario Summary

The City's analysis of greenfield density confirms that the existing DGA also exceeds the *Growth Plan* minimum of 50 residents and jobs per ha, as summarized below in Table 19. Accordingly, all Community Area land need scenarios conform to the *Growth Plan* minimum density requirements. As noted however, the *Current Trends* Scenario would require that the City request an alternative intensification target.

Table 19

City of Hamilton Density of Existing and New DGA at Build-Out

Component of Calculation	Results
Total Population (including Census net undercoverage)	114,710
Total Employment (not including designated Employment Areas)	13,270
Total DGA Capacity (residents + jobs) at Build-out	**127,980**
Ratio of Total DGA Employment to Population (1 job per 8.6 residents)	**8.6**
Total Designated Greenfield Area (all figures in ha)	4,231
Less Natural Features area (*Growth Plan* definition)	305
Less Applicable Infrastructure Rights of Way	0
Less designated Employment Areas	1,780
Less Cemeteries	5
Existing Designated Greenfield Area (in ha) net of allowable take-outs	2,141
Density in Residents + Jobs per ha of Existing DGA at Build-out	**60 rjha**
Density in Residents + Jobs per ha of LNA Scenarios to 2051	**53 rjha to 77 rjha**

Source: City of Hamilton information from *Existing Designated Greenfield Density Analysis* (December 2020).

The next component of the LNA is **Employment Areas**: where most employment land employment (employment in industrial-type buildings) is accommodated as well as a limited amount of major office and population-related jobs, particularly those providing services to the employment area. The Employment Area land needs analysis is described in the next section, beginning with an overview of the approach taken to the analysis.

Section 4: Employment Area Land Need

Overview of mandated steps in the analysis

This section summarizes the results of Employment Area land need analysis, within the broad growth context described in Section 2. The analysis is undertaken according to the mandated components of the Provincial method, shown again below for convenience. Key data sources and inputs to the analysis are summarized at right, with additional notes and commentary provided for the tables that follow.

E1	Calculate Total Employment Growth to *Growth Plan* Horizon
E2	Categorize Employment Growth into the Major Land Use Planning Types
E3	Allocate Growth to the *Growth Plan* Policy Area
E4	Calculate Capacity of Employment Areas to Accommodate Growth
E5	Establish Employment Area Land Need

Key Data Sources and Inputs

1. Total employment is based on data from the 2016 Census and includes usual place of work, work at home and no usual place of work, in accordance with the *Growth Plan* Schedule 3 forecast definition.
2. Employment growth by type is based on 2016 Census employment by economic sector (NAICS), data from the City's employment survey and available information on the inventory of major office buildings. Population-related employment is based on a ratio to population. Such ratios do not tend to shift rapidly for most communities and have proven to be a sound basis for forecasting.
3. Allocation of employment is based on an analysis of rural employment including rural population-related employment, the Hamilton International Airport (HIA) facility and other City and Census information on the distribution of employment by economic sector.
4. The capacity of existing Employment Areas is based on current density factors derived from the City's GIS system and other data sources to inform expectations about the pattern of future economic activity.
5. Land need (E5) is calculated as the difference between the current employment area capacity and forecast employment at 2051.

Section 4: Employment Area Land Need

E1

Step E1 Calculate total employment growth to *Growth Plan* horizon

Similar to the Community Area component of the LNA, the first step in the assessment of Employment Area land need involves the calculation of employment growth to the *Growth Plan* horizon (2051). In accordance with the *Growth Plan* Schedule 3 forecasts (2020) Hamilton is forecast to achieve a **2051 employment of 360,000**. Total employment includes usual place of work, work at home and no usual place of work (often called "no fixed" place of work). The five-year growth **from a 2016 base** to the estimated 2021 employment and forecast for the periods to 2031 and 2051 is shown in Table 20 below.

Table 20

City of Hamilton 2016, 2021 and Forecast 2051 Employment

Component of Census Employment	2016	2021	2031	2051
Usual Place of Work	187,540	194,600	221,600	294,300
Work at Home	15,790	16,400	18,600	24,800
No Fixed Place of Work	26,040	27,000	30,800	40,900
Total Employment	229,370	238,000	271,000	360,000
Growth by Census Period		8,630	33,000	89,000

Source: 2016 Usual Place of Work and Work at Home employment is from Statistics Canada. No Fixed Place of Work employment is from Hemson Consulting Ltd., based on the redistribution of this component in similar economic sectors within a common labour market area. Forecast 2021, 2031 and 2051 are from the *Greater Golden Horseshoe: Growth Forecasts to 2051* (August 2020). For illustrative purposes, employment by Census component for the estimated 2021 and forecast 2031 and 2051 employment totals is maintained at shares calculated from the 2016 Census figures.

The *Growth Plan* employment forecast for Hamilton takes into account the City's growing role in the regional metropolitan area and the evolving regional land supply situation, especially in southern Halton and Peel Regions where employment has been growing steadily for decades. Similar to housing, as the supply of development lands in these locations is increasingly constrained, the City of Hamilton will be effectively drawn 'closer' to established communities in the GTA-west and demand for employment area lands will increase.

Section 4: Employment Area Land Need

E2

Step E2 Categorize employment growth by major type

The total Census employment and *Growth Plan* Schedule 3 forecasts to 2051 must then be categorized into the major land use planning-based types discussed in Section 2. The four employment types are: **Major Office, Employment Land, Population-Related and** other **Rural-based employment**. The approach taken to categorizing current employment and forecast growth to the *Growth Plan* horizon is summarized below.

Analysis of Rural Employment

An analysis of rural employment is undertaken to assess the total number of jobs and composition of rural economic activity. This analysis is required to inform the estimate of the amount and location of job growth by major type and location on a City-wide basis. An estimate of employment at the Hamilton International Airport (HIA) facility is included. Although in the rural area, the HIA facility accommodates economic activity that is considered employment land employment, so must be taken into account in the LNA.

Analysis of 2016 Census Employment by Sector

An analysis of 2016 Census employment by North American Industry Classification System (NAICS) sector is undertaken to prepare a preliminary distribution of employment to the major planning types. The results are then "reality checked" iteratively with other available information such as the inventory of major office space, employment land densities and ratios of population-related employment. Adjustments are made to ensure the final distribution is reasonable and supportable within a broader City-wide context.

Categorization of Growth Over the Period to 2051

The forecast to 2051 is prepared by assigning shares of employment growth by type to the *Growth Plan* policy areas including the designated Employment Areas, Community Area and Rural area. The shares of growth are based on the types of economic activity anticipated over the *Growth Plan* horizon, their likely location within the community and, in the case of the designated Employment Areas, the approximate densities at which they are anticipated to develop. The City of Hamilton's well-documented resurgence as a significant economic and cultural centre within the GGH provides much of the longer-term context for this analysis: particularly its expanding role in research and development, technology and creative industry sectors.

Section 4: Employment Area Land Need

E2

Step E2 Categorize employment growth by major type

The categorization of Census 2016 employment into the major land use types is shown below in Table 21. The largest share is population-related (55%) followed by employment land (28%) and major office jobs (15%). Other rural-based employment is a small part of the City-wide employment base.

Table 21

City of Hamilton 2016 Employment by Type

Employment Type	2016	Share
Major Office (jobs in freestanding buildings more than 20,000 sq.ft.)	33,700	15%
Population-Related (jobs that serve the resident population)	126,500	55%
Employment Land (jobs in industrial and business park development)	63,570	28%
Other Rural-based (primary, recreation and rural employment land-type jobs)	5,600	2%
Total Employment	229,370	100%

Source: Statistics Canada NAICS data, City of Hamilton Employment Survey and information on the major office inventory provided by Costar, Blair Blanchard Stapleton Limited and City staff. Other Rural-Based employment, by type, does not include population-related or urban employment land-type uses: these jobs are allocated to the Rural area later in the analysis.

For the purposes of **City-wide employment by major type,** "Other Rural-based" employment includes agriculture, aggregates, recreation-based and other scattered uses that might typically be found in urban employment areas, but are located on rural employment lands. Population-related and urban employment land jobs (the HIA facility) are allocated to the Rural area in a later step to estimate total rural employment.

Major Office employment is based on an analysis of the economic sectors that tend to occupy office space, cross-referenced with an estimate of employment in the City's occupied office space. Similarly, 2016 population-related employment is an estimate of retail, education, health care and public administration, as well as 'work at home' employment, cross-referenced with the ratios in other comparable communities in the GGH. Employment land employment is calculated as the residual of the other types, adjusted iteratively for consistency with the City's 2016 land supply and employment survey information for the designated employment areas.

Section 4: Employment Area Land Need

E2

Step E2 Categorize employment growth by major type

The City-wide categorization of the 2016 and forecast 2051 employment by type is shown below in Table 22. Growth is forecast for all the major types, except for the "Other Rural-based" category. Population-related employment accounts for the most (52%) of total 2051 employment, reflecting the significant population growth forecast under the *Growth Plan* (2020) as discussed in Sections 2 and 3.

Table 22

City of Hamilton 2016 and Forecast 2051 Employment by Type

Employment Type	2016	Share	2051	Share
Major Office (s)	33,700	15%	68,400	19%
Population-Related	126,500	55%	187,810	52%
Employment Land	63,570	28%	98,190	27%
Other Rural-based	5,600	2%	5,600	<2%
Total Employment	229,370	100%	360,000	100%

Source: Statistics Canada Census data, City of Hamilton Employment Survey and information on the major office inventory provided by Costar, Blair Blanchard Stapleton Limited and other information from the City of Hamilton.

Growth in employment land employment will be the key driver of demand for new employment areas, along with limited growth in major office and population-related employment. Employment land employment includes growth associated with the Hamilton International Airport (HIA) facility (approximately 2,000 jobs to 2051). It is important to note that this is not an allocation of employment to the Airport Employment Growth District (AEGD), but rather an expectation of growth at the HIA facility itself.

Other Rural-based employment is stable to 2051: including scattered employment land-type activities that might typically be found in urban employment areas, but are located in rural areas. Employment that exists in response to the resident population (population-related employment) as well as urban employment land jobs (in this case, the HIA facility) are both allocated to the rural area in a later step (E3) of the analysis.

Section 4: Employment Area Land Need

E2

Step E2 Categorize employment growth by major type

A summary of growth by type to 2051 is provided in Table 23 below. As noted, the analysis is undertaken from a 2016 base. This approach is different that the calculation of Community Area land needs, which is based on the growth increment over the 2021-2051 period. A 2016 base is suitable for estimating Employment Area land needs because the analysis is focussed on total employment at the *Growth Plan* horizon (2051) rather than the growth increment over the period from 2021 to 2051.

Table 23

City of Hamilton Forecast Employment Growth By Major Type

Period	Major Office	Population Related	Employment Land	Other Rural Based	Total
2016 Census	33,700	126,500	63,570	5,600	229,370
2016-2051 Growth	34,700	61,310	34,620	0	130,630
2051 total	68,400	187,810	98,190	5,600	360,000

Source: Statistics Canada Census data, City of Hamilton Employment Survey information, *John C. Munro Hamilton International Airport Economic Impact Analysis* (2014 and 2018 reports) and *Growth Plan* Schedule 3 forecasts. May not add due to rounding.

The analysis is also undertaken from a 2016 base because the **estimated distribution of employment by type can be based on known information** regarding economic conditions at that time including the 2016 Census employment, City of Hamilton employment survey and other data sources. Although shifts among the various land use-based categories do not tend to occur quickly, the 2016 distribution is nevertheless considered to be more reliable as a foundation for analysis than 2021 estimates, especially in light of the substantial and **complex economic impacts caused by the COVID-19 Pandemic**. This situation is unlike the 2021 housing and population figures, discussed previously in Section 3, which are much better known because they are estimated from actual unit completions and units under construction since Census day 2016.

Section 4: Employment Area Land Need

E2

Step E2 Categorize employment growth by major type

The outlook for the three other major employment types is based on recent and emerging growth trends, in particular the City's well-documented resurgence as a significant cultural and economic centre within the GGH. Notwithstanding the short-term impacts of the COVID-19 Pandemic, the City has become a much more attractive location for investment, including business park and industrial-type uses and new office space. The burgeoning innovation, technology-related and creative industry sectors are of particular note in this latter regard.

Major Office Employment

As shown in Table 22, the outlook is for an increase in share from 15% to 19% of the total employment, which may seem modest. However, the associated employment growth and space demand is substantial. At a rate of 230 sq.ft. per worker (on a GFA basis) 34,700 new major office jobs would translate into **nearly 8 million sq. ft. of new office space**. Some of this space has already been built as part of recent heritage adaptive reuse projects in downtown Hamilton since 2016. For context, the forecast demand to 2051 is approaching triple the size of the current office inventory of the City of Burlington: approximately 3.2 million sq. ft..

Population-related Employment

As noted, population-related employment is forecast in terms of a ratio to population. The estimated employment for 2016 shown in Table 21 translates into a ratio of roughly 1 job for every 4.4 residents, **consistent with other central places** such as the City of Toronto, Barrie and Brantford that provide services to a surrounding regional area. For the LNA, 2051 population-related employment is based on maintaining the 2016 rate of 4.4 residents per job to reflect the City's continued growth and economic role as a regional service centre.

Employment Land Employment

Similar to the 2016 base, growth in employment land employment is calculated as the residual of the other types within the context of broader growth trends. In our view, the outlook remains positive. Demand for large-scale distribution and logistics facilities shows no signs of slowing rapidly or significantly. Manufacturing will continue to play a role in new space demand, just with **fewer workers (and more automation)** relative to the past. Industrial-type buildings will also accommodate a portion of the professional service and technology-related activities that are anticipated to grow strongly over the period to 2051.

Section 4: Employment Area Land Need

E3

Step E3 Allocate employment growth to *Growth Plan* policy areas

With the outlook for employment established, the next step is to allocate growth by major land-use category to the applicable *Growth Plan* policy areas: the Community Area, Employment Area and areas outside settlement areas (the Rural area). The allocation is required primarily to determine how many jobs will be located in the designated Employment Areas, but also how many jobs will be accommodated in the Community Area and included in the *Growth Plan* density requirement. A brief summary of the expectations for employment by *Growth Plan* policy area is provided below and discussed in more detail in the following sections.

Rural Area

- No major office employment exists or expected to 2051.
- Marginal population-related employment growth due to limited infill and population growth in the RSAs.
- Some growth in employment land employment allocated to the Airport facility (HIA) to account for its role in City-wide employment.
- Employment in other rural-based agriculture, aggregates, recreation and scattered employment land-type uses set to remain stable.

Employment Area

- Stable share of major office growth, reflecting the current market and policy objectives to focus offices in transit-supportive locations such as the downtown UGC.
- Some growth in population-related employment as older employment areas age and accommodate a wider range of economic use.
- All of the employment land employment growth, due to the locational and built form requirements of industrial-type development.

Community Area

- Most of the major office growth, in accordance with market expectations and City policy objectives.
- Most of the population-related employment growth, reflecting the role of the downtown, major retail centres, health care and post-secondary education institutions.
- Gradual decline in the limited amount of scattered older industrial-type uses through economic change or residential intensification to 2051.

Section 4: Employment Area Land Need

E3

Step E3 Allocate employment growth to Rural Area

The analysis of rural employment indicates a total of 15,110 jobs for 2016, as shown below in Table 24. The allocation of growth by type is based on City and Statistics Canada data for the Rural Area and expected ratios of jobs to population within the control total of the 2016 Census rural employment.

Table 24

City of Hamilton Allocation of Employment by Type – Rural area

Period	Major Office	*Share City*	Pop-Related	*Share City*	Emp Land	*Share City*	Other Rural	*Share City*	Total	*Share City*
2016 Base	0	*0%*	7,590	*6.0%*	1,920	*3%*	5,600	*100%*	15,110	*7%*
2016-2051 Growth	0	*0%*	860	*1.5%*	2,010	*6%*	0	*100%*	2,870	*2%*
2051 total	0	*0%*	8,450	*4.5%*	3,930	*4%*	5,600	*100%*	17,980	*5%*

Source: Statistics Canada Census data, City of Hamilton Employment Survey, information on the major office inventory provided by Costar, Blair Blanchard Stapleton Limited, and *John C. Munro Hamilton International Airport Economic Impact Analysis* (2014 and 2018 reports) and *Growth Plan* Schedule 3 forecasts. May not add due to rounding. Includes employment at the HIA facility.

There are no major offices currently or anticipated in the Rural Area. The 2016 Population-related employment is estimated at approximately 7,590 jobs and forecast to grow marginally to 2051. As discussed in Section 2, only a very small share of population growth (and therefore population-related employment) is allocated to the Rural Area. Similarly, other Rural-Based employment (mainly primary industry, recreation and scattered employment land-type uses) is anticipated to remain stable to 2051 for the purposes of the LNA.

Employment at the Hamilton International Airport (HIA) facility is estimated to be approximately 2,000 jobs in 2016 and forecast to roughly double over the period to 2051. This expectation is based on the historic rates of employment growth at the airport facility shown in the economic impact studies noted above and other sources. It should also be reiterated that this is not an allocation of growth to the Airport Employment Growth District (AEGD), nor a detailed forecast of airport economic activity, but rather a small allocation of urban employment land employment to the HIA facility for the purposes of the LNA.

Section 4: Employment Area Land Need

E3

Step E3 Allocate employment growth to Employment Areas

The allocation of employment growth by major type to the Employment Areas is shown below in Table 25. As discussed previously, these are the geographic areas in Hamilton planned to be predominantly occupied by, but not exclusively used for, employment land employment.

Table 25

City of Hamilton Allocation of Employment by Type – Employment Area

Period	Major Office	*Share City*	Pop-Related	*Share City*	Emp Land	*Share City*	Other Rural	*Share City*	Total	*Share City*
2016 Base	4,040	*12%*	6,960	*5.5%*	54,350	*86%*	0	*0%*	65,350	*28%*
2016-2051 Growth	4,170	*12%*	8,070	*13%*	34,510	*100%*	0	*0%*	46,740	*36%*
2051 total	8,210	*12%*	15,030	*8.0%*	88,860	*91%*	0	*0%*	112,090	*31%*

Source: Statistics Canada Census data, City of Hamilton Employment Survey information and information on the major office inventory provided by Costar, Blair Blanchard Stapleton Limited and *Growth Pla*n Schedule 3 forecasts. May not add due to rounding.

Employment Land Employment comprises most (86%) of the City-wide 2016 total, with a limited amount in the Rural Area (3% at the HIA facility) and the balance scattered throughout the Community Area as discussed in a subsequent step. All of the net future Employment Land Employment growth (100%) is allocated to the urban Employment Areas. The share of major office employment in 2016 is estimated based on available information on office space in the Employment Areas and held constant over the forecast period. The result is only a limited allocation of growth in major office jobs to the designated Employment Areas to 2051.

Population-related employment is estimated from the City's 2016 Employment Survey, which shows a total of approximately 7,000 jobs in the retail, healthcare, education, arts and accommodation and food sectors. These jobs are expected to gradually increase over time. This growth, however, is not anticipated to be "major retail" employment, but rather smaller-scale retail, personal services and restaurants catering to the existing business park employees. Many of these functions are already being provided within the City's older employment areas in central locations proximate to existing concentrations of jobs and residents.

Section 4: Employment Area Land Need

E3

Step E3 Allocate employment growth to the Community Area

The allocation of employment growth by major type to the Community Area is shown below in Table 26. As described in Section 1, Community areas include delineated built-up areas and the Designated Greenfield Area (excluding employment areas). A component of Community Area population-related employment growth is allocated to the DGA as the 'jobs' in the 'jobs + residents' figure shown in Table 18.

Table 26

City of Hamilton Allocation of Employment by Type – Community Area

Period	Major Office	*Share City*	Pop-Related	*Share City*	Emp Land	*Share City*	Other Rural	*Share City*	Total	*Share City*
2016 Base	29,660	*88%*	111,950	*88.5%*	7,300	*11%*	0	*0%*	148,910	*65%*
2016-2051 Growth	30,540	*88%*	52,390	*85.5%*	*(1,900)*	*(6%)*	0	*0%*	81,020	*62%*
2051 total	60,190	*88%*	164,340	*87.5%*	5,400	*5%*	0	*0%*	229,930	*64%*

Source: Statistics Canada Census data, City of Hamilton Employment Survey information and information on the major office inventory provided by Costar, Blair Blanchard Stapleton Limited and Growth Plan Schedule 3 forecasts. May not add due to rounding.

The majority of current and future major office employment (88%) is allocated to the Community Area. This outlook is based on maintaining the current market and policy focus of the City's office market in the Urban Growth Centre (UGC). Population-related employment growth is also concentrated in the Community Area, reflecting the role of the downtown, major retail centres, health care and post-secondary education institutions in providing goods and services to both local and broader regional market areas.

There is also a small amount of scattered employment land-type uses. According to the City's 2016 Employment Survey, there are 7,400 jobs in the construction, manufacturing, wholesale trade and transportation sectors outside the UGC and designated Employment Areas. These jobs are in the form of older industrial uses in more mature parts of the Community Area. The amount is anticipated to gradually decline over time, as a result of economic change and/or redevelopment to non-employment uses. This expectation is consistent with the pattern of change observed in other GTHA communities.

Section 4: Employment Area Land Need

E4

Step E4 Calculate capacity of existing Employment Areas

Steps E1 to E3 so far in the analysis have: calculated total employment growth to 2051, growth by major land use type to the *Growth Plan* horizon and allocated the forecast growth – by type – to the *Growth Plan* policy areas. To summarize, Employment Areas are forecast to accommodate a total of **112,090 jobs in 2051,** as shown previously (outlined 2051 total) in Table 25.

The next step is to assess the capacity of existing Employment Areas to accommodate this growth forecast and, in turn, the need for additional lands over the planning horizon. The assessment of land supply is organized into three major categories; Built Employment Areas, Newly Developing Employment Areas and Employment Areas outside the current settlement area boundary.

Built Employment Areas	Newly Developing Areas	Outside Settlement Areas
Employment Areas that are fully developed, or almost fully developed, inside the current settlement area including the Bayfront Industrial Area and other central employment areas	Employment Areas that are unbuilt or largely unbuilt, inside the current settlement area, including the AEGD, Red Hill, Ancaster and Flamborough Employment Areas	Existing areas located outside the settlement areas, in this case the HIA facility. While not a 'designated employment area' within the meaning of the UHOP, it must be taken into account.

The purpose of this step is to estimate the total jobs that can be accommodated in existing Employment Areas at the *Growth Plan* horizon. For the City of Hamilton, these areas are designated "Employment Area" within the Urban Hamilton Official Plan (UHOP) and include the Bayfront Industrial Area and other central industrial areas as well as greenfield business parks such as the AEGD, Red Hill north and south and the Ancaster and Flamborough Employment Areas. The estimated capacity of these areas to accommodate growth provides the basis for determining Employment Area land need in a subsequent step of the analysis. Approximately 40 ha of employment area lands have been recommended for conversion as part of the City's recent Employment Land Review, which does not materially affect the results because these lands are mainly small scattered sites occupied by other uses. However if the amount of conversion sites increases, this could affect the City's ability to accommodate employment growth over time.

Section 4: Employment Area Land Need

E4

Step E4 Calculate capacity of existing Employment Areas

The City of Hamilton's Employment Area supply is made up of a system of industrial and business park lands including developed industrial areas along the waterfront and vacant greenfield business parks to the south. To reflect variations in the age and character of the different areas, the City's Employment Area land supply is further distinguished into five sub-areas:

1. The **HIA Airport facility**, which is located in the Rural Area, outside the designated settlement area. Although not a designated Employment Area within the UHOP, it accommodates employment land employment that must be accounted for;
2. The **Bayfront Industrial Area**, which is treated as a special case given its unique economic base, very low density and potential to distort City-wide averages if not addressed independently;
3. Other **Central Urban Areas**, that are built or largely built including the Stoney Creek Business Park, the East Hamilton, Dundas and Hester Industrial areas and West Hamilton Innovation District (WHID);
4. The **Developing Greenfield Areas**, including the Red Hill, Ancaster and Flamborough Business Parks; and
5. The **Airport Employment Growth District (AEGD)**; which is also treated independently since. The AEGD is the City's major greenfield growth area and expected to develop at relatively low employment densities in a City-wide context.

The developed industrial areas play a significant role in Hamilton's economic base, especially the Steel Cluster and associated manufacturing activity in the Bayfront, East Hamilton and other central areas. The vacant business park locations in Red Hill, the AEGD and other growing greenfield areas will accommodate the bulk of new industrial development over the planning horizon. The approach to estimating the capacity of these areas to accommodate growth is described next, followed by a series of tables setting out the results of the analysis.

HIA Airport Facility
Outside settlement area

Bayfront Industrial Area
Large, very low density

Central Urban Areas
Established and building out

Developing Greenfields
Established and growing

AEGD
The City's major new greenfield growth area

Section 4: Employment Area Land Need

E4

Step E4 Calculate capacity of existing Employment Areas

The capacity of existing Employment Areas is estimated by first establishing the 2016 employment base as well as the vacant and occupied land supply available to accommodate growth. The outlook for growth, by area, is determined through a combination of economic analysis and *Growth Plan* policy direction to make more efficient use of vacant and underutilized employment lands. The result is an estimate of the total amount of employment that can be accommodated in existing areas at 2051, which is then compared to the forecast jobs to determine land need. This approach is explained in more detail below.

Five-Step Approach to Estimating Capacity of Exiting Employment Areas

1. **Estimate 2016 Employment.** Employment in the City's Employment Areas for 2016 is estimated based on information from the City's employment survey, adjusted to align with the 2016 Census employment total and City-wide estimates of employment by type. As discussed, the categorization of employment by type and allocation to *Growth Plan* policy areas is an iterative process.
2. **Determine Land Supply.** The occupied and vacant land supply for each Employment Area is estimated based on information from the City's GIS database. The occupied land supply is required to calculate the 2016 employment area density. The vacant land supply is where most of the designated Employment Area growth will occur, especially in the City's developing greenfield areas and the AEGD. Figures are shown in terms of the **net land area**, based on the City's GIS parcel fabric.
3. **Calculate Current Density.** The net density for each Employment Area is calculated from the 2016 land supply and employment estimated in the previous steps (Table 25);
4. **Establish Growth Outlook.** For built areas (the Bayfront and other central Urban Areas) density is set to increase in accordance with *Growth Plan* policy directions. For newly developing areas (the developing greenfield areas and AEGD) density is set to reflect the types of economic activity anticipated over the horizon to 2051. Growth at the HIA is an allocation to the facility itself, not to the AEGD.
5. **Determine Employment Capacity.** Employment capacity is calculated by applying the density factors in 2051 to the net vacant and occupied land supply. The density of employment area job growth over the 2016 to 2051 period is an output of this calculation.

The results are summarized in the data tables in the following pages.

Section 4: Employment Area Land Need

E4

Step E4 Calculate capacity of existing Employment Areas

The estimated 2016 employment by area and LNA category is shown in Table 27 below.

Table 27

Step 1: Estimated 2016 Employment by Area

LNA Category		Employment	Share
1. Outside Settlement Area	*Airport Facility (HIA)*	**2,000**	3%
2. Bayfront Industrial Area	*Bayfront Industrial Area*	**20,430**	31%
3. Central Urban Areas	East Hamilton Industrial Area	5,500	8%
	Stoney Creek Business Park	15,640	24%
	West Hamilton Innovation District (WHID)	2,920	4%
	Dundas Industrial Area	770	1%
	Hester Industrial Area	130	<1%
	Total Central Urban Areas	**24,960**	38%
4. Developing Greenfield Areas	Ancaster Business Park	4,620	7%
	Flamborough Business Park	1,700	3%
	Red Hill North Business Park	8,150	12%
	Red Hill South Business Park	2,470	4%
	Total Developing Areas	**16,940**	26%
5. Airport Emp. Growth District	*AEGD Employment Area*	**1,030**	2%
Employment Areas Total	City-wide Total from Table 25 (2016 Base)	**65,350**	100%
	City-wide Urban Total excluding HIA facility	63,350	97%

Source: Lorius and Associates estimate, based on City of Hamilton 2016 Employment Survey information for designated Employment Areas and Statistics Canada information on employment by NAICS sector. Employment Area totals are adjusted upwards to a 2016 Census base to account for existing businesses that are 'missed' by the survey. A small additional adjustment is made to account for private contractors (mainly truck drivers and construction workers). May not add due to rounding.

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Section 4: Employment Area Land Need

E4

Step E4 Calculate capacity of existing Employment Areas

The estimated 2016 land supply is shown in Table 28 below. The 2016 supply for the Bayfront Industrial area does not include intensification potential on the Stelco lands, which is added in the next step.

Table 28

Step 2: Estimated 2016 Land Supply by Area (Net ha)

LNA Category	All figures in net ha	Occupied	Vacant	Total	%Built
1. Outside Settlement Area	*Airport Facility (HIA)*	560	n/a	560	n/a
2. Bayfront Industrial Area	*Bayfront Industrial Area*	1,340	40	1,380	97%
3. Central Urban Areas	East Hamilton Industrial Area	150	10	160	95%
	Stoney Creek Business Park	515	85	600	86%
	WHID	35	10	45	79%
	Dundas Industrial Area	20	0	20	100%
	Hester Industrial Area	5	0	5	100%
	Total Central Urban Areas	725	105	830	88%
4. Developing Greenfield Areas	Ancaster Business Park	100	105	205	48%
	Flamborough Business Park	65	70	135	48%
	Red Hill North Business Park	150	70	220	69%
	Red Hill South Business Park	105	175	280	37%
	Total Developing Areas	420	420	840	50%
5. Airport Emp. Growth District	AEGD Employment Area	125	725	850	15%
Employment Areas Total	City-wide total	3,160	1,290	4,460	n/a
	City-wide Urban excluding HIA	2,600	1,290	3,900	67%

Source: Lorius and Associates estimate, based on City of Hamilton GIS Parcel fabric. Occupied supply is net parcel area. Vacant land supply is adjusted (the "gross-to-net adjustment") at 92.5% for Developing Greenfield Areas and 80% for the AEGD Employment Area. No adjustment is applied to the Bayfront or Central Urban Areas vacant supply (100% parcel).

Section 4: Employment Area Land Need

E4

Step E4 Calculate capacity of existing Employment Areas

The estimated 2016 employment density is shown in Table 29 below. The 2016 density for the Bayfront Industrial area does not include intensification potential on the Stelco lands, which is added in the next step.

Table 29

Step 3: Estimated 2016 Employment Density by Area

LNA Category		Occupied ha (Table 28)	Employment (Table 27)	Density (jobs/ha)
1. Outside Settlement Area	*Airport Facility (HIA)*	560	2,000	3.6
2. Bayfront Industrial Area	*Bayfront Industrial Area*	1,340	20,430	15.3
3. Central Urban Areas	East Hamilton Industrial Area	150	5,500	37
	Stoney Creek Business Park	515	15,640	30
	WHID	35	2,920	82
	Dundas Industrial Area	20	770	45
	Hester Industrial Area	5	130	23
	Total Central Urban Areas	725	24,960	34.6
4. Developing Greenfield Areas	Ancaster Business Park	100	4,620	47
	Flamborough Business Park	65	1,700	26
	Red Hill North Business Park	150	8,150	54
	Red Hill South Business Park	105	2,470	24
	Total Developing Areas	420	16,940	40.5
5. Airport Emp. Growth District	AEGD Employment Area	125	1,030	8.1
Employment Areas Total	City-wide total	3,160	65,350	n/a
	City-wide total excluding HIA	2,600	63,350	24.3

Source: Lorius and Associates estimate, based on City of Hamilton 2016 Employment Survey information for designated Employment Areas and Statistics Canada information on employment by NAICS sector. May not add due to rounding.

Section 4: Employment Area Land Need

E4

Step E4 Calculate capacity of existing Employment Areas

The next step in the analysis is to forecast growth for the Employment Areas by LNA category, as summarized below. The outlook is based on *Growth Plan* policy directions to increase the density of existing built areas and an expectation of the types of economic activity anticipated in the newly developing areas to 2051. The broad outlook for each of the LNA Employment Area categories is provided below.

Outlook Based on *Growth Plan* Policy and Expectations of Future Economic Activity

1. **Airport Facility (HIA).** Employment at the HIA facility is anticipated to double from roughly 2,000 jobs in 2016 to 4,000 jobs in 2051 for the purposes of the LNA. These jobs are not included in the assessment of urban employment area land needs.
2. **Bayfront Industrial Area**. The outlook for the Bayfront area includes the intensification potential of the nearly 800 acre (310 ha) Stelco lands for a mix of new employment, continued growth at the Port of Hamilton facility and the evolution of the existing economic base. Total employment is forecast to increase (on a net basis) by approximately 5,000 jobs to 2051.
3. **Central Urban Areas.** As shown in Table 28, the Central Urban employment areas are nearly fully built-out at 88% occupied. Overall density is set to increase slightly over the forecast period as these areas age and accommodate a wider range of use, and in accordance with *Growth Plan* policy directions to make more efficient use of existing employment areas and increase employment densities;
4. **Developing Greenfield Areas.** The developing greenfield areas are anticipated to build-out at current levels of density, reflecting continued demand for the range and profile of new industrial-type use and economic activities shown by the existing pattern of development. The pattern of new development varies from the redevelopment or reuse of space in older employment areas, which is more complex.
5. **Airport Employment Growth District (AEGD).** The AEGD is anticipated to develop at relatively low densities in a City-wide context over the period to 2051, informed by input from the City's economic development team on recent development activity. The outlook is based on the expectation of demand for increasingly larger and land-extensive goods movement facilities to support the needs of e-commerce, as well as new manufacturing jobs: but with more automation and fewer workers compared to the past.

The results for the LNA categories are discussed in more detail in the sections that follow.

Section 4: Employment Area Land Need

Step E4 Calculate capacity of existing Employment Areas

E4

The current and forecast density factors are summarized below in Table 30. As shown, overall City-wide density increases from an estimated 24.3 jobs/ha in 2016 to 29.4 jobs/ha in 2051.

Table 30

Estimated 2016 and Forecast 2051 Employment Area Density

LNA Category (density figures in jobs per net ha)	2016	2016-2051	2051
1. Employment Areas Outside Settlement Area (HIA)	3.6	n/a	7.2
2. Bayfront Industrial Area	15.3	n/a	18.4
3. Central Urban Areas	34.6	38.0	35.0
4. Developing Greenfield Areas	40.5	41.5	41.0
5. Airport Employment Growth District	8.1	33.8	30.0
City-Wide Employment Area Total (excluding HIA)	24.3	39.5	29.4

Source: City of Hamilton 2016 Employment Survey and land supply information. Density figures shown for the 2016-2051 reflect density of growth on new lands so are not shown for the HIA or Bayfront, where growth is all intensification.

Density for the Bayfront Industrial area increases from 15.3 jobs/ha to 18.4 jobs/ha as a result of the nearly **5,000 net new jobs added** through redevelopment of the Stelco lands and continued growth at the Port of Hamilton. These job gains are in excess of estimated declines in the existing employment base that are likely to occur given the presence of older industrial uses. The density of Central Urban Areas is anticipated to increase, in accordance with *Growth Plan* directions for employment intensification.

The density of Developing Greenfield Areas is set to remain essentially stable, increasingly slightly over the period to 2051. The density of growth in the Airport Employment Growth District (AEGD) reflects a pattern of development characterized by large goods movement and logistics facilities along with some manufacturing uses at lower densities relative to the past. A density of 30 jobs per net ha translates into an average of 140m^2 per employee at between 35-40% site coverage, with very limited new office and population-related employment. This outlook is in accordance with the AEGD Secondary Plan policy directions to support the downtown UGC as the City's pre-eminent centre for commercial and office development.

Section 4: Employment Area Land Need

E4

Step E4 Calculate capacity of existing Employment Areas

The resulting capacity estimates for the existing Employment Areas are shown in Table 31 below. On a City-wide basis, the current land **supply can support approximately 114,420 jobs at full built-out** (excluding the HIA facility). No long-term vacancy factor has been explicitly incorporated into the analysis.

Table 31

Estimated 2051 Capacity of Existing Employment Areas

LNA Category	2016	2016-2051	2051
1. Employment Areas Outside Settlement Area	2,000	2,000	4,000
2. Bayfront Industrial Area	20,430	4,960	25,390
3. Central Urban Areas	24,960	3,910	28,870
4. Developing Greenfield Areas	16,940	17,640	34,570
5. Airport Employment Growth District	1,030	24,560	25,590
City-Wide Employment Area Total (2016 base from Table 25)	65,350	53,070	118,420
City-wide total excluding HIA	63,350	51,070	114,420

Source: Lorius and Associates estimate, based on City of Hamilton 2016 Employment Survey information for designated Employment Areas and Statistics Canada information on employment by NAICS sector. May not add due to rounding. Employment for areas outside settlement areas is rounded and shown for illustrative purposes only.

The estimated capacity of existing Employment Areas shown above is optimistic. The outlook for the Bayfront anticipates net new job growth after accounting for declines in the existing base. The almost fully-developed Central Urban Areas are set to grow in employment whereas the experience of most other communities (except the City of Toronto) has been one of stability to decline over time. New jobs are added, but others are lost due to economic change and redevelopment to non-employment uses. As such, the analysis implicitly incorporates a certain amount of employment intensification. The analysis also assumes the full use of the designated land supply: 100% development, which is aggressive from a market perspective. As such, the above analysis anticipates a very efficient use of the employment area land and building supply over time, in accordance with the broad economic outlook and *Growth Plan* policy directions to increase employment densities.

Section 4: Employment Area Land Need

E5

Step E5 Establish Employment Area land need

Similar to Community Area land need, forecast demand and calculated supply are brought together in the final step of the analysis for Employment Area land needs. The output is a conclusion as to whether there is a sufficient amount of land in settlement areas to accommodate forecast growth to the *Growth Plan* horizon at 2051. In this case, supply and demand are in balance over the period to 2051.

Demand

Demand is the forecast of total jobs in Employment Areas at 2051, as shown in **Table 25**:

112,090 jobs

Comparison of demand and supply indicates a small surplus (2,330 jobs) to 2051

Supply

Supply is the calculated capacity of the existing Employment Areas at 2051, as shown in **Table 31**:

114,420 jobs

Employment Area Land Need

Land need is determined by applying a density factor to the additional jobs required at 2051. In this case, no new lands are required. Demand and supply are largely in balance, with only a small surplus of 2,330 jobs shown: within the margin of error for analysis (98% alignment). These surplus jobs would translate into roughly **60 net ha** at the City-wide density of growth (39.5 jobs per ha as shown previously in Table 30). However, even with a small surplus shown it is worth reiterating that the **estimated capacity of the Employment Areas is optimistic**, including the outlook for intensification and the future pattern of development. If the anticipated pattern and density of development does not materialize as planned, or if additional sites are converted beyond this small surplus, the City's ability to accommodate growth over time may be compromised.

Section 5: Conclusions

Reconciling results of the analysis

As discussed in Section 3, the Community Area analysis shows a range of land need depending on the intensification target and density factors applied to the scenarios. Land need is highest under the *Current Trends* and *Growth Plan* Minimums scenarios and land need is lower under the *Increased Targets* and *Ambitious Density* scenarios. As discussed in Section 4, the Employment Area analysis shows that supply and demand are in balance over the period to 2051, with only a small surplus shown.

Community Area
1,340 to 3,440 ha Required

Community Area land need ranges from **1,340 ha under the *Ambitious Density* Scenario** to **3,440 ha in the *Current Trends* Scenario.** A land need of **1,640 ha is shown for the *Increased Targets* Scenario**, which envisions a denser pattern of new residential development while still maintaining an aggressive target for intensification.

Employment Area
No New Lands Required

Supply and demand for Employment Area lands are in balance, with no additional lands required for current planning purposes. Comparing a total **demand of 112,090 jobs** to a calculated capacity of **114,420** jobs suggests a small surplus over the period to 2051; approximately 60 net ha or 150 net acres.

These results are best estimates based on available information and the mandated method for the LNA set out by the Province. The results could change based on new information or a different approach to the analysis. And, as noted in the introduction, the City of Hamilton will be engaging with Provincial staff to review the draft LNA results as part of the GRIDS 2 update. A process of public consultation will also be undertaken as part of the approval process for the MCR and implementing official plan amendment(s). As a result, the draft results of the LNA summarized in this Technical Working paper are subject to revision depending on the feedback received through the process of public consultation and Provincial review. The results may also be subject to revision as new or updated information becomes available. However, under any of the land need scenarios, some level of greenfield expansion will be required to 2051.

Section 5: Conclusions

Consultation, review and next steps

The purpose of this Technical Working Paper is to provide the results of our assessment of urban land needs over the period to 2051. The analysis has been undertaken in accordance with the *Growth Plan* (2019, as amended) and mandated Provincial method for completing the analysis. Depending on the scenario that is ultimately endorsed by Council, further analysis will need to be undertaken by the City to implement the associated greenfield density and intensification figures.

The *Increased Targets* and *Ambitious Density* scenarios, in particular, are based on elevated intensification targets (beyond the *Growth Plan* minimums) and a progressively denser pattern of ground-related housing over the planning horizon. From a market perspective, both scenarios may be a challenge to achieve towards the end of the period to 2051 as the supply of greenfield lands become increasingly constrained. As such, careful monitoring and reporting on progress will be required to ensure a balanced housing supply is made available to accommodate all housing market segments.

Further analysis will also be required from an employment perspective, especially in light of the conclusion that no additional lands are required. Rather than determining the preferred location of a new employment area, the strategic objective under these circumstances is to encourage the most efficient use of the existing land base. To encourage the most efficient use of the occupied supply, intensification must be facilitated especially in the developed central urban employment areas. To encourage an efficient use of the vacant land supply, higher intensity employment uses must be encouraged through a combination of land use planning permissions and incentives for new users to adopt high quality building standards. This objective will be a particular challenge to achieve in the AEGD, where demand is expected to be strong for relatively low-density goods movement and logistics facilities, along with some new manufacturing uses.

Through the upcoming process of review and consultation, it is also likely that specific questions will arise and information requests will be made regarding the LNA and its implications for the MCR and GRIDS2. The City will have the opportunity to address these and other land needs-related matters as it moves forward with the process of consultation and Provincial review in the new year.

LORIUS
AND ASSOCIATES

City of Hamilton Residential Intensification Market Demand Analysis

December 2020

LORIUS AND ASSOCIATES

Contents

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Section 1: Introduction and Background

The City of Hamilton has retained Lorius and Associates, in association with Hemson Consulting Ltd., to undertake an analysis of long-term demand for residential intensification. The market demand analysis is required to support the City's assessment of intensification potential, the update of the Growth Related Integrated Development Strategy (the GRIDS 2 update) and the Municipal Comprehensive Review (MCR) for the period to 2051.

1.1 Purpose of the Assignment

The purpose of the assignment is to prepare a forecast of demand for residential intensification and provide commentary on an appropriate intensification target for the City. The results will be used for the GRIDS 2 update and as input to the Land Needs Assessment (LNA) required for the MCR as well as the outstanding appeals of the Urban Hamilton Official Plan (UHOP). The forecast of future demand will also be taken into consideration by staff and Council in their determination of whether an alternative target should be sought in accordance with the *Growth Plan for the Greater Golden Horseshoe: A Place to Grow* (*Growth Plan*, 2020).

1.2 Planning for Intensification

Encouraging residential intensification is a key City and Provincial planning objective. The *Growth Plan* states that by the time the next MCR is approved and in effect, and for each year after, a **minimum of 50%** of all residential development occurring annually over the period to 2051 will be within the delineated built-up area.

For Hamilton, this rate of intensification equates to **nearly 1,800 units annually**, which is **more than double** the historic level of such development that has occurred over the past decade. The *Growth Plan* rule provides direction on the proportion of new residential development that is to occur through intensification within a specified geographic area and refers to a **total number of new units added**, but not number of people, overall density, specific unit types or units gained or lost through changes in occupancy of the existing stock.

Section 1: Introduction and Background

For Hamilton, the intensification target is higher than currently set in the UHOP (40% of new residential units). The target also exceeds the historic rate of intensification in the City, which averaged around 33% between 2008 and 2016, as shown at right. In the 2016-2019 period the rate of intensification increased - to 38% although the market was paused somewhat as a result of the COVID-19 Pandemic lockdowns in early 2020.

The primary purpose of the *Growth Plan* intensification target is to reduce the amount of lands developed in greenfield locations. However, intensification is also embedded in many other important City planning objectives including:

- Supporting increased levels of transit ridership, in particular the **GO Stations** and **BLAST network**;
- The development of **complete communities** that provide a full range of housing types as well as employment opportunities, local retail stores, public service facilities and transportation options; and
- Delivering higher levels of **urban amenity** and more active and animated streetscapes to the marketplace, especially in the downtown and other nodes and corridors identified in the UHOP.

From an urban land needs perspective, it is necessary to plan for a long-term shift in housing demand towards higher density residential units to meet the *Growth Plan* intensification requirement. This shift in demand, in turn, has the effect of reducing the balance of units to be allocated to the City's designated greenfield areas. As a result, the mandated intensification target has **City-wide growth planning implications**, in particular for the amount of additional land outside the existing urban area that may be required by 2051 and for the different types of units available to satisfy future demand.

City of Hamilton Estimated Rate of Intensification	
Year	Rate
2008	38%
2009	35%
2010	28%
2011	34%
2012	25%
2013	32%
2014	36%
2015	42%
2016	28%
2017	26%
2018	50%
2019	46%
2008-2011	**33%**
2011-2016	**33%**
2016-2019	**38%**
2008-2019	**35%**

Source: City of Hamilton (housing starts)

Section 1: Introduction and Background

1.3 Defining Intensification

Residential intensification occurs across a range of built forms and within both urban and suburban settings:

- From a **built form** perspective, the majority of residential intensification occurs in higher-density rowhouse and apartment units. Occasionally some intensification occurs through single and semi-detached units on remnant greenfield sites or through smaller-scale infill.
- In terms of **location**, intensification tends to be focussed within the built-up urban area, including in downtowns and waterfronts, along main streets and around transit nodes, at the edges of older industrial or commercial areas (referred to as "Brownfields" or "Greyfields") and within older existing residential communities.
- Suburbs can also be **'retrofitted'** to increase density, for example through the development of underutilized or 'leftover' large lots for new single detached units or row housing. There is also an emerging trend towards the redevelopment of existing large format ("Big Box") retail centres for a mix of uses including significant high-density residential.

In this sense, intensification can occur in traditional 'greenfield' locations for both ground-related housing as well as the high-density, mixed-use forms typically envisioned for the Urban Growth Centres (UGC) or other parts of the older urban fabric such as the City's nodes and corridors.

So, while the term "intensification" and "*Growth Plan* target" tend to be used interchangeably, they are not exactly the same. The *Growth Plan* target applies to the total new units within the built-up area. Intensification is defined as infill and redevelopment units. The vast majority of units added inside the built-up area will be "true" intensification from a built-form perspective (i.e. row house and apartment units) but some intensification will also occur outside the built-up area on designated greenfield lands.

Key Concepts

Housing Unit Types

Apartments include both rental and ownership ("condo") forms. Row houses include traditional townhouses and multiple street/ block towns joined side-to-side or back-to-back, with no other dwellings above or below.

The Built-up Area

The "built-up area" is defined as the area that was already built when the 2006 *Growth Plan* first took effect. In Hamilton, the built-up area included a number of larger vacant, underutilized or remnant 'greenfield' sites that have since developed with a range of housing unit types.

The remaining supply of these parcels is limited and distinct from what the City refers to as the "**built boundary holes**": areas that are physically within the City's built-up area but identified under the *Growth Plan* as part of the Designated Greenfield Area (DGA).

Section 1: Introduction and Background

1.4 The COVID-19 Pandemic

This report was prepared during the COVID-19 Pandemic, which is having severe and far-reaching global economic impacts. All economic sectors have been affected, some more so than others, and the full extent of the pandemic's social and economic impact is yet to be seen.

In discussing potential impacts, it should be noted that there is no experience with an economic recession of this origin, magnitude or speed of contraction anywhere in the world in modern times, making the nature of the recovery speculative no matter the source. Significant events of this type – major wars or epidemics (without lockdowns) – have typically heralded periods of major social and economic upheaval in all parts of society.

There is much uncertainty over how quickly the economy could return to pre-pandemic conditions. Many of the economic factors driving intensification have also been negatively affected, above all being the available income to purchase housing in a period of high unemployment, reduced incomes and steadily declining savings for many households. The short-term attractiveness of urban locations throughout the Greater Toronto and Hamilton Areas (GTHA) may be further compromised by the appearance of blight created by the many street front businesses that remain closed and may not reopen as before.

Nevertheless, the long-term economic outlook for the GGH and the City of Hamilton remains positive, albeit with a significant unanticipated pause in the current period. According to the updated *Growth Plan* forecasts prepared by Hemson Consulting Ltd., the GGH economy is evolving into a global economic powerhouse. It will remain very attractive to newcomers, mainly international migrants that are the primary source of population growth in the GTHA. Over the long-term, continued population growth will drive strong demand for all types of housing, including residential intensification.

Section 1: Introduction and Background

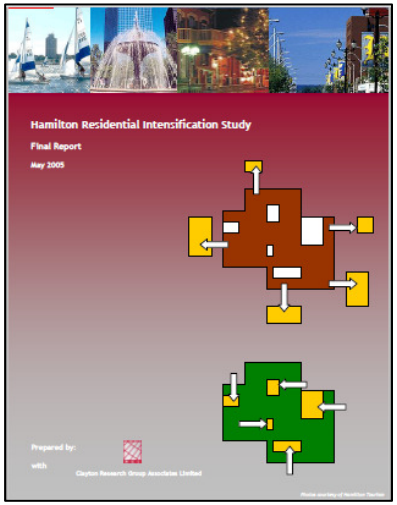
1.5 Context and Approach to the Analysis

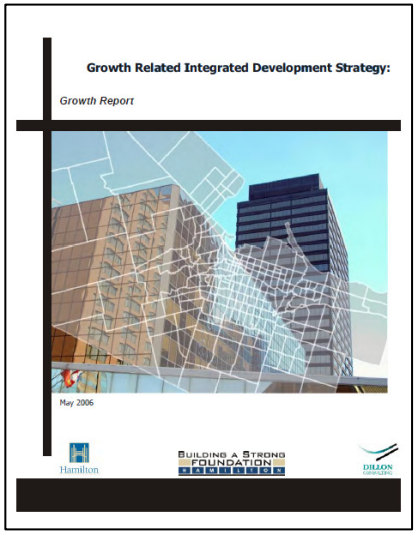
Notwithstanding the economic pause arising from the COVID-19 Pandemic, the last five years have shown a significant acceleration of market interest in the City of Hamilton. Strong residential and non-residential building activity, rising real estate values and several high-profile projects in both the downtown and on the waterfront are among the major indicators of this shift. The City's burgeoning arts, culture and Creative Industries (especially film) also speaks to an emergent dynamic of renewal from an urban lifestyle perspective and bodes well for the long-term demand for residential intensification.

The forecast of demand for intensification is prepared within the context of the long-term regional growth outlook and the City's well-documented resurgence as a significant economic and cultural centre within the Greater Golden Horseshoe (GGH). Broad economic, demographic and other market demand-side factors are taken into account and supplemented by feedback from industry stakeholders, the City of Hamilton staff and members of Council.

For the purposes of this assignment, intensification is considered to be all new units within the built-up area and will be mostly apartment and rowhouse units, with only limited infill of lower density ground-related housing forms. The main source of this latter type of development is likely to be remnant greenfield sites or other small-scale infill opportunities.

Since the specific amount, timing and location of intensification activity can be difficult to predict, the approach is to model a range of market demand outlooks. The result is a "Current Trends", "High" and "Low" forecast of market demand and commentary on the areas within the City where intensification is expected to occur. It is important to note that the approach is to provide a long-term demand outlook for land use planning purposes. The report is not intended to address short-term demand for specific unit types, pricing or sales.

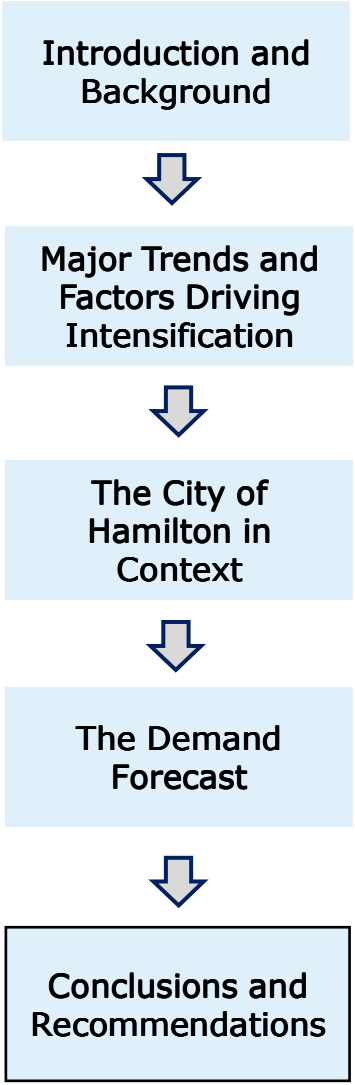




Section 1: Introduction and Background

The report that follows provides the results of our review and analysis including the anticipated amount, timing and general location of development within the City of Hamilton. It is structured into five main sections:

- **Section 1** sets out the purpose of the assignment, key planning considerations, definitions and the context and approach to the analysis;
- **Section 2** describes the major trends and factors driving the demand for intensification, including economic factors, age structure, land supply, housing cost and affordability and lifestyle preferences;
- **Section 3** provides an overview of the City of Hamilton within this context, including the expanding role of the City in the broader metropolitan economy, the role of greenfields and intensification in accommodating growth and local real estate and housing market factors;
- **Section 4** describes the forecast demand for intensification, including the overall growth outlook for the GGH and City of Hamilton. A range of demand outlooks are described, including a Current Trends, High and Low forecast reflecting changes in Hamilton's relative attraction for intensification from a broader market perspective; and
- **Section 5** provides our conclusions and recommendations including the broad areas of the City where future demand can be expected to occur and an appropriate intensification target over the period to 2051. Commentary is also provided on the implications of higher targets for the current LNA, GRIDS 2 update and MCR process.



Section 2: Major Trends and Drivers of Intensification

The major trends and drivers of demand for residential intensification include: **economic factors** that drive housing demand overall; **age structure** (demographic and lifecycle factors) that largely dictates housing choice by unit type; and **housing supply**, which determines options available to consumers and, in turn, **housing cost and affordability**. Finally, changing **lifestyle preferences** has increased demand for denser, well-serviced urban areas with a concentration of amenities and transit access, which influences the location and type of intensification that occurs throughout the metropolitan region.

1	**Economic Factors**	Continued economic expansion, job growth and real estate investment has driven strong population growth and demand for housing units overall in the Greater Toronto and Hamilton Area (GTHA).
2	**Age Structure**	Housing choice is closely tied to age structure. Recent growth has included a high share of younger adults (15-29 years old) that typically occupy apartment units. There is also a large number of existing older adults (30 -75 years) that typically occupy larger, family-sized units.
3	**Housing Supply**	Housing supply determines the options available to satisfy consumer demand. Since 2006, a number of factors have limited the options available to satisfy all segments of the housing market, especially larger family-sized units.
4	**Housing Cost and Affordability**	Strong demand in relation to supply has contributed to increased housing costs and affordability strains which, in part, have led to a shift to smaller housing units and more people living in denser, more affordable housing forms.
5	**Lifestyle Preferences**	A growing preference for cosmopolitan lifestyles has increased demand for well-serviced urban areas and a growing interest in amenity-rich work environments as a tool to attract skilled labor. These trends have played a major role in the significant concentration of development in downtown Toronto and emergence of large scale intensification in the City of Mississauga, southern York Region, and, more recently, in the City of Hamilton.

Section 2: Major Trends and Drivers of Intensification

2.1 Economic Factors Driving Overall Housing Demand

The Toronto region economy continues to grow, especially in technology and other knowledge-based industries. This strong economic performance fosters continued in-migration, which drives growth in population and overall housing demand.

Economic Region Continues to Perform Well

As shown in Figure 1, the Toronto Economic Region has grown steadily over time, to a total of over 3.6 million jobs in 2019. The Hamilton-Niagara Economic Region has also increased from just under 640,000 jobs in 2001 to over 765,000 jobs in 2019. After 2019, employment declined due to the abrupt changes brought about by COVID-19 Pandemic. As shown in Figure 2, most of the historic growth within the GTHA has been in the regions of York and Peel and the City of Toronto. The City of Hamilton has played a somewhat more limited role to date.

Long Term Growth Outlook Remains Positive

There is no question that the COVID-19 Pandemic is likely to have significant long-term economic consequences. According to the updated *Growth Plan* forecasts, some GGH industries may never fully recover: travel and tourism, conventions, retail restaurants and print media for example.

Notwithstanding these impacts, however, the long-term growth outlook remains positive. In general, both the GTHA and Outer Ring are anticipated to experience rates of long-term economic growth sufficient to absorb the expanding labour force created through migration. This expectation is consistent with the Ministry of Finance's *Ontario's Long Term Report on the Economy* (2017) which remains a sound economic outlook.

Figure 1: Historic Employment in Toronto and Hamilton-Niagara Economic Regions (ER)

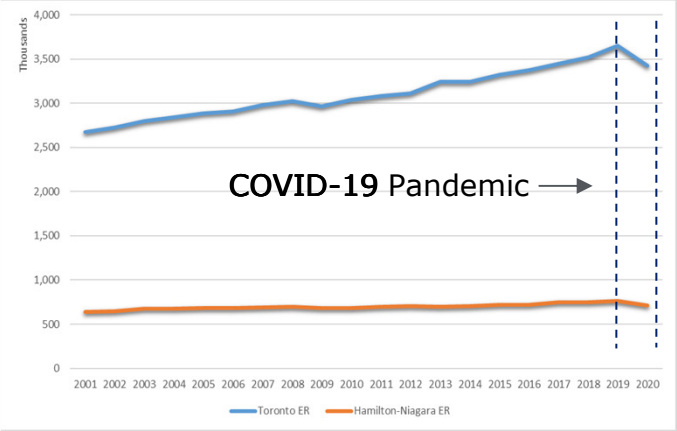
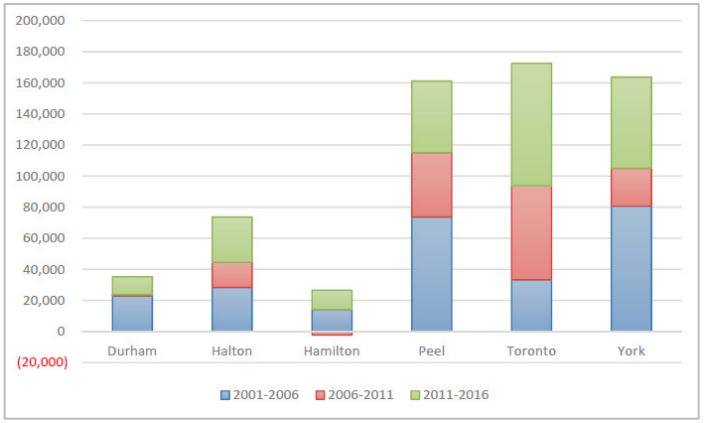


Figure 2: Distribution of Employment Growth in the GTHA (Census 2001 – 2016)



Source: Figures 1 and 2 Hemson Consulting Ltd. based on Statistics Canada Information by municipality and defined Economic Region

Section 2: Major Trends and Drivers of Intensification

2.1 Economic Factors Driving Overall Housing Demand

GTHA Evolving to a Modern Service-Based Economy

The GTHA economy continues to grow rapidly in professional services and other knowledge-based activities that tend to cluster in urban areas. Increased automation, Artificial Intelligence (AI) and other advances in the digital economy have led to an increased demand for high-skilled jobs, as illustrated by the pattern of growth in employment by skill level shown in Figure 3.

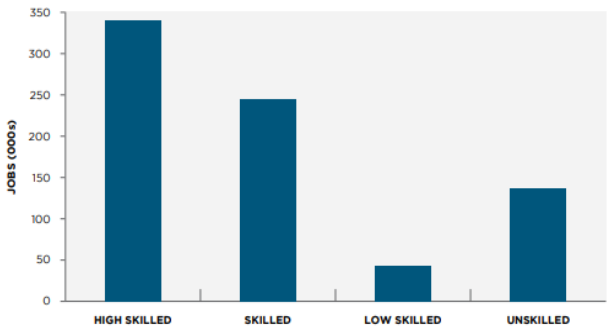
Migration Driving Growth in Population and Housing

The scale and nature of job growth historically has made Canada and the GTHA very attractive for migration, especially international immigration. Continued in-migration will drive growth in population and the resident labour force and, in turn, demand for new housing. Notwithstanding short-term COVID-19 impacts, net international migration to the GTHA is forecast to increase steadily over the period to 2051, as shown in Figure 4.

Other Factors Have Also Contributed to Demand

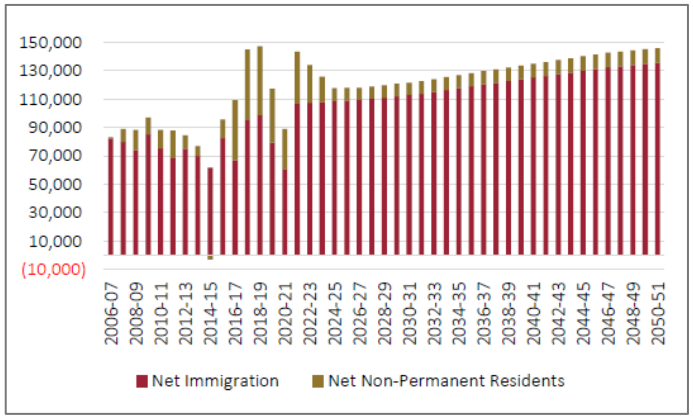
In addition to broader demographic forces, a decade of steady income growth and low interest rates has increased the buying power of residents and, in turn, demand for housing and housing prices. **The rise of housing as an investment vehicle** and the sharing economy has further boosted demand, including platforms such as **Airbnb** that are concentrated in central city areas and (until very recently) continue to grow. Notwithstanding short-term COVID-19 impacts, the overall price and demand for housing is expected to remain high in a North American context.

Figure 3: Change in Employment by Skill Level, GGH, 2001–2014



Source: Neptis Foundation and Metropole Consultants: *Planning the Next GGH,* November 2018

Figure 4: Net International Migration to the GTHA, 1996-2051



Source: Hemson Consulting Ltd., 2020, *Greater Golden Horseshoe: Growth Forecasts to 2051*

Section 2: Major Trends and Drivers of Intensification

2.2 Demographic Factors Influencing Demand by Unit Type

Age structure is the main determinant of housing demand. While there have been some recent changes in the occupancy patterns of young adults and the elderly, the long-term market is still dominated by larger, family-sized units for the 30-75 year age group.

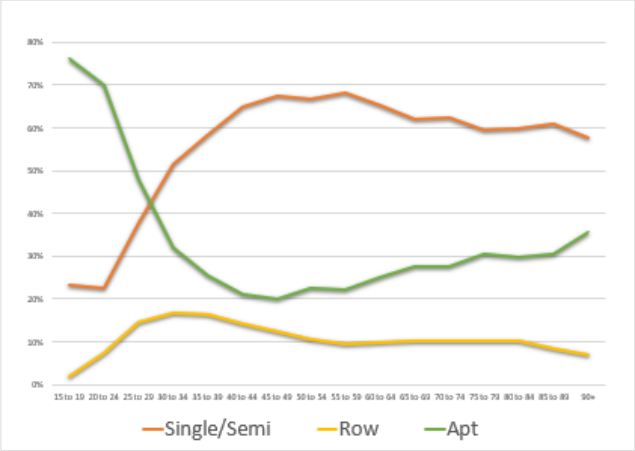
Housing Choices Are Closely Tied to Lifecycle Patterns

As illustrated by Figure 5, housing demand follows an established pattern, typically beginning with young adults in apartments. After family formation, housing preference shifts to larger units (single and semi detached, rowhouse). The pattern moves back to apartments later as empty-nesters downsize and more single-person households are formed through divorce or widowhood.

Over the last 20 years, household formation for young adults has declined somewhat as they stay at home longer and occupy apartments for longer. As well, seniors have been staying in their homes longer before downsizing, which reduces the supply of larger family-sized units for other generations. Little else has changed for the large group of residents between the age of 30 and 75 that tend to demand larger family-sized units.

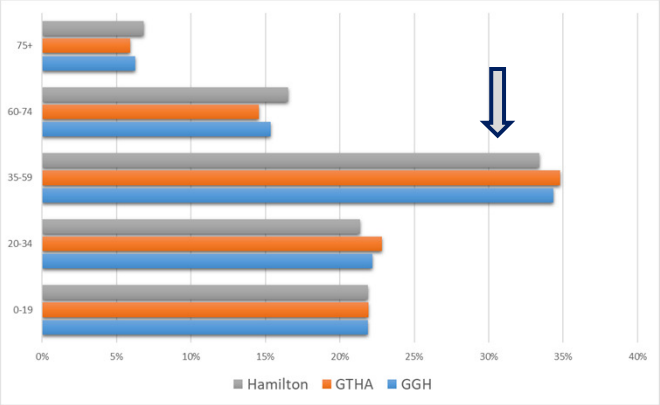
As shown in Figure 6, the largest age group in the GTHA is in peak years for family households and peak demand for new ground-related housing (Figure 5) most of which is accommodated in more traditional greenfield areas. Although an important goal, the provision of new 'family-friendly' apartments (typically 3-bedroom units) remains limited for most municipalities, including Hamilton, where very few large new units are being built. Most new high-rise projects are focussed on smaller units.

Figure 5: Housing Occupancy Patterns by Age Group, City of Hamilton, 2016



Source: Hemson Consulting Ltd.

Figure 6: Share of Current Population by Age Structure 2019



Source: Hemson Consulting Ltd.

Section 2: Major Trends and Drivers of Intensification

2.2 Demographic Factors Influencing Demand by Unit Type

Long-Term Market is Dominated by Ground-Related Housing Demand

Housing demand by type continues to be driven strongly by young families seeking ground-related housing units. Of course, some households will make different choices reflecting their specific economic circumstances or family structure. However, the dominant housing form choices of the broader population are well-established.

Within this context, the shift in demand to higher density housing is of note, especially the surge of demand for high-rise condominium development in downtown Toronto. Recently, however, this trend has begun to moderate in response to the COVID-19 Pandemic. The high cost of housing coupled with a rise in remote work has led to a short-term increase in demand and prices for new homes in nearby markets, especially the City of Hamilton, Guelph and Kitchener-Cambridge-Waterloo.

Over time, as younger adults age and start families, many will continue to opt for increased space and amenity of larger family-sized units, including traditional suburban ground-related housing. These residents will join the already large mass of population entering peak family-formation. In addition, the turnover of units to younger families is reduced as the elderly remain in their homes longer, further driving demand for new and larger family-sized units to accommodate population growth.

Age structure is by far the best predictor of demand for households and specific housing unit types. As the population continues to age, pressure for more ground-related housing can be expected especially from 'millennials', which are the largest and fastest growing demographic group in the GTHA and just entering their family forming years.

Ground-Related Housing
Generally refers to housing that is accessible from the ground. It includes all housing that is not an apartment unit, including larger family-sized units

Section 2: Major Trends and Drivers of Intensification

2.2 Demographic Factors Influencing Demand by Unit Type

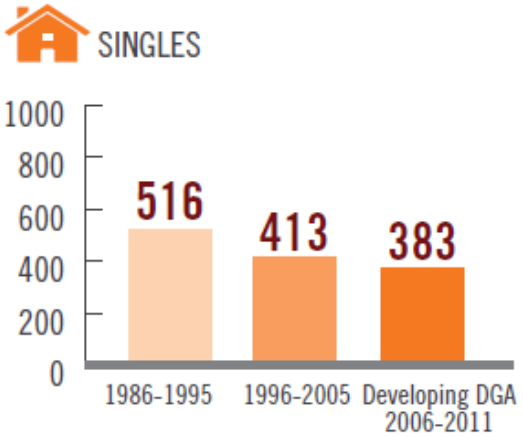
Density and Location of Family-sized Units is Shifting

From a demographic perspective, demand for larger family-sized housing has been consistent. What has been shifting, however, are the lot size, density and location of demand for those units within the broader metropolitan area:

- As shown in Figure 7, there has been a trend of declining lot sizes for single-detached housing. At the same time, unit sizes on those lots have increased as the market moved to a denser and more affordable ground-related product. There is anecdotal evidence that lot sizes have continued to decline since 2011.
- Within the ground-related market, row houses have also been a growing share over time including "maisonettes". From a pricing perspective, other things being equal, rowhouses tend to be more affordable as starter homes than single-detached units and about the same cost as a much smaller apartment; and
- There is a continuing trend of rapid residential growth outside Toronto in the '905' communities. In recent years, this growth has been moving even further afield (some would say "leap-frogging" defined as non-contiguous development beyond established urban centres) to communities within the extended commuter shed of the GGH: a trend that may be accelerated by the COVID-19 Pandemic.

What these trends suggest is that consumers continue to trade travel time and financial savings for affordable ground-related, family-sized units. Where this demand outstrips the available housing supply, the market tends to respond by providing denser ground-related forms or moving location, rather than shifting into high-rise apartment units.

Figure 7: Inner-Ring Median Developing Lot Sizes in the DGA (Square Metres)



Source: Performance Indicators for the *Growth Plan for the Greater Golden Horseshoe*, 2006. Ministry of Municipal Affairs and Housing, 2015

> *"The high price tags for new and resale homes in Toronto [have] made commuter-friendly and nearby [Census Metropolitan Areas] CMAs such as Oshawa, Hamilton, St. Catharines-Niagara, Guelph and Kitchener-Cambridge-Waterloo increasingly popular among home buyers, due to their overall affordability."*

Source: *Recent trends in new house prices in the Greater Golden Horseshoe Region*. Statistics Canada 2018

Section 2: Major Trends and Drivers of Intensification

2.3 Housing Supply

Since 2006, the *Growth Plan* has sought to shift the pattern of growth in the GGH towards more compact urban forms through policy intervention. The policy changes introduced by the *Growth Plan*, among other factors, have led to delays in bringing new supply to market and, in turn, affected options available to satisfy demand. The planning policy context is evolving to address this challenge, including Bill 108 and a growing interest in "missing middle" housing forms.

Growth Plan Seeks to Contain Greenfield Development

From its inception in 2006, the *Growth Plan* has sought to limit the amount of new urban lands developed for greenfield development. The primary mechanism to achieve this objective is to shift growth from greenfield areas to higher levels of intensification – implemented with the requirement that a specific share of growth (a minimum of 50% of new housing units) be accommodated in the built-up area. The intended effect is to shift the housing market overall towards medium and higher density forms by limiting the number of ground-related units accommodated on greenfield lands. These *Growth Plan*-related shifts are long-term and will affect the market and pricing over time.

Process for Getting New Land to Market has Been Delayed

The *Growth Plan* also introduced new requirements for official plan reviews and boundary expansions, which can take upwards of 10 years. The lengthy process required to complete the necessary requirements has generally extended the approvals cycle for urban boundary expansion and, in turn, delayed the provision of short-term supply for ground-related housing in greenfield areas.

As an example, most municipal conformity exercises for the 2012 *Growth Plan* Schedule 3 forecasts have yet to be completed. There is also anecdotal evidence of developers holding back serviced lot supply as part of their internal phasing plans, further delaying the delivery of new land to market.

Section 2: Major Trends and Drivers of Intensification `

2.3 Housing Supply

Planning Policy Context is Evolving

At current housing prices, many households in the GTHA simply cannot afford to participate in the ownership market, especially millennials. Housing affordability is also a key factor driving out-migration from the GTHA to the outer ring: a trend that may be accelerated by the COVID-19 Pandemic. To the extent that housing supply has some bearing on price and affordability, planning policy is evolving to address this challenge:

- The ***More Homes More Choice Act*** ("Bill 108") and related initiatives were put in place in June, 2019 in order to, among other matters, streamline the approvals process and boost housing supply;

- In August 2020 the Province released a new land needs assessment **(LNA) methodology** as part of Amendment 1 to the *Growth Plan* (2019). The new LNA method adopts a much more 'market-based' approach, directing municipalities to ensure that sufficient land is available to accommodate all segments of the housing market and avoid shortages that would drive up land cost; and

- There is a growing interest in the "**Missing Middle**" housing market to address the affordability challenge including larger, family-sized units. The Missing Middle refers to the range of housing types between traditional single-detached houses and high-rise apartments that have gone 'missing' from many large cities, including the GTHA. These include 'family-friendly' units in low and mid-rise apartment forms, laneway housing, garden and courtyard apartments, multiplex structures, live/work units and residential units above commercial businesses.

"*Large [single-family] homes and tiny condos only work for some people. We need a mix of housing types – such as multiplexes, low- and midrise apartments – and sizes, like condos that are large enough for families.*"

Source: *More Homes, More Choice. Ontario's Housing Supply Action Plan,* May 2019

Section 2: Major Trends and Drivers of Intensification

2.4 Housing Cost and Affordability

Strong demand in relation to supply has driven the cost of housing to record levels and affordability remains a serious challenge for most potential buyers. Over the last 15 years, this affordability challenge has encouraged a broad shift towards medium and higher density housing forms throughout the GTHA.

GTA Housing Prices Have Reached Record Levels

The average cost of housing in the GTA has increased to record levels. As shown in Figure 8, prices peaked in 2017 and then corrected, partly due to measures put in place to cool the market through the Fair Housing Plan and tightened mortgage regulations (the 'stress test') which led to reduced purchasing power for most potential borrowers. A similar pattern has occurred in Hamilton, with average home prices now also at historic highs.

Affordability has Become a Serious Challenge

As shown in Figure 9, beginning in 2012, the household income required to purchase the average home in GTA exceeded actual incomes and the gap has only widened since. While a broad-based softening of the market in 2017 helped lower home ownership costs nationally, this relief barely made a dent in the GTHA market which has now returned to historic highs.

Enhanced affordability measures put in place by the Federal government will play a role but are unlikely to have real impacts on home price appreciation in most urban areas over time. As such, the current housing cost and affordability challenge is not expected to resolve any time soon. Owning a home will remain difficult for many potential buyers in the years to come.

Figure 8: Historic Residential Average Price Greater Toronto Area

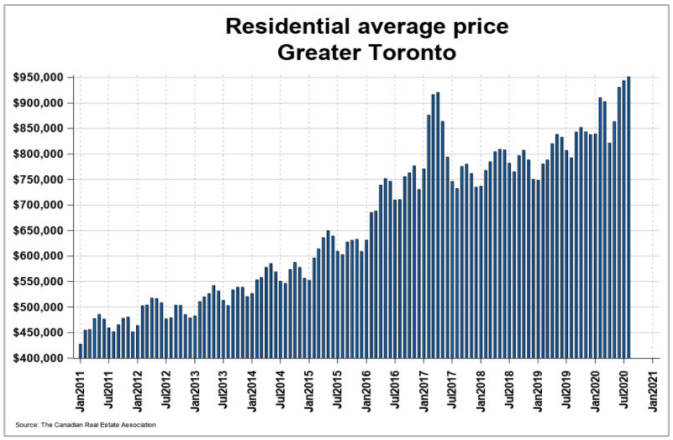
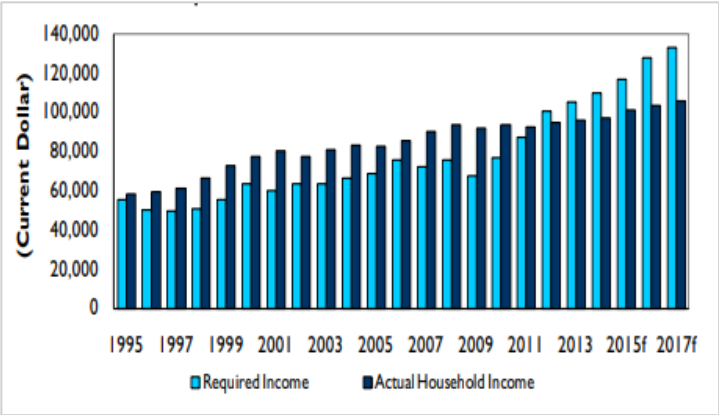


Figure 9: Required Vs. Actual Income to Purchase an Average Priced Home - GTA



Source: CMHC Housing Market Outlook, Greater Toronto Area, Fall 2015

Section 2: Major Trends and Drivers of Intensification

2.4 Housing Cost and Affordability

Single Detached Homes Have Shown Significant Price Increase

Notwithstanding the source of supply constraints, the effects can be seen in the widening divergence in price increases between ground-related and apartment units since 2012, as shown at right in Figure 10. Although the monthly cost of ownership and rental housing may be comparable, affording the necessary down payment remains a major barrier to market entry.

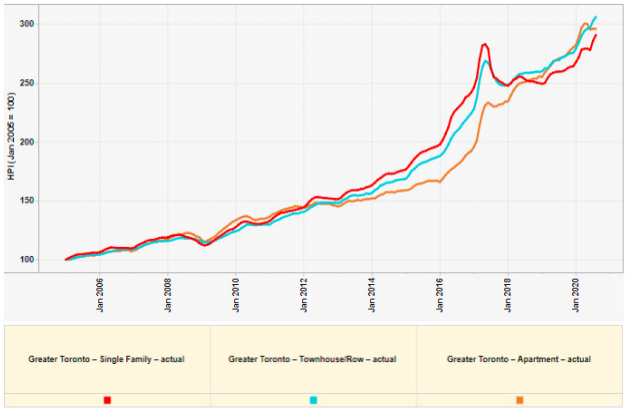
Prices moderated after the 2017 housing correction, and appear to have been affecting units by type more equally since. Apartments have also become relatively less expensive during the COVID-19 Pandemic, in part due to the short-term increase in the supply of vacant units previously used for Airbnb purposes or occupied by residents that have since vacated for financial reasons.

Market has Shifted to Smaller and More Affordable Options

The combination of market, pricing and policy-based factors has led to more people living in denser and more affordable housing. As illustrated by Figure 11, in the 2011 to 2016 period, 52% of new housing construction in the GTHA were apartments versus 29% of the market during the previous 25 years.

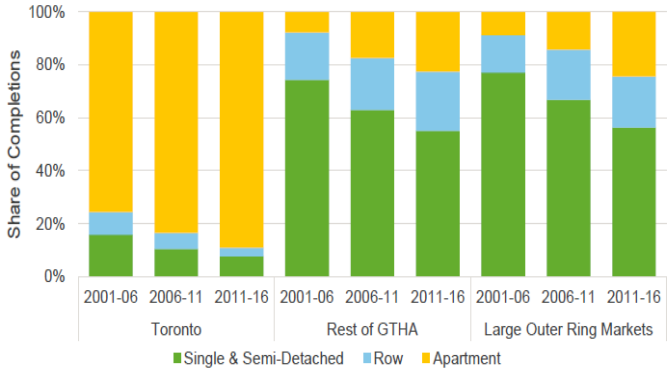
The shift to more affordable options led to a boom in high-rise apartment buildings, historically focussed in Toronto. However, intensification is also occurring in southern Peel and York Regions and, increasingly, Hamilton. Notwithstanding short-term COVID-19 impacts, these trends appear to indicate a lasting shift to medium and higher density forms in the market, which bodes well for the future of intensification.

Figure 10: Change in Housing Price Index Greater Toronto Area 2006 - 2020



Source: Canadian Real Estate Association 2020

Figure 11: Share of Housing Completions by Census Period Within Greater Golden Horseshoe



Source: Hemson Consulting Ltd. Based on Statistics Canada

Section 2: Major Trends and Drivers of Intensification

2.5 Lifestyle Preferences

Emerging trends in lifestyle and locational preferences have driven changes in the distribution of growth within the GTHA, especially evident with the focus of high-rise residential and office development in downtown Toronto. Large-scale intensification, however, is also emerging in other GTHA municipalities, such as southern York and Halton regions and the City of Hamilton.

Demand for Transit-Oriented Urban Lifestyles is Growing

Recent population growth has included many young adults (the "millennials") which has driven key changes in lifestyle and consumer preferences:

- From a locational perspective, there has been a growing interest in more cosmopolitan lifestyles and **walkable communities** with high levels of urban amenities and transit access;
- The **aging of the population** is also supporting this trend, with the elderly increasingly preferring denser urban environments with high levels of amenity and good transit access; and
- The **changing nature of work** also plays a part, including growth in emerging clusters or "archetypes", as developed in recent work prepared by the Neptis Foundation, and the associated "war for talent". As a result, amenity-rich, accessible work environments have become increasingly important to the location decisions of major employers, especially knowledge-based firms seeking to attract young talent and skilled workers.

Notwithstanding short-term COVID-19 impacts, these trends are expected to continue over the planning horizon. At the same time, however, there remains a large pool of demand for family-sized housing. Moreover, as many millennials age and form households the appeal of urban amenities and access to transit will give way to a need for more affordable living space, driving additional demand for ground-related housing. Others will continue to prefer urban locations. This fragmentation of the 'urban' versus suburban housing market creates both challenges and opportunities.

IT IS NOT A COINCIDENCE THAT MANY OF THE GROWING ARCHETYPES ARE LOCATED IN AREAS WITH HIGH LEVELS OF TRANSIT SERVICE.

"Providing excellent transit service offers employers access to the widest possible pool of workers – a critical competitive asset. Attracting employees also means creating a high-quality urban environment – one that integrates transit, provides a walkable and cyclable public realm, and offers worker amenities and services, such as restaurants, cafes, shops, daycares, or recreational facilities."

Source: Neptis Foundation and Metropole Consultants: *Planning the Next GGH,* November 2018

Section 2: Major Trends and Drivers of Intensification

2.5 Lifestyle Preferences

High-Density Development has Concentrated in Downtown Toronto

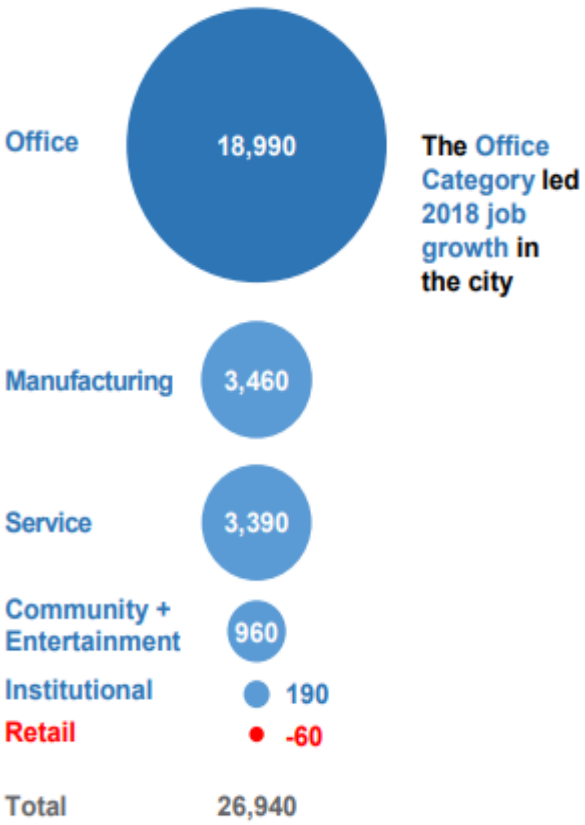
One of the most visible outcomes of recent trends has been the surge of new development in central Toronto. Recent growth is the result of a cycle of economic and demographic factors that are relevant for understanding the drivers of residential intensification:

- The GTHA's continued **transition to a knowledge-based economy** has led to major office-based employers locating in downtown Toronto and, in turn, booming technology-based and Creative Industry sectors that employ a large share of young, mobile workers;
- Professionals in these fields **tend to prefer urban locations** and lifestyles with high amenities and access to transit, which, in turn, attracts more office employers to be close to their prospective work force; and
- This **trend is accelerated by congestion**, ironically, as Union station becomes ever more accessible to the maximum GTHA labour force, via the TTC subway, light rail, bus and a radial commuter rail network (GO Transit) delivering significant in-bound ridership (and jobs) from communities in the '905' areas.

Employment growth has been so strong that Toronto has already achieved its 2031 employment forecast and will likely achieve its prior 2041 forecast sometime between 2024 and 2026. The office sector has been performing particularly well (until recently) as shown in Figure 12.

At the same time, there has also been an increase in office work occurring in non-office forms, in particular "flex space" which has become more widespread due its cost advantages and flexibility in use . Other forms of smaller co-working and shared office space have also become more prevalent, including in the City of Hamilton: another trend that may be accelerated by the COVID-19 Pandemic.

Figure 12: City of Toronto Job Increase by Category, 2017-2018



Source: Toronto Employment Survey 2018, Toronto City Planning

Section 2: Major Trends and Drivers of Intensification

2.5 Lifestyle Preferences

Market has Emerged in Other GTHA Municipalities

There is no question that the recent focus of development in downtown Toronto has been extraordinary by any measure. Contrary to popular belief, however, this trend is in line with the traditional demographic pattern of young adults moving to the urban core for education and job opportunities. It just so happens that recent growth has included a large share of this age group which, along with the growing technology-based and Creative Industry sectors that attract large numbers of young professionals, have concentrated in and around the downtown.

Numerous residential and mixed-use developments are completed underway or proposed in the VMC, including major offices.

The City of Toronto will continue to play a major role in accommodating apartments, however it is no longer the only part of the market. Large-scale intensification has been occurring outside Toronto in more urbanized areas such as in the vicinity of shopping centres (e.g. Mississauga) in older commercial areas (e.g. Oakville) and along major arterial roads (e.g. Hamilton). Substantial levels of intensification are also taking place in the Vaughan Metropolitan Centre (VMC), supported in large part by the new subway line to downtown Toronto.

Pier 8 in Hamilton's West Harbour area is envisioned to accommodate 1,500 new units and significant non-residential floor space.

These emerging areas offer many of the factors that attract younger workers (access to employment, transit, shopping, urban amenities) but not yet at the level that attracts so many to central Toronto. Indeed, the City of Toronto appears to have entered a period of growth where the sheer scale of new investment creates its own market interest – or "buzz" – making the downtown attractive for intensification in its in its own right in addition to broader demographic and economic trends. Nevertheless, some higher density housing is being built through intensification outside Toronto, including the City Hamilton, the City of Guelph, the Kitchener-Cambridge-Waterloo area and others.

Section 2: Major Trends and Drivers of Intensification

2.5 Lifestyle Preferences

Intensification is not a Substitute for Greenfield Development

While intensification is emerging in other GTHA municipalities, ground-related housing types remain the dominant form of development for most communities outside Toronto. The exceptions are locations where a specific circumstance or catalyst for intensification is in place, such as major transit investment (the VMC), an almost fully built-out land supply (Mississauga) or large numbers of students and young professionals related to the technology sector (Kitchener-Cambridge-Waterloo, Toronto).

For the most part, older adults and families with children continue to locate largely outside the City of Toronto, mainly because of the availability of larger and more affordable family-sized units. Most Canadians also live in suburban spaces. An estimated two-thirds of the country's total population are living in some form of suburb, with over 80% in the large metropolitan areas of Toronto, Montreal and Vancouver: in short, a nation of City-dwellers who live in the suburbs (Council for Canadian Urbanism, 2018).

Achieving higher rates of intensification is an important objective within this context. From a planning perspective, however, housing units built as intensification within the built-up area are generally not a direct substitute for ground-related housing in greenfield areas. Almost all of the designated land for larger family-sized housing is outside the City of Toronto. As a result, and despite the boom of apartments in the downtown, most of the population and housing growth to 2051 will continue to be accommodated in the regional ("905") municipalities of the GTHA and City of Hamilton. The distribution and timing of this growth, in turn, will be governed largely by the availability of housing supply to meet this demand for family-sized units.

Section 3: The City of Hamilton in Context

As discussed in Section 2, demand for residential intensification is driven by strong economic and demographic forces, combined with lifestyle and employer preferences. This section provides an overview of the City of Hamilton within this context, including its expanding role in the metropolitan area, population and housing market trends and residential intensification activity.

3.1 Hamilton's Expanding Role in the Metropolitan Area

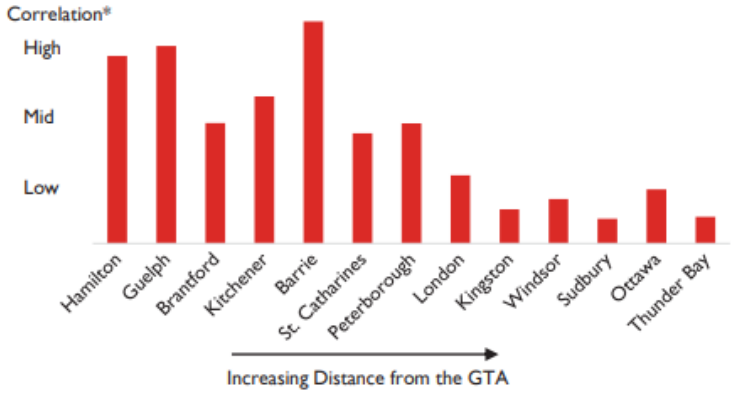
Since facing a period of economic struggles from the mid-1970s onwards, there has been an accelerating interest in the City as a location for new housing and business investment. Recent growth trends bode well for the future of intensification.

Housing Cost Spillovers From GTA

House prices in the central GTA have increased faster than surrounding areas, especially for larger, family-sized units. These price increases continue to motivate buyers to purchase more affordable homes in nearby urban areas, driving up prices in those communities.

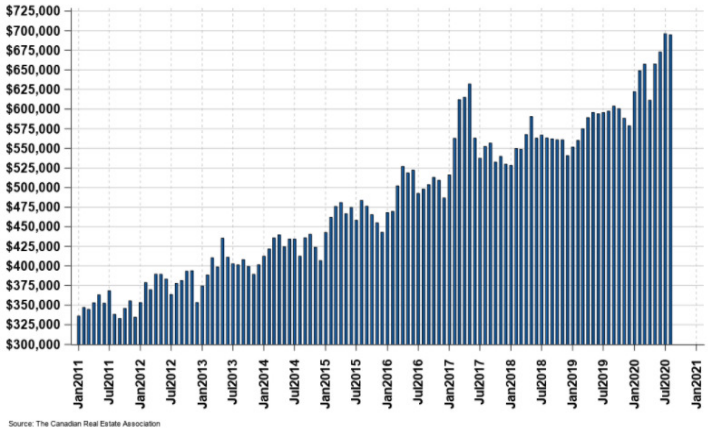
As shown in Figure 13, price spillovers historically have been most prevalent in the cities of Barrie, Guelph and Hamilton. And there is anecdotal evidence that more recent spillovers are occurring even further to the west in Brantford, St. Catharine's-Niagara, and Kitchener. As shown by Figure 14, average housing price in the larger Hamilton-Burlington area has risen steadily over time, even after the 2017 peak and correction. However, while prices may have increased, the City of Hamilton remains affordable relative to the broader GTA where the amount of price appreciation has generally been greater.

Figure 13: Price Growth Relationship Between GTA and Nearby CMAs



Source: CMHC Housing Market Insight Report, Hamilton CMA, January 2017

Figure 14: Historic Residential Average Price Hamilton-Burlington Area



Section 3: The City of Hamilton in Context

3.1 Hamilton's Expanding Role in the Metropolitan Area

Economic Migration from Central Toronto

Hamilton's relatively affordable real estate market has made the City more attractive not only for new home buyers but also economic development. This is one of the reasons for the City's burgeoning Creative Industries sector and local arts scene: economic activities that attract young workers and tend to cluster in central urban areas.

There is anecdotal evidence of downtown Toronto businesses relocating for more affordable space options, including the City of Hamilton. The changing nature of the office market is also driving demand for 'flex space', shared work spaces and other co-working arrangements as well as 'Brick and Beam' retrofits, such as the Westinghouse redevelopment and Cotton Factory Creative Hub, both shown at right.

In our view, the COVID-19 Pandemic is likely to at least sustain current trends in the office market. Increases in remote working have also led to an interest in new office models: the 'hub and spoke' concept, for example, which is characterized by a small central office augmented by other smaller offices or co-working space closer to where employees live. This trend along with the overall attraction of suburban office markets from a real estate cost perspective bodes well for the future of office growth and residential intensification in the City of Hamilton.

Over the longer-term, these trends are anticipated to continue as a result of the growing cost, ever-worsening congestion and other disbenefits to occupying central Toronto office locations. A positive outlook for office growth bodes very well for the future of intensification, especially growth in tech-related/creative sectors and associated demand for fashionable office space in historic downtown industrial buildings.

The former Westinghouse headquarters shown above has been converted to 80,000 sq. ft of Class A office space and a ground floor event space

The former Imperial Cotton Co. has been transformed into the "Cotton Factory": a creative industries complex, with space for workshops and small manufacturing, office space for creative professionals, and studios for artists

Section 3: The City of Hamilton in Context

3.1 Hamilton's Expanding Role in the Metropolitan Area

Role as Regional Centre in Southwest GGH

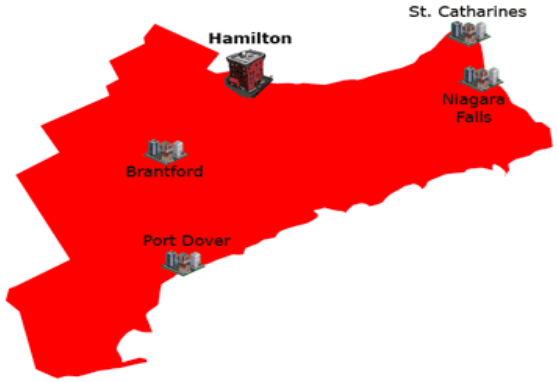
The City of Hamilton has served as a regional centre within the broader southwest GGH for decades. The City is the location of significant higher education and health care resources, community service and cultural amenities serving the broader Hamilton-Niagara-Haldimand-Brant area, represented conceptually by the boundaries of the Local Health Integration Network (LHIN) shown in Figure 15.

Continued housing cost spillovers combined with economic migration from central Toronto is likely to solidify if not expand the City's economic role as a regional service centre. There is also the real possibility of Hamilton emerging as the second major historic downtown centre in the GGH, driven by a combination of intense growth pressure in the Toronto core and the City's growing attraction for new business investment.

This potential also suggests that Hamilton will continue to serve demand for 'regional' population-related employment such as hospitals, universities and specialized downtown shopping. As noted, a key factor driving housing demand in the outer ring will be continued out-migration from the GTHA. This pattern of demand – combined with the focus on boosting housing supply as part of Bill 108 and new LNA method – is anticipated to continue for communities in the broader Hamilton-Niagara area; especially larger, family-sized housing.

There is recent anecdotal evidence of increased sales and pricing in Hamilton and farther afield in Niagara. The trend towards more dispersed growth (discussed in Section 2.2) combined with the City's burgeoning Creative Industries sector (especially film) could further expand the City's current role as a regional service centre within the southwest GGH and, in turn, support demand for residential intensification.

Figure 15: Service Area of the Hamilton Niagara Haldimand Brant LHIN



"COVID-19 speeds up home buyer exodus from Toronto, condo market quivers"
Reuters, *August 2020*

"'It's a 180-degree turn': Toronto realtors see signs of a pandemic exodus"
Globe and Mail*, August 2020*

"Hamilton house prices explode amid COVID as Toronto buyers leave commuting worries behind"
CBC News, *September 2020*

Section 3: The City of Hamilton in Context

3.1 Hamilton's Expanding Role in the Metropolitan Area

Industrial and Business Park Development

Hamilton is forecast to play a greater role in accommodating employment growth over the long-term, especially for business park and industrial-type uses. After lagging behind for years, this sector has recently returned to higher levels of performance:

- Demand for **greenfield industrial land** and building space has increased, as indicated by recent and pending projects in the Ancaster, Stoney Creek, Flamborough and Red Hill Business Parks. According to City staff, there is also a growing market interest for development lands in the Airport Employment Growth District (AEGD);
- The **Port of Hamilton** continues to expand as a key link in the goods movement network for agri-food, steel, and other marine-supported industry. Continued investment combined with the amalgamation with the Oshawa Port Authority speaks to a growing regional role for the Port as a major piece of economic infrastructure; and
- There is a renewed interest in the **Bayfront Industrial Area** as a location for growth. Of particular interest is the potential of the nearly 800 acre (310 ha) Stelco lands to accommodate a mix of new employment and potentially additional Port-related uses.

Demand for industrial space in the GTHA is currently surging and expected to remain strong, driven by growth in e-commerce, logistics, professional services and technology-related uses. The City's ability to provide large development sites is a major competitive advantage within this market and especially as the supply of high-quality sites in other GTA west locations becomes increasingly scarce. As the City's industrial and business park development accelerates, employment will grow, making the City more attractive as a location for new investment and, in turn, driving population growth and increased demand for housing units overall.

Section 3: The City of Hamilton in Context

3.1 Hamilton's Expanding Role in the Metropolitan Area

Research, Innovation and the Technology Sector

Another element of the City's economic and social transformation is its growing attraction for research, innovation and technology-related sectors:

- The City has solidified its role as **a leading centre for research and development** in the GGH, notably for health and life sciences, but also the automotive, steel and advanced manufacturing sectors. The City has been recognized as one of the **Top Intelligent Communities** in the World by the Intelligent Community Forum (ICF) for best practices in workforce development, innovation, and digital inclusion and advocacy (2018 and 2020);
- A network has evolved to encourage **innovation and entrepreneurship at the local level** including the McMaster Innovation Park (MIP) and Joyce Centre for Partnership and Innovation at Mohawk College. Collaborative workspaces such as Seedworks, the Cotton Factory and other shared office/creative spaces have emerged throughout the City to further support growth; and
- The City (until recently) has been experiencing **accelerated growth in the technology sector** along with other areas such as City of Guelph and the Kitchener-Cambridge-Waterloo area. Similar to housing, this growth has been driven in part by rapid office growth, rising space and operating costs and a shortage of qualified talent in the downtown Toronto market.

TOP7 INTELLIGENT COMMUNITIES OF THE YEAR

Notwithstanding the short-term COVID-19 impacts, the City is expected to continue its past strong performance in technology-related and Creative Industry sectors. The film sector, in particular, has the potential to outpace growth expectations. Moreover, a key aspect of emerging tech markets is the presence of younger age groups, which prefer urban lifestyles and tend to cluster in downtown areas. This demographic is also a major source of demand for high-density apartment units and, in turn, residential intensification. Improved accessibility to downtown Toronto via the West Harbour GO station is anticipated to compound these advantages over time.

Section 3: The City of Hamilton in Context

3.2 Local Population and Housing Market Trends

Population and housing market trends in Hamilton have largely followed the broader metropolitan area, including recent growth in central city areas, growth in younger age groups and a shift to more affordable, higher density housing. The long-term outlook remains positive, and both greenfields and intensification will play a role in accommodating growth.

Population Growth has Shifted Within the GTHA

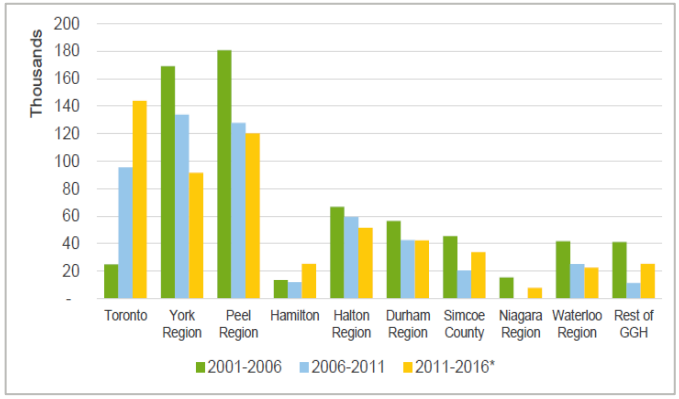
As shown in Figure 16, since 2001 the regional '905' municipalities have accounted for the majority of population growth in the GGH, especially the regions of York and Peel. Their highest levels of growth were in the 2001-2006 period, then declines thereafter. The Cities of Hamilton and Toronto, on the other hand, experienced their most rapid growth in the 2011 to 2016 period as part of a broad shift of growth towards more central city areas.

Recent Growth is Largely in Younger Age Groups

Within the GGH there is a long-standing pattern of growth in the form of young adults moving to the "Big City" for education and employment (historically the City of Toronto) and older adults, along with their children, moving out of Toronto to the '905' and further afield to adjacent communities in the GGH.

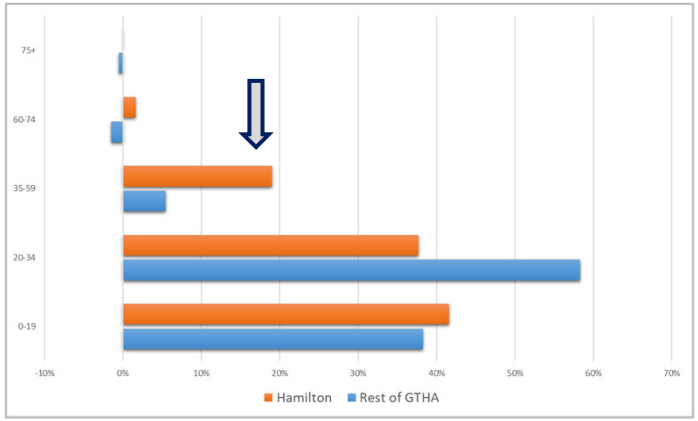
The demographic profile of growth in Hamilton shows a similar pattern of migration, primarily from other locations in the GTHA but also Canada and internationally. As shown in Figure 17, the recent growth has been mainly young adults and those in early family formation years, similar to the profile that has driven growth in the regional municipalities in the rest of the GTHA and GGH.

Figure 16: Population Growth by Census Period, GGH, 2001-2016



Source: Hemson Consulting Ltd. Based on Statistics Canada Annual Demographic Statistics

Figure 17: Age Structure of Net Migration, Hamilton, Rest of GTHA (2016 -2021e)



Source: Hemson Consulting Ltd. Based on Statistics Canada Annual Demographic Statistics

Section 3: The City of Hamilton in Context

3.2 Local Population and Housing Market Trends

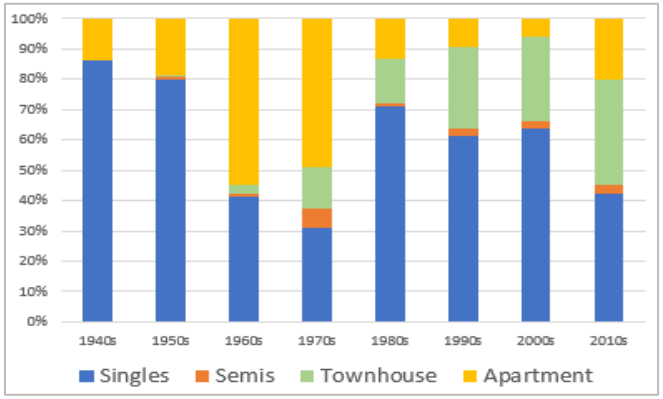
Housing Market has Shifted to Higher Density Forms

Consistent with broader trends, the housing market in Hamilton has generally shifted away from single and semi-detached forms towards towns and higher density apartment units.

- As shown in Figure 18, within the ground-related category, row houses are making up increasing share of dwellings built; and
- As shown in Figure 19, the single-family home market has moved to progressively smaller lots over time.

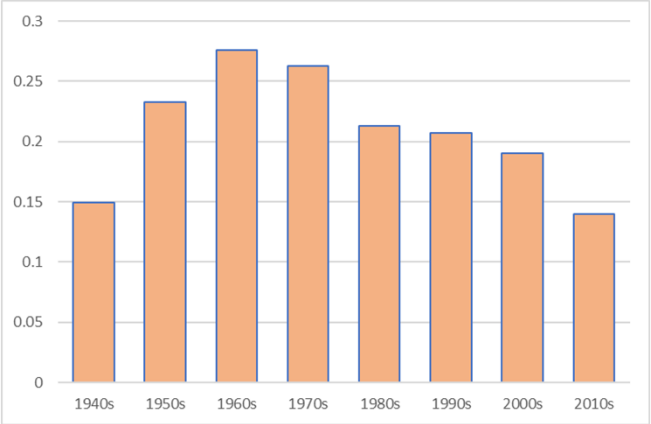
Although home prices and land values have increased, Hamilton's ground-related market remains relatively affordable within a broader GTHA context. There is also evidence that the City's apartment market has strengthened considerably and especially in the downtown and the central-west Hamilton area.

Figure 18: City of Hamilton Dwellings Built by Type 1940-2019



Source: City of Hamilton

Figure 19: City of Hamilton Average Single Family Lot Size 1940-2019 (acres)



Source: City of Hamilton

Forecast is For More Rapid Growth Moving Forward

The 2012 Schedule 3 *Growth Plan* forecasts overestimated population in Hamilton to 2019 (described more in Section 4.1) though growth over the last few years (until recently) is evidence of a turnaround. The 2020 *Growth Plan* forecasts anticipate more rapid growth moving forward in order to compensate for the growth 'delayed' by the abrupt changes brough about by COVID-19.

Population will be driven by significantly higher levels of in-migration from the rest of the GTHA than in the past and, in turn, demand for housing units overall. The City will need to maintain this higher rate of population growth to achieve the *Growth Plan* forecast over the period to 2051. The potential for approval delay and other challenges with getting new land supply to market will be an important strategy consideration within this context.

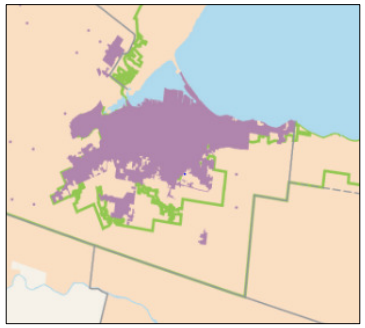
Section 3: The City of Hamilton in Context

3.2 Local Population and Housing Market Trends

Intensification and Greenfields Both Play a Role

Over the period to 2051, there will be demand for a variety of housing types in Hamilton including larger family-sized units in greenfield locations and units serving non-family needs through intensification. From a planning perspective, however, it is important to reiterate that these two housing markets are not direct substitutes for each other:

- **Intensification is driven by demand**. Powerful economic and demographic forces combined with emerging trends in lifestyle and employer preferences largely dictate the amount and distribution of intensification that occurs throughout the broader metropolitan area.
- **Greenfield development depends on land supply**. Although greenfields have densified over time, growth is still driven primarily by the available land supply. Where demand outstrips that supply, the majority of the market will tend towards smaller lot sizes or move to another location. This trend includes both new and resale housing with the latter, according to City staff, being a key driver of housing demand especially in the lower city.



Having the right planning policies in place is a necessary pre-condition to facilitate development. However, **demand needs to change for more intensification to occur**. More people must want to live in a dense urban environment. Hamilton's success in the market, therefore, depends on the City's relative attraction for new high-density investment within the broader metropolitan context.

Both intensification and greenfields will be required to accommodate future demand, or there is a risk that the *Growth Plan* forecasts will not be achieved as the market for larger-family sized units simply moves further afield. This scenario may lead to fiscal and service delivery challenges associated with reliance on unrealized revenue from development that does not occur as planned (an issue discussed further in Section 5 of this report).

Section 3: The City of Hamilton in Context

3.3 The Pattern of Residential Intensification

The total amount of intensification has been in line with the original GRIDS expectations. Somewhat more has occurred in neighbourhoods and less in the nodes and corridors and downtown than was anticipated, however this was due in large part to the presence of remnant vacant parcels within the built-up area. This type of supply is increasingly limited and apartments have become a larger part of intensification activity.

Total Amount of Intensification Has Met Expectations

In 2006, a residential intensification (RI) study was prepared for the original GRIDS and official plan review. The study identified a demand for intensification of **26,500 units to 2031**, consistent with the *Growth Plan* target at the time (2006) that 40% of all new units be accommodated within the built-up area over the planning horizon.

The level of intensification the City has experienced is **on track with these expectations.** As shown at right, a total of roughly 26,800 housing units were constructed across Hamilton over the 2008 to 2019 period. Of these units, approximately 9,500 were located inside the built-up area, which translates into a 35% rate of intensification within a *Growth Plan* context. A higher rate has been achieved in the post-2016 period, albeit with some COVID-related changes dampening the market in early 2020.

As expected, a large share of intensification units (60%) were apartments. The other 40%, however, were ground-related (single and semi-detached and rowhouse units). As the readily available ground-related supply within the City's built-up area is consumed, **the focus of intensification will have to shift** towards higher density forms – especially apartment units – in order to achieve the *Growth Plan* intensification target.

Projected vs. Actual Intensification 2008-2019	
Projected RI Units	10,800
Actual RI Total Units	9,500
City-Wide Total Housing Units	26,830
Intensification Rate	35%
Average annual unit production	790
Intensification rate post-2016 Census	38%

Source: City of Hamilton (housing starts)

Actual Intensification Housing Mix 2008-2019	
Single and Semi	2,440 (26%)
Rowhouse	1,360 (14%)
Apartment	5,700 (60%)
Total	9,500 (100%)

Source: City of Hamilton (housing starts)

Section 3: The City of Hamilton in Context

3.3 The Pattern of Residential Intensification

Distribution of Growth has Been Different

While the City-wide amount of intensification has been in line with the original GRIDS expectations, to date the distribution of growth has been somewhat different. Based on the GRIDS analysis in 2006, the UHOP identified the following RI targets by location:

- Downtown Urban Growth Centre (UGC) - 20% of RI Units;
- Urban Nodes and Corridors - 40% of RI Units; and
- Neighbourhoods – 40% of RI Units.

The planning expectation was for the nodes and corridors and downtown Urban Growth Centre (UGC) to accommodate intensification activity over the period to 2031, in accordance with mandated Provincial planning policy directions at the time. To date, however, the neighbourhoods have been accommodating a larger share of intensification activity, including a large share of more traditional ground-related housing in the form of single, semi-detached and rowhouse units.

It should be reiterated that this pattern of growth is mainly the result of the absorption of large or 'greenfield' sites that happened to be located within the built-up area and not necessarily an indication that the UHOP distribution is no longer appropriate. As this supply becomes increasingly limited, the pattern of growth will likely shift and become more aligned with original expectations. The majority of intensification that *has* occurred in the downtown is in apartments. The nodes and corridors have also been accommodating a large share of apartment units as well as strong growth in townhouse units. The shift to apartment units has been especially pronounced in the post-2016 period.

Actual Intensification within Built-up Area 2006-2016

Location	Share of new units
Downtown Urban Growth Centre (UGC)	13%
Nodes and Corridors	19%
Remaining Neighbourhoods	68%
Total	100%

Source: City of Hamilton. *GRIDS2 Growth Summary 2006-2016*

As the remaining supply of large vacant, underutilized or remnant 'greenfield' sites is developed within the built-up area, the pattern of intensification will likely become more focussed in the nodes and corridors and downtown UGC, consistent with GRIDS expectations over the planning horizon.

Section 3: The City of Hamilton in Context

3.3 The Pattern of Residential Intensification

Apartments Have Become a Larger Part of the Picture

To date, intensification has been occurring across a range of forms, including ground-related housing that may not be 'true' intensification from a planning perspective but still counts towards the *Growth Plan* target. As noted, this pattern of growth is connected to the development of remnant greenfield parcels and 'easy' underutilized sites within the built-up area.

For most communities in the GTHA, growth within the built-up area has taken place where land supply is most economically viable, beginning with available ground-related units for which demand is strong. As this ground-related supply is consumed, intensification must occur increasingly in the form of higher density rowhouse and apartment units. The recent pattern of intensification in Hamilton reflects this well-established progression.

As shown at right, the share of apartment unit construction has increased, especially after 2016. On the flip side, the share of single and semi-detached units has declined. Row houses show the same pattern, generally declining in share over time consistent with a steadily depleting land supply for ground related units. Currently the large rowhouse market that does exist in the GTHA and Hamilton is primarily greenfield in nature.

Of course there will continue to be some infill and redevelopment within the City's neighbourhoods, including both ground-related and "missing middle" housing forms. However, as the supply of large vacant parcels and easy redevelopment sites is consumed, the form of intensification will increasingly be characterized by mid and high-rise apartment buildings. The majority of this type of development is accommodated in the downtown UGC and urban nodes and corridors. This pattern is expected to continue over the forecast period to 2051, as discussed in the next section.

Apartment Unit Share of Intensification 2008-2019

Year	Share %
2008	27%
2009	12%
2010	36%
2011	65%
2012	21%
2013	57%
2014	57%
2015	80%
2016	66%
2017	71%
2018	90%
2019	70%
2008-2011	**36%**
2011-2016	**61%**
2016-2019	**76%**
2008-2019	**60%**

Source: City of Hamilton (housing starts)

Section 4: Forecast Demand for Intensification

The forecast demand for intensification in Hamilton is prepared within the context of the broader growth outlook and the City's growing attraction as a location for investment. A range of future outlooks are shown, based on varying Hamilton's relative attraction for new investment. Consistent with recent economic and demographic trends, intensification is anticipated to be focussed in central Hamilton, in particular the downtown and West Harbour Area, but these areas will not be the only locations for intensification.

4.1 The Growth Outlook for the GTHA

Most Communities were Trailing *Growth Plan* Forecasts up to 2016

As noted previously, many communities outside the City of Toronto have been trailing the growth forecasts prepared as Amendment 2 to the *Growth Plan* as measured by Statistics Canada. As shown below, with the exception of employment in the City of Toronto, all upper and single tier municipalities in the GTHA are behind forecast expectations, including the City of Hamilton.

Total Population and Place of Work Employment, GTHA 2016
Upper and Single-Tier Municipalities Compared to Background Work to Schedule 3

	Background Work to Schedule 3		ADE Estimates	Census Employment	Differences	
Municipality	Total Population	Place of Work Employment	Total Population	Employment	Population	Employment
Durham	691	268	670	224	(21)	(44)
Halton	575	290	570	263	(5)	(27)
Hamilton	568	252	550	229	(18)	(23)
Peel	1,455	741	1,430	695	(25)	(46)
Toronto	2,865	1,573	2,820	1,608	(45)	35
York	1,199	611	1,140	544	(59)	(67)
GTAH	**7,353**	**3,735**	**7,180**	**3,563**	**(173)**	**(172)**

Source: Hemson Consulting Ltd. based on Statistics Canada data and Annual Demographic Estimates (ADE) 2020. Total Population includes Census Net Undercoverage

The main reason for the shortfall is that the forecasts prepared for 2011 to 2016 did not anticipate the degree of out-migration to western Canada from Ontario or Ontario's decline in its national share of immigration. These patterns have now returned to historic averages. The concentration of employment growth in Toronto over this period further shifted the regional distribution, compounding the short-term effects of migration trends.

Section 4: Forecast Demand for Intensification

4.1 The Growth Outlook for the GTHA

Post-2016 Growth was Accelerating Until the COVID-19 Pandemic

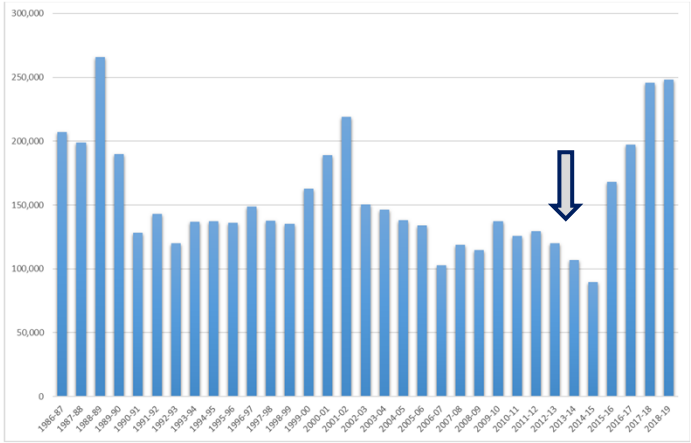
As discussed, population growth is related to economic cycles and immigration rates, with the pattern of lower-than-expected growth in the 2011 to 2016 period indicated by the arrow in Figure 20. Since 2016, there was a reversal of inter-provincial migration back in favour of Ontario. Rising national rates of immigration and Ontario's rising share of those rates made 2018 and 2019 the largest years ever for population growth in the GTHA.

Likewise, employment had also started to grow more rapidly in 2018 and 2019. As illustrated in Figure 21, the employment growth rate in Hamilton had been low compared to Toronto, especially in the 2011-2016 Census period. After 2016, the rate of employment growth increased: over the period to 2019, the Hamilton CMA grew at nearly 4% annually and well outpacing the Toronto CMA, until COVID-19 paused this trend.

Pre-Pandemic Conditions Expected to Return by mid-2023

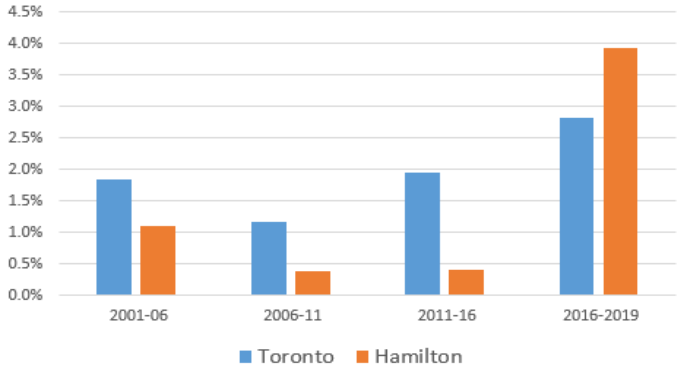
Prior to the COVID-19 Pandemic, the rate of employment growth for both Hamilton and the Toronto CMA was tracking well ahead of the Amendment 2 *Growth Plan* (2019) forecast for the 2016 to 2021 period. The updated *Growth Plan* forecast incorporates a severe economic contraction arising from COVID-19, however **overall growth is expected to return to pre-pandemic expectations by mid-2023**. For Hamilton, the employment forecast is predicated on continued diversification of the local economy, the revitalization of central City employment areas and the emergence of small major office clusters supported by well-located and extensive employment areas throughout the City.

Figure 20: Ontario's Historic Annual Population Growth 1986-2019



Source: Hemson Consulting Ltd.

Figure 21: Rate of Employment Growth 2001 to 2019 for Hamilton and Toronto CMA



Source: Hemson Consulting Ltd.

Section 4: Forecast Demand for Intensification

4.2 Outlook for Intensification in the City of Hamilton

The market demand outlook for intensification is prepared within the context of the *Growth Plan* forecasts and the City's growing integration within the GTHA. A market-based approach is taken to the analysis to prepare a Current Trends, Low and High forecast over the period to 2051.

A Market-Based Outlook for Planning Purposes

It is important to reiterate that the approach taken to the forecast is to provide a long-term demand outlook for planning purposes. The assignment is not intended to address short-term demand for unit types, pricing or sales. The outlook is undertaken from a **market perspective**, which is different than policy-based approaches such as the *Growth Plan* or economic development and marketing strategies, which tend to be more aspirational in nature.

While aspirational outlooks are useful for economic development and marketing purposes, they are not necessarily appropriate for an analysis of urban land needs within a *Growth Plan* context. There are also many uncertainties that could affect future growth that are difficult if not impossible to predict, such as the COVID-19 Pandemic, as well as changing migration patterns and resulting shifts in the land and building space required to accommodate growth.

Under the *Growth Plan*, the intensification target has the effect of reducing the number of units allocated to the City's designated greenfield areas through the LNA and, in turn, the different types of units available to satisfy future demand. If the supply of greenfield and intensification units is not reasonably balanced, there is a risk that the *Growth Plan* forecast will not be achieved, which could lead to fiscal and service delivery challenges. As a result, the forecast presented in this report is a market-based outlook that represents, in our view, the most **plausible range of future demand**. It will be for the City to balance the market forecast with policy objectives to be developed as part of GRIDS2 and the MCR.

Growth Plan
Population and Employment Forecasts

↓

Housing Growth
Total Housing Units Required

↓

Intensification
Subtract 50% of units inside built-up area

↓

Greenfield Area
Arithmetic result of units required

⇩

The *Growth Plan* intensification target has City-wide implications. A market-based outlook is required for City planning policy analysis

Section 4: Forecast Demand for Intensification

4.2 Outlook for Intensification in the City of Hamilton

Growth Plan Provides the Context for Analysis

The forecast of demand for intensification is prepared within the context of the *Growth Plan* Schedule 3 forecasts, which must be used for planning purposes by all municipalities in the GGH, including the City of Hamilton. Higher forecasts may be considered as part of the MCR, however lower forecasts are not permitted.

For Hamilton, the *Growth Plan* forecasts a total population of 820,000 in 2051, which translates into a City-wide total of approximately 332,900 housing units. This forecast represents growth of **110,300** units from an estimated 2021 base, summarized at right. The *Growth Plan* forecasts are structured as a share of the GGH housing market taking into account land supply, especially in Halton and Peel Regions where rapid population growth continues.

Over time, as the supply of development lands in these competing locations is depleted, Hamilton will be drawn 'closer' to established communities in the GTA-west and demand for housing will increase. The re-emergence of the downtown as an attractive location for technology-based industry and office uses combined with the City's expanding economic and demographic role in the GGH supports the view towards accelerating growth over time.

The economic integration enabled by the new West Harbour GO station is a further advantage in this context. Improved connectivity to downtown Toronto will, over time, encourage new business investment both within the City's designated greenfield areas and intensification in the built-up area.

City of Hamilton Census 2016 Housing Units and Forecast to 2051	
2016 Census Existing Housing Units	211,600
2021 Estimated Existing Housing Units	222,600
2051 City Total Housing Unit Forecast	332,900
2021-2051 Forecast Housing Unit Growth	110,300

Source: Hemson Consulting Ltd. Housing units are occupied private households in accordance with Census definitions. 2021 units are estimated from CMHC housing market information.

The *Growth Plan* forecasts a total population of 820,000 in 2051 for the City of Hamilton, which **is the minimum forecast to be used** for planning purposes. Lower forecasts are not permitted.

The *Growth Plan* 2051 population forecast translates into a City-wide total of 332,900 housing units, representing growth of 110,400 units over the 2021-2051 period.

Section 4: Forecast Demand for Intensification

4.2 Outlook for Intensification in the City of Hamilton

Approach Is to Model a Range of Demand Outlooks

The forecast of demand is undertaken within the control total of the City-wide housing forecast. As illustrated at right, the *Growth Plan* population forecast translates into a **significant increase in housing growth** over the period to 2051: **more than a doubling** of the historic rate of completions **from 1,700 to 3,700 units annually**. The intensification demand outlooks are modelled within this context, as follows:

- The housing mix within the built up area is set broadly at 20% ground related and 80% apartment units. Between 3% and 5% of apartments would be accessory units, which are the added apartments to a house rather than duplex units as defined by Statistics Canada. This definition is used to more accurately reflect how these units are treated from a land use planning perspective.
- The unit mix in greenfield and rural areas is set broadly at 95% ground-related units, for our purposes here only. A different housing unit mix may be determined as part of the updated LNA (2020) in accordance with the new Provincial method noted previously. Within the ground-related market, row housing is anticipated to remain strong, accounting for approximately 25% of total new units; and
- Each of the demand outlooks is varied in terms of the overall housing mix as a way to reflect Hamilton's relative attraction for high-density residential development within the broader GTHA market context. The result is a Current Trends, High and Low forecast demand outlook.

1,700 units

Historic average annual housing completions, City of Hamilton 2001 – 2021(est.) based on data from CMHC housing market tables

↓

Growth Context

The *Growth Plan* population forecast translates into a more than doubling of historic housing growth over the period to 2051.

↓

3,700 units

Average annual housing unit completions required to achieve *Growth Plan* 2051 population forecast for the City of Hamilton

Significant Intensification Anticipated

A significant amount of intensification is anticipated to occur under all of the demand outlooks. As noted, from a development perspective, the *Growth Plan* anticipates an expanded economic and demographic role for Hamilton. This outcome may have been delayed somewhat but has recently been unfolding as predicted, with the continued depletion of development lands in nearby communities and increasingly integrated housing and labour markets drawing the City of Hamilton closer in to the social and economic orbit of the broader GTHA marketplace.

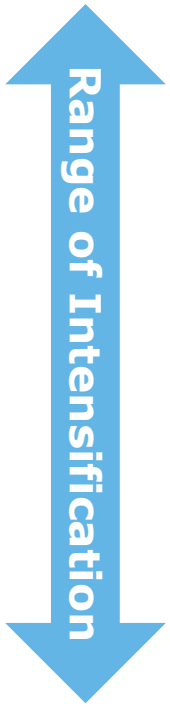
Section 4: Forecast Demand for Intensification

4.2 Outlook for Intensification in the City of Hamilton

Current Trends, High and Low Forecast

The demand outlooks are summarized below. In accordance with the *Growth Plan,* intensification is defined as all new units inside the built-up area, regardless of unit type. However, most of the growth over time will be in apartment units as noted previously. The resulting share of new units within the built-up area is an **output of the analysis,** and shown only for ease of comparison to the *Growth Plan* Target.

High Forecast
Approaching Maximum market-based demand



Low Forecast
Closer to 'business-as-usual'

Current Trends Forecast – Results in 40% of New Units as Intensification

The Current Trends Forecast continues the City's strong recent performance within a post COVID-19 economic context. It continues the recent and well-documented upswing in apartment construction, resulting in 40% of all new units inside the built-up area. While the *share of intensification units* may be consistent with the City's past performance, the actual amount is much higher compared to past trends because the overall housing unit growth is greater. Under the updated *Growth Plan* forecasts*,* housing growth increases quickly after 2021 and is maintained over the period to 2051.

Low Forecast – Results in 29% of New Units as Intensification

The Low Growth Forecast is closer to a "business as usual" outlook. It anticipates a more modest increase in the share of apartment units, reflecting the amount that might be expected to occur if the market were left to its own devices without any substantial policy intervention. The forecast results in 29% of new units within the built-up area, which is still a significant amount of intensification.

High Forecast – Results in 48% of New Units as Intensification

The high forecast is approaching the maximum plausible demand outlook. It anticipates a significant acceleration of current apartment construction and growth in the central Hamilton real estate market. The forecast translates into 48% of new units within the built-up area. This level of intensification would have significant implications for the amount, type and scale of new development that would need to occur in the community.

Section 4: Forecast Demand for Intensification

4.3 Demand Outlooks

Current Trends Forecast – 40% of New Units as Intensification

The Current Trends Forecast maintains the recent pattern of Hamilton's resurgence as an economic and cultural centre within the GGH and a continued shift in housing preference towards apartments. The following key points are of note:

- The current trends forecast anticipates a total growth of approximately 44,100 units inside the built-up area over the period from 2021 to 2051. This equates to a share of approximately 40% of new housing units.
- While this outlook may look similar to past trends (just under 40% of new units in the post-2016 period as noted previously) it is not a 'straight line' forecast. The overall level of housing unit growth, and therefore amount of intensification, will be much higher compared to the past.
- The forecast translates into a total of 1,470 intensification units annually, which is an increase of nearly 700 units per year compared to past trends. To achieve this forecast, 12,600 households that would otherwise occupy ground-related housing will need to shift their preference to apartment units.
- Of the total housing units forecast for inside the built up area, approximately 33,500 will be apartment units. To provide a sense of what this outlook means in terms of new construction, 33,500 new apartment units over a 30-year period (2021-2051) translates into approximately 1,120 units per year.
- At an average size of between 150 and 200 units, this means that **6 to 7 new apartment buildings would need to be completed annually** over the period to 2051. Assuming a three-year construction period, this suggests that in the range of **18 to 21 buildings would need to be under construction at all times**. Of course, the new apartment market will also likely include low- and mid-rise forms. Nevertheless, the sheer scale of new construction that is indicated under the Current Trends forecast remains of note.

The technical details for the Current Trends forecast are shown on the data table on the following page.

Key Metrics

44,100

Forecast New Units Inside Built-Up Area 2021 to 2051

Intensification Units Required Annually	
40% of new Units	1,470
Historic 2008-2019	790
Change from past	+680

33,500

Apartment Units Inside Built-Up Area 2021 to 2051

6 to 7 new buildings completed every year to 2051

18 to 21 buildings under construction at all times

Section 4: Forecast Demand for Intensification

4.3 Demand Outlooks

Current Trends Forecast – 40% of New Units as Intensification

The technical details for the Current Trends forecast are shown in the data table below.

Current Trends Intensification Scenario
Estimated 2016–2021 Housing Growth by Type and
2021–2051 Housing Growth by Type and Polcy Area (Location)

2016–2021 Estimated Housing Growth

	Single/ Semi	Row	Accessory Apartments	Apartment Building	Total
2016 Existing	131,300	24,900	3,200	52,200	211,600
2016-2021 Growth	4,100	4,500	700	1,600	10,900
2021 Estimated Total Units	135,400	29,400	3,900	53,900	222,600

2021–2051 Forecast Housing Growth

	Single/ Semi	Row	Accessory Apartments	Apartment Building	Total	Policy Area Share
Inside Built Up Area	2,200	6,600	1,800	33,500	44,100	40%
Greenfield and Rural	41,200	21,000	1,000	3,000	66,200	60%
City Total	43,400	27,600	2,800	36,500	110,300	100%
Housing Mix of Growth	39.4%	25.0%	2.5%	33.1%	100.0%	n/a
2051 Total Units	178,800	57,000	6,700	90,400	332,900	n/a

Source: Hemson Consulting Ltd. Based on Statistics Canada. Figures may not add due to rounding, and may differ slightly from the results of the LNA because of differences in the approach to the analysis.

As discussed, the Current Trends forecast is for a significant amount of intensification compared to past trends. It is worth reiterating that, although the resulting *share of new units* may be in line with historic trends, the overall housing growth, and therefore intensification, is much higher. Significant new construction activity will be necessary to achieve this forecast.

Section 4: Forecast Demand for Intensification

4.3 Demand Outlooks

Low Forecast – 29% of New Units as Intensification

The Low Forecast is closer to a 'pure' market-based or 'business as usual' outlook, absent the major *Growth Plan* policy directions and targets to encourage a shift to higher density forms. The following key points are of note.

- The Low Forecast anticipates a total growth of approximately 31,500 units inside the built-up area over the period from 2021 to 2051. This equates to a share of approximately 29% of new housing units.
- This outlook embodies a somewhat greater focus on housing preferences for ground-related units, more consistent with historic trends and aligned with what the 'market' would deliver if left mostly to its own devices. This focus is reflected in a relatively higher share of ground related housing forms as compared to the Current Trends or High Forecast outlooks.
- The forecast translates into a total of 1,050 intensification units annually, which is still an increase of 260 units per year compared to past trends. To achieve this forecast, approximately 3,200 households that would otherwise occupy ground-related housing will need to shift their preference to apartment units.
- Although the Low Forecast embodies a more traditional pattern of housing, there will still be significant apartment unit growth. Of the total housing units forecast inside the built boundary, approximately 23,900 will be apartment units, which translates into approximately 800 units per year.
- Again using an average apartment building size of between 150 and 200 units, this forecast means that **4 to 6 new apartment building will need to be completed annually** over the period to 2051, with **12 to 15 buildings under construction at all times**. Some low and mid-rise apartments and limited ground-related housing would also need to be accommodated within the built-up area.

The technical details for the Low Forecast are shown on the data table on the following page.

Key Metrics

31,500

New Units Inside Built-Up Area 2021 to 2051

Intensification Units Required Annually	
29% of new Units	1,050
Historic 2008-2019	790
Change from past	+260

23,900

Apartment Units Inside Built-Up Area 2021 to 2051

4 to 5 new buildings completed every year to 2051

12 to 15 buildings under construction at all times

Section 4: Forecast Demand for Intensification

4.3 Demand Outlooks

Low Forecast – 29% of New Units as Intensification

The technical details for the Low Forecast are shown in the data table below.

Low Intensification Scenario
Estimated 2016–2021 Housing Growth by Type and
2021–2051 Housing Growth by Type and Polcy Area (Location)

2016–2021 Estimated Housing Growth

	Single/ Semi	Row	Accessory Apartments	Apartment Building	Total
2016 Existing	131,300	24,900	3,200	52,200	211,600
2016-2021 Growth	4,100	4,500	700	1,600	10,900
2021 Estimated Total Units	135,400	29,400	3,900	53,900	222,600

2021–2051 Forecast Housing Growth

	Single/ Semi	Row	Accessory Apartments	Apartment Building	Total	Policy Area Share
Inside Built Up Area	1,600	4,700	1,300	23,900	31,500	28.5%
Greenfield and Rural	51,300	22,900	1,200	3,500	78,900	71.5%
City Total	52,800	27,600	2,400	27,400	110,400	100.0%
Housing Mix of Growth	47.9%	25.0%	2.2%	24.9%	100.0%	n/a
2051 Total Units	188,200	57,000	6,400	81,300	333,000	n/a

Source: Hemson Consulting Ltd. Based on Statistics Canada. Figures may not add due to rounding, and may differ slightly from the results of the LNA because of differences in the approach to the analysis.

The Low Forecast reflects more of what the market would deliver if left to its own devices and in theoretical absence of substantial policy intervention or greenfield land supply constraints. The overall amount of new construction activity is lower than the other two forecasts, but still represents a significant level of intensification compared to historic patterns.

Section 4: Forecast Demand for Intensification

4.3 Demand Outlooks

High Forecast – 48% of New Units as Intensification

The High Forecast is approaching maximum demand for intensification from a market perspective. Under the high forecast, Hamilton becomes significantly more attractive for new residential investment and, in turn, intensification within the built-up area. The following key points are of note.

- The High Forecast anticipates a total growth of approximately 52,800 units inside the built-up area the period from 2021 to 2051. This equates to a share of 48% of new housing units.
- The High Forecast is based on an even more significant increase in the share and preference for apartments in the local market and requires a strong acceleration of the current rates of development in the City.
- The forecast translates into a total of 1,760 intensification units annually, which is an increase of nearly 1,000 units per year compared to past trends. To achieve this forecast, nearly 20,000 households that would otherwise occupy ground-related housing must shift their preference to apartment units.
- Of the total housing units forecast inside the built-boundary, approximately 40,200 will be apartment units, which translates into approximately 1,340 units per year. At a size range of between 150 and 200 units, **7 to 9 new apartment buildings would need to be completed annually** to 2051, translating into between **21 and 27 buildings under construction at all times**.
- Since the current concentration of high-density growth in Toronto is widely anticipated to continue and there are still other competing locations for new investment outside Toronto, notably the VMC and Kitchener-Waterloo, achieving the high forecast outlook for the City of Hamilton will be a challenge (but not impossible) from a market demand perspective.

The technical details for the High Forecast is shown on the data table on the following page.

Key Metrics

52,800

Forecast New Units Inside Built-Up Area 2021 to 2051

Intensification Units Forecast Annually	
48% of new units	1,760
Historic 2008-2019	790
Change from past	+970

40,200

Apartment Units Inside Built-Up Area 2021 to 2051

7 to 9 new buildings completed every year to 2051

21 to 27 buildings under construction at all times

Section 4: Forecast Demand for Intensification

4.3 Demand Outlooks

High Forecast – 48% of New Units as Intensification

The technical details for the High Forecast are shown in the data table below.

High Intensification Scenario
Estimated 2016–2021 Housing Growth by Type and
2021–2051 Housing Growth by Type and Polcy Area (Location)

2016–2021 Estimated Housing Growth

	Single/ Semi	Row	Accessory Apartments	Apartment Building	Total
2016 Existing	131,300	24,900	3,200	52,200	211,600
2016-2021 Growth	4,100	4,500	700	1,600	10,900
2021 Estimated Total Units	135,400	29,400	3,900	53,900	222,600

2021–2051 Forecast Housing Growth

	Single/ Semi	Row	Accessory Apartments	Apartment Building	Total	Policy Area Share
Inside Built Up Area	2,600	7,900	2,100	40,200	52,800	48%
Greenfield and Rural	34,300	19,700	900	2,600	57,500	52%
City Total	36,900	27,600	3,000	42,800	110,300	100%
Housing Mix of Growth	33.5%	25.0%	2.7%	38.8%	100.0%	n/a
2051 Total Units	172,300	57,000	6,900	96,700	332,900	n/a

Source: Hemson Consulting Ltd. Based on Statistics Canada. Figures may not add due to rounding, and may differ slightly from the results of the LNA because of differences in the approach to the analysis.

The High Forecast represents significant change for the Hamilton market, So although the *Growth Plan* 50% intensification target is characterized as a "minimum", it represents a major market shift for the Hamilton real estate market in relation to historic rates of intensification and within the geography of high-density growth in the GGH: especially central Toronto and other emerging nodes to the west.

Section 4: Forecast Demand for Intensification

4.4 Supply Potential

In addition to the forecast demand, supply is also important. Both the short-and longer-term availability of locations to accommodate new development can affect the growth outlook. In short:

- To capture intensification, regional demand needs to meet local supply through **economically viable projects**. There must be a market opportunity, the landowner must have an interest in undertaking the project and suitable services and amenities must be in place.
- As such, the real economic prospects for intensification locally are influenced by demand as well as the **availability of sites** and the time required to complete the necessary property assemblies.
- More complex and time-consuming efforts are required to bring new projects to market over time, with site configuration and access often becoming more **serious challenges over time –** or put more simply: after the 'easy' ones are gone.

The City of Hamilton is well-positioned from a supply perspective. A potential of up to approximately 72,000 units has been identified by City staff to 2051, which would be sufficient to accommodate future demand. Notwithstanding, intensification can be a slow process with the combined requirements of site acquisition, financing, planning approvals and multi-year construction periods affecting the timing and location of new units in the market. This variability makes it difficult to identify all potential supply opportunities with accuracy and is especially challenging over the extended 30-year planning horizon to 2051.

Public concern and opposition to development can also affect intensification locally, as has been the case in the City of Toronto for some time and has started to emerge in Hamilton. Nevertheless, the City has not yet had to deal with supply challenges to nearly the same extent. There is currently a significant potential of **pre-zoned sites** to accommodate near-term demand in the downtown, along transit corridors and in the other nodes, corridors and neighbourhoods throughout the City.

Supply Potential
City staff estimate that up to 72,000 units could be available, which would be sufficient for even the high forecast demand outlook

Section 4: Forecast Demand for Intensification

4.5 Distribution of Growth Within the Built up Area

The current concentration of growth in central Hamilton is likely to continue, especially in the downtown and West Harbour area. The other nodes and corridors are likely to play a longer-term role. And while the current number of proposed units remains relatively high, intensification in the City's remaining neighbourhoods is expected to be more limited and variable over the period to 2051.

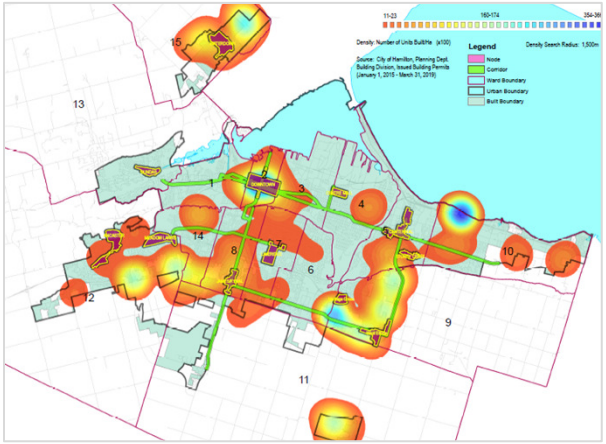
Recent Development Shows Key Growth Areas

In recent years, residential development activity has been occurring throughout the City as illustrated in Figure 22. Key areas include:

- The Downtown Urban Growth Centre;
- Binbrook Village, including traditional ground-related housing and an emerging interest in higher density forms;
- Upper Stoney Creek and along the Waterfront, with a mix of housing including low and higher density forms;
- Flamborough, especially Waterdown where current development activity shows no signs of slowing; and
- Remaining pockets of greenfield development lands in Ancaster, including the Meadowlands community.

Within the built-up area, the highest densities are generally taking place within the nodes and downtown, but also on the waterfront. The pattern of growth in the neighbourhoods has included lower density ground-related units, with an example illustrated at right. However, as the remaining supply of land for this type of housing in the built-up area is depleted, the pattern of growth will need to become more oriented towards higher density apartment units and, in turn, likely better aligned with the original GRIDS expectations.

Figure 22: Residential Building Activity "Heat Map" 2015 - 2019



Source: City of Hamilton

Section 4: Forecast Demand for Intensification

4.5 Distribution of Growth Within the Built up Area

Concentration in Central Hamilton Likely to Continue

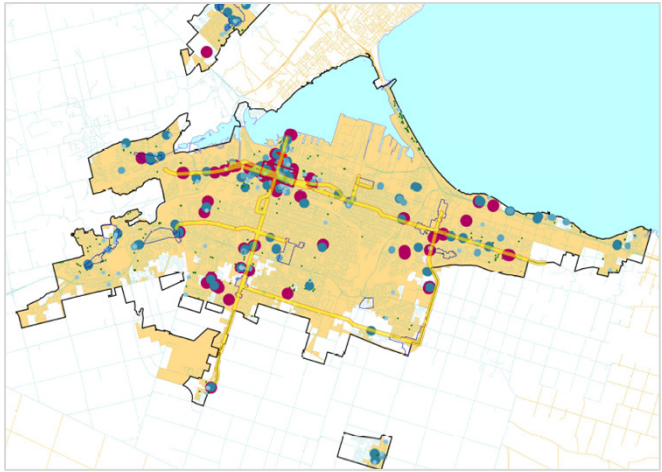
Recent development trends show that the majority of new mid- and high-rise apartment projects have been focussed in the downtown and West Harbour area. There is, of course, market interest for apartment units in other attractive locations – the historic core of Dundas and Ancaster and along the waterfront for example – but the bulk of recent demand is in central Hamilton.

The number of current and pending apartment projects reinforces the current geographic pattern as illustrated in Figure 23, which shows a concentration of growth in the downtown and along the urban nodes and corridors. Given that future intensification will be dominated by apartment units, we would expect the concentration of growth in central Hamilton to continue.

Significant new development activity is also anticipated for the West Harbour Area, especially Piers 7&8 and Barton-Tiffany as illustrated in Figure 24. Together these areas are expected to accommodate approximately 2,500 new residential units as well as significant new commercial space, including the recently announced "**Hamilton Studio District**" for the Barton-Tiffany area.

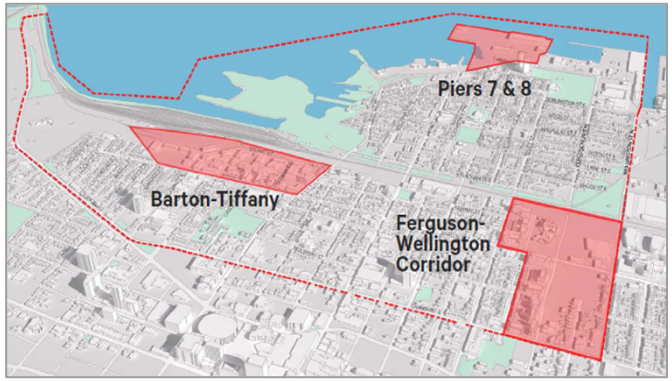
Additional development is anticipated in other areas, such as the Ferguson-Wellington corridor, as well as the provision of affordable housing supply through the planned redevelopment of Jamesville and the Ken Soble Tower Revitalization, among other initiatives. This new development supported by recent GO Transit investments will only compound the attraction of central Hamilton and the downtown as a location for intensification.

Figure 23: Apartment units Planned or Recently Built in Hamilton, 2019



Source: City of Hamilton. Colour of dots correspond to number of units. Light blue represents up to 150 units. Purple represents 150 units and above.

Figure 24: Primary Areas of Reinvestment and Development Within West Harbour area



Section 4: Forecast Demand for Intensification

4.5 Distribution of Growth Within the Built up Area

Prospects for Light Rail Transit (LRT) Corridor Unclear

The Hamilton B-Line Rapid Transit corridor was identified in 2015 as a Metrolinx priority project, envisioning rapid transit between Eastgate Square and McMaster University. A Light Rail Transit (LRT) line was identified as the preferred solution and first piece of the City's rapid transit strategy; the "BLAST" network.

According to Metrolinx, the Hamilton LRT would act as a catalyst for economic development, attracting development interest and, in turn, intensification along the corridor. This expectation is in line with the experience of other communities outside Toronto, notably Kitchener-Waterloo, where more than 50 projects have been built or are in process along its LRT corridor. As illustrated in Figure 25, much of this growth has occurred in uptown Waterloo, downtown Kitchener and downtown Cambridge.

A similar uplift in economic activity was anticipated to occur with the completion of the Hamilton LRT. However, in late 2019 the Province cancelled the procurement process, rendering the future prospects for intensification less clear. The transit corridor remains a high priority from a City planning perspective and other options such as expanded bus rapid transit (BRT) are currently being considered. As well, areas that overlap with the downtown and West Harbour are still likely to see development interest, in line with the Kitchener-Waterloo experience. However, without rapid transit the remainder of the corridor is less likely to deliver the levels of intensification that may have been previously anticipated. And it had always been the expectation that the development uplift associated with the LRT would be primarily seen towards the later part of the planning horizon.

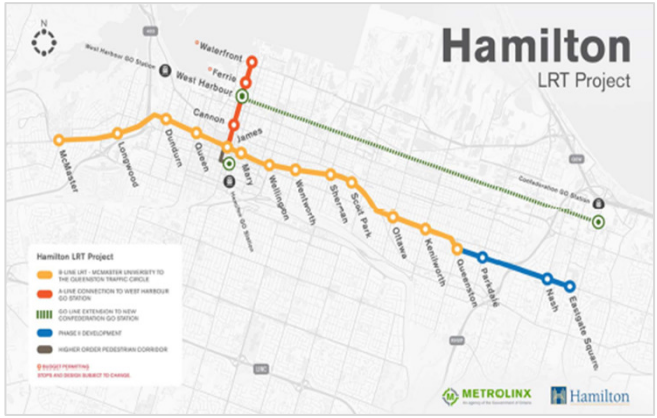


Figure 25: Planned and Completed Projects 2011-2017, Waterloo Region LRT Corridor

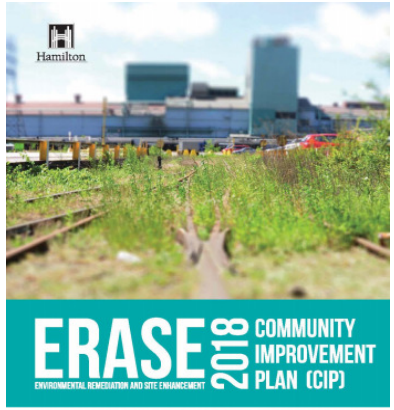
Source: Region of Waterloo

Section 4: Forecast Demand for Intensification

Planning Policy is Well-advanced to Support Intensification

As noted, having the right planning policies in place is necessary to accommodate future demand: one that intentionally encourages intensification. Planning policies are required to set the overall vision and density expectations. And detailed zoning and site plan regulations are required to manage the development process. Key elements of the City's framework to support intensification include:

- The **Urban Hamilton Official Plan** (UHOP) that establishes focal points of activity (nodes) connected by a series of corridors to accommodate intensification;
- A **new vision for the Downtown**, including updated land use designations, height limits and development standards;
- Updated **zoning-by laws** for Transit-Oriented Corridors (TOC), commercial mixed-use areas and residential areas (in progress);
- **New secondary plans** including the Downtown, Centennial, Waterdown community node (in process) and the West Harbour (Setting Sail) area; and
- **Financial incentive programs,** which play an important role in helping to reduce the costs associated with development in Downtown Hamilton, Community Downtowns, Business Improvement Areas (BIAs), the Mount Hope/ Airport Gateway, and the commercial corridors as identified in the Downtown and Community Renewal Community Improvement Project Area By-law. There are also financial incentives available for properties designated under the Ontario Heritage Act to support the City's conservation and restorative initiatives. The **Downtown and Community Renewal Community Improvement Plan** (CIP) provides the basis through which these programs are provided.



Planning policies are necessary to provide opportunities for intensification to occur but cannot (in and of itself) change the nature and timing of the development process. Intensification occurs incrementally and the process is not linear: it tends to fluctuate and compound over time. The most significant changes occur only after a 'critical mass' of development activity has been reached, as observed recently with the City of Toronto. Within this context, the City's current policy framework is well-advanced to support intensification, including SDUs, in planned locations.

Section 4: Forecast Demand for Intensification

4.5 Distribution of Growth Within the Built up Area

Demand in Rest of City Will be More Variable Over Time

Although intensification is planned to be focussed largely in central Hamilton, this does not mean that no such development will occur anywhere else within the built-up area. Remaining lower density infill and other parcel-by-parcel redevelopment will continue to play a role, including low and mid-rise apartments and other forms of 'missing middle' housing. This type of demand, however, tends to be more variable and difficult to predict.

Another likely source of demand for intensification is through the **redevelopment of existing large format retail** centres for a mix of uses, but especially high-density residential. This trend is emerging across the GTHA, both within and outside the built-up area. Major examples include the Yorkdale Shopping Centre, Galleria Mall and Golden Mile in Toronto, the Vaughan Mills Secondary Plan in York Region, and more recently around the Square One shopping centre in the City of Mississauga, as illustrated at right.

Interest in this type of intensification is emerging in Hamilton, as shown by the proposal (under review) to redevelop the Flamborough Power Centre and surrounding properties and the recent sale of the City Centre mall in the downtown. This trend will continue as growth in e-commerce continues to reshape the physical retail environment and owners move to intensify and expand around existing offerings. Within this context, there is likely to be demand for intensification around other large-scale malls in the City such as Limeridge and Eastgate, especially, given the potential for a new GO Transit station and connectivity to downtown Toronto at the latter location.

The recent proposal for the Galleria Mall in central Toronto envisions over 3,000 residential units in 8 new mixed-use high-rise towers (above). The proposal for Mississauga's Square One shopping centre could become one of the largest mixed-use developments in Canada (below).

Section 5: Conclusions and Recommendations

In light of the foregoing, a number of conclusions are reached: these are summarized below and explained in more detail in the section that follows. Based on these conclusions, it is recommended that an intensification target of 50% be adopted for the current period and that the City focus on further improving its attraction for higher-density living to increase the likelihood of success. A higher intensification target could be considered for later in the horizon, with ongoing monitoring and reporting to track progress and performance over time.

1	Outlook for Intensification	The outlook for intensification is bright, with strong demand anticipated across the GTHA over the period to 2051. The City of Hamilton is well-advanced in its efforts to encourage intensification including policy and zoning frameworks and financial and other incentives to accommodate future demand.
2	Capturing the Opportunity	Where that intensification occurs, however, will be driven by the relative attraction of various locations for new investment. Many factors must come together to achieve significant intensification, including planning policy, services and amenities, land ownership and site characteristics.
3	Housing Supply	Both greenfield housing and intensification units are required to accommodate the *Growth Plan* forecasts to 2051. Housing growth continues to be driven by demand for affordable family-sized units and the City has very limited control over the amount and timing of intensification that occurs.
4	Implications and Risks	There are fiscal implications associated with planning for a rapid shift in housing demand, in particular the risk that the amount and mix of housing growth does not occur as expected. Planning for a level of intensification that is beyond reasonable market expectations could also have other unintended consequences from a planning perspective.
5	The Intensification Target	Within this context, an intensification target of 50% is considered a suitable aspirational goal and recommended for current purposes. A higher target could be considered for later in the forecast period, depending on how growth unfolds in terms of Hamilton's relative attraction for higher-density living. A balanced approach should be considered moving forward.

Section 5: Conclusions and Recommendations

5.1 Outlook for Intensification

Powerful economic and demographic forces combined with a growing preference for more urban lifestyles will continue to drive demand for intensification across the GTHA. Notwithstanding short-term COVID-19 economic impacts, the following observations persuade us that this will be the case:

- From a demographic perspective, growth will continue to include a large share of young adults that tend to prefer a more urban lifestyle and cluster in central areas. This pattern is consistent with long-standing demographic trends and is not expected to shift significantly or rapidly over the long-term.
- Many of these residents will be locating in the City of Toronto for education and employment opportunities, as well as emerging intensification areas in southern York Region (notably the VMC), the City of Mississauga, Oakville, Burlington and, increasingly, the City of Hamilton.
- The aging of the population, along with the preferences of young adults will drive steady demand for apartment units. This demand will be boosted by other factors such as growth in the technology sector, the 'war for talent', the sharing economy and other factors (until recently) driving demand for rental units that tend to be overwhelmingly in apartment unit forms.
- At the same time, however, demand for larger family-sized units will remain strong. This strong demand will likely continue to contribute to increasing housing costs and worsening affordability which, in turn, can be expected to support market shifts to smaller units and more people living in denser, more affordable housing forms over time.

In our view, recent trends point to a strong future for intensification, especially in high-quality urban environments within the built-up area. There is also likely to be some interest for intensification outside the built-up area, as suggested by the Flamborough power centre proposal and a major proposal for development on the City's waterfront, both of which are in the DGA.

Developments recently approved in the Downtown (top) and envisioned along the waterfront (above) show an interest for intensification within Hamilton across a range of different locations

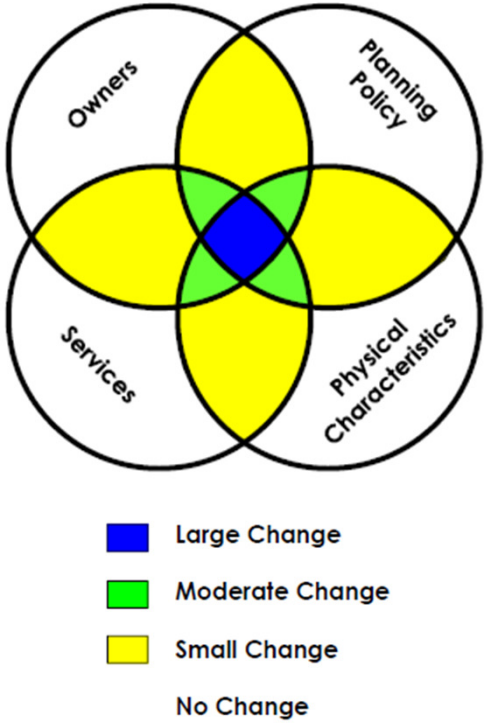
Section 5: Conclusions and Recommendations

5.2 Capturing the Opportunity

The amount of intensification and redevelopment that actually occurs within a community is driven by its relative attraction for investment within the broader market context. As shown in Figure 26, four key local factors also influence the probability of intensification occurring:

- **Planning policy** and implementing zoning by-laws must specifically encourage intensification. As discussed, the City is well-advanced in terms of updates to the policy and zoning frameworks for the Downtown, nodes and corridors, and West Harbour area as well as a range of financial incentives such as ERASE grants, the Laneway housing pilot project and others;
- **Existing or planned services**, especially transportation, must be in place as well as other hard and soft services, or the costs to provide those services must be economically viable to support intensification. Local amenities also affect the prospects for investment attraction;
- **Owners of property** must have an interest in redevelopment. Simply because a site appears to have potential does not necessarily mean that intensification will occur. Properties such as aging highway strip malls or walk-up rental apartments, for instance, provide land owners with a continuous, low-risk revenue stream. Others may be owner-occupants whose fundamental interest is in the long-term operation of their business rather than undertaking lengthy and complex redevelopment projects which, even in the strongest of real estate markets, carries an element of risk; and
- The **physical characteristics** of sites must allow for viable redevelopment. Older areas in particular often have issues with site depth and lane access and the process of land assembly can be a long and arduous process. The actual site size, configuration and access as well as surrounding land uses must support intensification or economic viability is compromised.

Figure 26: Factors Required for Intensification to Occur



Source: Hemson Consulting Ltd.

Section 5: Conclusions and Recommendations

5.3 Housing Supply

As discussed, the likelihood of intensification taking place depends on the "fit" between a range of factors. While any one factor by itself may represent a *potential for intensification*, the probability of development occurring is low if the other factors are not in place. Put more simply: not all possible intensification opportunities are likely to be realized within a given planning horizon.

From a City of Hamilton perspective, there are only two factors – planning policy and services – that are within direct municipal control. The City cannot control the market, nor land ownership and development interests. There is no question that planning policy plays a key role in supporting intensification, but if the other factors are not in place the City simply cannot count on a specific amount of redevelopment occurring in any given time frame.

At the same time, demand for family-sized units will be strong. Of course, there are some families that do occupy larger apartments. However, this type of demand is a small part of the market and occurs under a unique dynamic with very high costs and urban amenity requirements. The majority of young families and ageing millennials will be seeking affordable ground-related starter homes, especially those moving to Hamilton from other locations in the GTHA: many of which will be coming from small apartments in Halton, Peel and Toronto.

As a result, intensification alone will not be enough. Both greenfield housing and intensification will be required to accommodate growth. Particularly in the case of greenfields, where demand outstrips available supply, the evidence is that the ground-related market tends to simply move to the next location rather than shifting into high-rise apartment units. If the supply of family-sized and smaller units is not balanced, there is a risk that the *Growth Plan* forecast will not be achieved, which has fiscal and regional planning implications.

Price Matters

Apartments are only more affordable than rows because they are smaller:

600 sq. Ft x $540/sq. Ft = $324,000 Apartment

2,000 sq. Ft x $350/sq. Ft = $700,000 Row House

A typical "family-sized" apartment costs about the same as a larger row house

1,300 sq. Ft x $540/sq. Ft = $702,000 Apartment

An apartment the same size as a typical single-detached home is well beyond the price an average family would be able to afford

2,500 sq. Ft x $540/sq. Ft = $1,350,000 Apartment

Note: Illustrative example of relative difference in cost by housing types, based on available information on typical unit sizes and price for the GTHA and City of Hamilton

Section 5: Conclusions and Recommendations

5.4 Implications and Risk

As discussed in Section 4, the *Growth Plan* anticipates an expanded economic and demographic role for the City over the period to 2051, which translates into significant change from a housing market perspective. Moreover, all municipalities in the GGH must use the *Growth Plan* forecasts as a minimum for long-range planning and growth management purposes, including the City of Hamilton.

Because of this requirement, there are important implications if the *Growth Plan* forecast is not achieved. For the City of Hamilton, there are potential fiscal and service delivery impacts associated with reliance on growth that does not occur as planned, especially in terms of intensification. There is also a risk that ground-related housing demand will simply move further afield – or 'leapfrog' – to the outer ring, which is not consistent with *Growth Plan* objectives. And while intensification is often held up as a way to save money on infrastructure, this is not always the case.

Growth Plan Target Is High From a Market Perspective

As illustrated by the demand outlooks, achieving even the minimum *Growth Plan* intensification target of 50% of new units inside the built-up area will require a significant shift in the composition of housing demand in favour of apartment units compared to the levels experienced historically.

The shift in housing mix required to achieve the *Growth Plan* target is quite dramatic in a relatively short period of time, and means that a significant number of family-oriented households would need to choose apartment living over more traditional ground-related forms. This choice, in turn, means a significant cultural shift in the local housing market. The ability of planning (even at the Provincial level) to actually compel this market shift is limited. It is also unclear what the incentive would be to pay significantly more per square foot for housing where more affordable ground-related options are readily available elsewhere in the regional market.

250 units

Historic annual apartment unit completions, City of Hamilton 2001 – 2021 (est.) based on updated *Growth Plan* forecasts.

1,400 units

Average annual apartment unit completions required to achieve *Growth Plan* Target of 50% intensification within the built-up area

↓

Market Demand

The rate of apartment unit growth in Hamilton must increase substantially compared to the past in order to achieve the minimum *Growth Plan* target of 50%.

Section 5: Conclusions and Recommendations

5.4 Implications and Risk

There are Risks to Planning for Rapid Shifts in the Nature of Housing Demand

For decades, municipalities in the GTHA have sought to increase intensification though land use planning policy. Recent market shifts favouring higher-density housing forms reflect the influence of these policies, along with price and age structure on housing demand, all of which is anticipated to continue. As discussed in Section 2, for the GGH the shift to date has been significant.

The *Growth Plan*, however, seeks to further shift housing demand to advance goals related to the physical and social character of the community, transportation and the urban landscape. However, there are risks associated with planning to achieve significantly higher levels of intensification: mainly that planned amount and mix of new housing does not develop according to plan:

- Planning for a level of intensification that is beyond reasonable market expectations could lead to a mismatch between family-based housing demand and the supply of units serving family versus non-family needs;
- Such a mismatch, in turn, may lead to land supply shortages and make it difficult for the municipality to accommodate all segments of the housing market with the result that the *Grown Plan* forecast may not be achieved; and
- In turn, growth-related revenue (mainly Development Charges) may be lower than expected, which could lead to fiscal and service delivery challenges including inefficient infrastructure investments and difficulty in establishing front-ending agreements. Municipalities have recently experienced significant shortfalls in fee revenue as a result of the COVID-19 Pandemic.

As is often the case in land use planning, a balance must be struck between setting goals that are desirable from a social, economic or community form perspective, while not reaching too far and creating unintended consequences.

Price Matters
(again…)

Rising home prices and worsening affordability are phenomena occurring across Canada and the United States for a number of complex economic reasons.

By limiting the available land supply, the *Growth Plan* has the effect of further shifting the price structure of housing to make lower-density forms relatively less attractive and thereby encouraging a more compact urban form.

Pushing the price mechanism too far, however, could lead to unintended consequences including worsened housing affordability, difficulty in achieving the *Growth Plan* forecasts and a more dispersed pattern of regional growth in the GGH.

Section 5: Conclusions and Recommendations

5.4 Implications and Risk

An Overly Aggressive Target Could Have Unintended Consequences

Much of the discussion and analyses to date around *Growth Plan* targets tend to assume that the Schedule 3 forecasts will be achieved no matter what other policies are in place: or, that simply having the 'right' planning policies in place will result in more intensification. While the right policies are important, an overly aggressive target could have unintended consequences:

- An overly aggressive target may inadvertently **encourage a more dispersed pattern of urban development** by 'pushing' growth further afield, which is contrary to *Growth Plan* objectives. In our view, Hamilton is better suited to accommodate this growth because of its urban structure, strategic location, and developed multi-modal transportation connections within the broader region;
- Planning for a higher target, in and of itself, is unlikely to increase intensification. Most intensification will occur in accordance with market demand, supported by planning policy and approvals at the local level. The likelihood of success can be increased through efforts to improve the attraction of the built-up area for new investment though the provision of infrastructure, especially transit infrastructure. However, there is still **a risk that the planned units will not materialize**.
- Finally, **intensification does not always make better use of existing infrastructure** or is necessarily less 'costly' as is often suggested. Broadly speaking, it is primarily the cost of "linear" or spatially-driven services that is affected. The cost of "people-oriented" services tends to be less affected since these are required regardless of specific housing forms. Similarly, community services and other infrastructure can be more challenging and costly to deliver in an intensified urban environment, as demonstrated by the experience of the City of Toronto "Condo Boom".

If the goal is to increase the amount of intensification that *actually occurs*, the focus needs to be on the demand side of the equation, in particular improving the City's attraction as a location for higher-density living.

Unexpected outcomes

The City of Toronto "Condo Boom" has:

Led to a **critical shortage of park space**, which will only worsen over time even with the completion of the large "Rail Deck" park over the Union Station rail corridor and other open space investments.

Required **massive investments in water and sewer infrastructure** to accommodate increased loads from the rapidly densifying urban core

Created an environment where the provision of **new community facilities are very expensive**: especially new recreation facilities, libraries, and schools

Section 5: Conclusions and Recommendations

5.5 Recommended Intensification Target

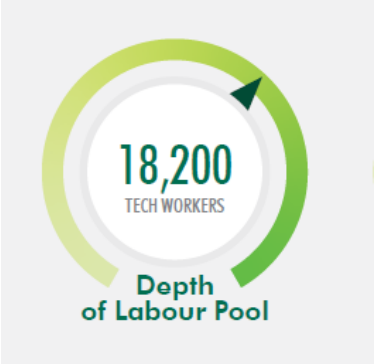
Based on these conclusions, it is recommended that an intensification target of 50% be adopted and that the City focus on further improving its attraction for higher-density living. The target of 50% is just beyond the high-end of the range of forecast market demand, so is considered a suitable aspirational goal. A higher target could be considered later in the planning period, with ongoing monitoring and reporting as development progresses.

Target of 50% is a Suitable Aspirational Goal

As noted, the *Growth Plan* target of 50% intensification is at the high-end of the forecast demand range. It represents a significant increase in the overall amount of housing unit growth, and a major change to the mix of that future housing in favour of apartments. From a pure market perspective, taking into account historic levels of development activity, a more 'balanced' growth scenario might be somewhere between the Current Trends forecast (at 40% intensification) and the *Growth Plan* target (at 50%).

At the same time, however, the City of Hamilton is clearly in a strong position to shift the historic pattern of development towards denser and more urban forms. As described in Section 3, City is very well-suited for intensification as a result of its expanding role in the metropolitan economy – especially the rapidly growing technology and creative sectors – combined with a large potential supply of sites within the built-up area, an up-to-date and modernized planning policy framework, and a range of complementary financial and other incentive programs encouraging new investment and redevelopment.

For these reasons, **the *Growth Plan* target of 50% intensification is a suitable aspirational goal** and is recommended for current planning purposes.



The City's rapidly growing 'Tech' sector is one of the most promising indicators of intensification potential over the next 20 years.

Source: 2019 *Scoring Canadian Tech Talent*, CBRE Research

Section 5: Conclusions and Recommendations

5.5 Recommended Intensification Target

Key to Success is Improving the City's attraction for higher-density living

To encourage new development, the City should continue to focus on the economic factors and local conditions that serve to improve Hamilton's relative attraction for intensification in the market. Of key importance are:

- **Employment growth**, especially office-type employment in the technology sector and the burgeoning arts, culture and creative industries which attract younger professionals and tend to cluster in central City areas.
- A **high-quality urban environment**, including an attractive public realm and amenity-rich and accessible work environments that attract talent and young workers and, in turn, major employers to be close to their prospective workforce;
- **Transit investment**, especially early investment to stimulate demand and integration of transit with the road network to limit business disruption and promote convenient commuting options from the widest possible range of locations;
- **Access to amenities**, including restaurants, shopping, entertainment, business and commercial support services, personal services and related institutions such as health care, arts and higher education; and
- **Financial and other incentives** to encourage new development, including current grant and development charge reduction programs.

STRATEGIC INFRASTRUCTURE INVESTMENT FOR ECONOMIC GROWTH

VIBRANT COMMERCIAL AND CULTURAL DISTRICTS AND PLACES

There is no question that the City of Hamilton, perhaps more so than most other locations in the southwest GGH, is well-positioned to accommodate more intensive forms of development. And the City is currently engaged in many activities to actively promote more intensive forms of development. There are, however, **limits to the level of change that can be reasonably achieved** within the current planning period. To increase intensification, proactive efforts must continue to be made to support the City's real estate markets through all available means, including planning tools, financial and other incentives to encourage redevelopment and sustained economic development and investment attraction initiatives.

Section 5: Conclusions and Recommendations

5.5 Recommended Intensification Target

A Balanced Approach Should be Taken

While accommodating more residential growth through intensification advances a number of sound planning objectives, it is also important to provide an appropriate amount of greenfield development lands to accommodate all housing market segments. Intensification, in and of itself, is not the only goal of the *Growth Plan*, which seeks to strike a balance between the economy, the environment and the development of 'complete communities'.

As discussed in Section 3, the City of Hamilton will need to maintain a high rate of growth to achieve the *Growth Plan* population forecast of 820,000 in 2051. A balanced supply of housing to meet both family and non-family needs will be required to accommodate this growth. If a balanced supply is not made available, the *Growth Plan* forecast may not be achieved which could present fiscal and service delivery challenges for the City. There is also the potential for the market to simply move further afield, creating a more dispersed pattern of growth and development that is not consistent with *Growth Plan* objectives.

As such, a higher intensification target could be considered for later in the horizon but is not recommended for current planning purposes. In the short term, aligning the City's infrastructure, readiness for development and revenue streams will be enough of a challenge, especially in a post COVID-19 recovery context. If the goal is to increase the amount of intensification that actually occurs, the focus must be on improving the City's attraction as a location for higher–density living within the GTHA. Regular MCR and official plan updates will provide ample opportunity to monitor and report on progress over the period to 2051 and adjust the City's intensification target as may be required.

Outlook for intensification is positive

Hamilton is well-positioned to capture demand

***Growth Plan* target embodies a major market shift**

A higher target may be considered for later in the planning horizon

Improving the City's attraction for new investment is key to success

LORIUS
AND ASSOCIATES

RESIDENTIAL INTENSIFICATION SUPPLY UPDATE

DECEMBER 2020

MCR GRIDS 2
Moving Forward Together

Hamilton

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1.0 INTRODUCTION AND PURPOSE

As part of the update to the Growth Related Integrated Development Strategy (GRIDS), known as GRIDS2, and municipal comprehensive review (MCR), the City will assess how the 2051 employment and population forecasts identified in the Growth Plan for the Greater Golden Horseshoe, 2019, as amended ("Growth Plan") will be accommodated.

A Land Needs Assessment (LNA) will identify how much of the forecasted residential growth will be accommodated through infill / intensification and existing designated greenfield lands, and how much, if any, additional land may be required to accommodate the forecasted growth.

For the purposes of this update, Residential Intensification is defined as:

> **"**Intensification of a property, site or area which results in a net increase in residential units or accommodation and includes:
>
> a) redevelopment, including the redevelopment of brownfield sites;
>
> b) the development of vacant or underutilized lots within previously developed areas;
>
> c) infill development;
>
> d) the conversion or expansion of existing industrial, commercial and institutional buildings for residential use; and,
>
> e) the conversion or expansion of existing residential buildings to create new residential units or accommodation, including accessory apartments, secondary suites and rooming houses. (PPS, 2014)"

The Growth Plan identifies a minimum intensification target for the City of Hamilton of 50%, meaning that 50% of new residential units must be constructed within the built-up area on an annual basis. The Growth Plan target is a minimum. The City may plan for a higher intensification target, or conversely, may apply to the Province for approval of a lower target.

The Residential Intensification (RI) Supply Update identifies the intensification supply potential across the City to the year 2051 which supports the intensification target input into the LNA.

Through the RI Supply Update opportunities for RI in both the short term (2021 to 2031) and long term (2031 to 2051) are identified. The opportunities are identified in terms of the total number of potential intensification units over the planning horizon, allocated geographically according to the nodes, corridors and neighbourhoods identified in the Urban Hamilton Official Plan (UHOP).

2.0 HISTORY

As part of the original GRIDS, the Hamilton Residential Intensification Study (May 2006) was completed by MKI, and assessed by Clayton Research Group Associates. The Study identified a potential supply of 44,000 intensification units across the city between 2001 and 2031. A further study by Clayton was undertaken to examine market conditions for intensification. Based on local housing formation and demographic and economic trends, Clayton determined the market demand for intensification units in Hamilton to be approximately 26,500 units to the year 2031. This intensification unit forecast was consistent with the 2006 Growth Plan target of 40% for the 2006 – 2031 time period. The 26,500 unit estimate was utilized for planning purposes in the GRIDS process.

As part of the GRIDS2 project, an update of the RI supply information is warranted to reflect new secondary plans, the planned evolution of the mixed use corridors and the implementation of new zoning.

In addition to the RI Supply Update, the City has also retained a consultant (Lorius & Associates) to complete a Residential Intensification Market Demand Study. The RI Market Demand Study will consider the market for intensification units in the City of Hamilton to 2051. Together, the RI Supply Update and the Market Demand Study will support the selection of an appropriate RI target for the City.

2.1 GAP ANALYSIS

Prior to commencing the RI Supply Update, staff conducted a gap analysis to determine how the City’s actual RI experienced since 2006 compared to the forecasted intensification identified in the 2006 study.

The results of the Gap Analysis highlighted two important facts. First, from a City-wide perspective, the amount of RI forecast in 2006 was very close to the actual RI the City has experienced to date. The total forecasted RI between 2006 and 2016 was approximately 9,000 units. The actual RI experienced to June 2016 was 8,870 units. This amount is a variance of less than 2% from the original projection.

However, on a finer geographic level, there are some significant variations between projected and actual RI. What this means is that, while intensification is occurring, the pattern and location of intensification is not the same as that forecasted in 2006. In general, it is noted that the west harbour area and the Downtown have been underperforming with regards to intensification. Some of the newer growth areas such as Hamilton Mountain, Ancaster and the Stoney Creek waterfront have experienced greater intensification than what was forecasted.

The information from the Gap Analysis was used to inform the GRIDS 2 Growth Summary, 2006 – 2016 which was released in 2017. The information also provided a starting point for the RI Supply Update, described below.

3.0 METHODOLOGY – RESIDENTIAL INTENSIFICATION UPDATE

Three primary sources described below were used to identify potential RI opportunities:

1. Working group review;
2. B-line corridor review; and,
3. Development applications / planning studies (eg. Barton Tiffany, West Harbour).

The following sections describe the data sources in more detail.

3.1 WORKING GROUP REVIEW:

A working group comprised of Planning and GIS staff was formed to review intensification opportunities across the built boundary. The working group used Google Streetview, Official Plan and Secondary plan designations, and property information to identify potential intensification opportunities at the Traffic Zone (TZ) level. Traffic Zones (TZs) are geographic units smaller than a census tract, and are used for data analysis purposes. The working group focussed its review first on the TZs identified in the Gap Analysis as being significantly over-performing or underperforming with regards to intensification. "Significant" was defined as a difference of 100 units or more between actual and projected intensification to the year 2016. The working group also focussed on Downtown TZs, expected to have the greatest rates of intensification. Following the detailed review of the over-performing and under-performing TZs and the Downtown area, the remainder of the City's TZs were reviewed at a higher level. The higher level review focussed on redevelopment areas, nodes and corridors. The working group recorded its data on land use maps and electronically on a master spreadsheet.

The working group review commenced in early 2017 and focused on intensification opportunities to the year 2041 (which was the planning horizon at the time) with the data being updated on an ongoing basis to reflect new development applications, enquiries or land use changes. With the release of Amendment 1 to the Growth Plan 2019 in August 2020, staff were required to re-evaluate the intensification supply potential to the year 2051, and re-examined expected growth areas such as the Downtown, Centennial Neighbourhoods and other nodes / corridors to identify additional long-term intensification opportunities. As the planning horizon is extended it becomes more difficult to foresee intensification opportunities, as changes in market demand, housing choice, economic factors, and demographics etc. are harder to predict in the longer range. For this reason, the intensification opportunities are classified as "short term

potential" (intensification before 2031) or "long term potential" (intensification between 2031 and 2051) as it is difficult to predict when (i.e. pre or post 2041) intensification opportunities in the long term may be realized.

The following assumptions were used by the working group when considering intensification potential:

Properties not assumed for intensification:

- Existing development 3 stories or greater or existing townhouses / multiple dwellings;
- Institutional uses (school, church, community centre) – unless a school closure is known;
- Conservation / parkland;
- Utilities / railway;
- Properties which have undergone recent redevelopment (within last 5 years approximately); and,
- Properties designated under the *Ontario Heritage Act.*

Assumptions – Corridors, Nodes, Arterials (mixed use high / medium):

Properties assumed to potentially redevelop in ***short term (pre-2031)****:*

- Vacant or under-utilized sites;
- Presence of poor building conditions; and,
- Current development application (Official Plan Amendment, Zoning Bylaw Amendment, Site Plan or Subdivision) or known development proposal on subject lands (note: development applications were considered separately as per 3.3 below).

Properties considered for potential ***long term intensification (2031 – 2051)****:*

- Presence of deteriorating building conditions which may warrant future replacement;
- Recent redevelopment activity in area which may be catalyst for future redevelopment;
- Strip malls and small corner plazas with vacancies or excess parking;
- Shopping centres designated Mixed Use High in the UHOP – Centre Mall, Limeridge, Eastgate (portion of parking area assumed for potential intensification);
- Larger Plazas with significant surface parking – eg. University Plaza, Dundas or Upper James and Fennel (portion of the parking area was identified as potential redevelopment. This assumption was applied on a limited basis as some of these

sites are designated District Commercial which only allows residential uses above commercial, requiring an amendment for stand-alone residential.);

- Corridors designated Mixed Use Medium which are assumed to have greater redevelopment potential - areas such as James St, Upper James, or Centennial Parkway (assumption made that a percentage, approximately 50%, of properties within the Mixed Use designation would redevelop);
- Limited non-residential to residential conversions;
- Vacant storefronts;
- Some surface parking lots; and,
- Formal consultation application on subject lands (note: development applications were tracked separately as per 3.3 below).

Assumptions – Neighbourhoods, interior

- Vacant sites, larger sites with severance potential, and sites that are subject to current development applications assumed to have intensification potential;
- Larger lot areas such as “B” Zones (20m, 1100 sq m) “B-1” (15m 690 sqm), “B-2” (15m , 540 sq m) in Hamilton, “ER” Zones (18m, 695 sq m) in Ancaster, “R1-6” (30 m, 1390 sqm)) in Waterdown assumed to have little change and maintain existing minimum lot frontages (severances not anticipated);
- Other potential intensification sites: neighbourhood commercial uses/plazas (depending on building conditions, size etc); vacant / brownfield sites; school sites if known closure; and,
- Secondary dwelling units (SDUs) – tracking of building permits to add an additional residential unit to an existing dwelling identifies that approximately 100 SDUs are legally added per year. This rate of SDU uptake is consistent with the forecast from Hemson Consulting (Greater Golden Horseshoe: Growth Forecasts to 2051) which identifies a growth of approximately 2,700 SDUs in Hamilton between 2021 and 2051, which is a rate of 90 per year. It is assumed that this trend will continue to 2051.

For the potential RI areas identified by the working group, an appropriate density factor based on UHOP / Secondary Plan direction where applicable, or otherwise based on density of recent comparable developments, was applied to determine the anticipated number of potential short and long term units across the City.

3.2 B-LINE CORRIDOR REVIEW:

In Q4 2015 and Q1 2016, planning staff conducted a detailed review of all properties along the B-line Corridor (McMaster to Eastgate) as part of the LRT planning work. The review involved a consideration of both short term (pre 2031) and long term (2031 to

2041) residential intensification opportunities along the Corridor (2041 was the planning horizon at that time). This was an update to work that had previously been completed in 2011 as part of the Nodes and Corridors Planning Study. The assumptions used in the Corridor Review were similar to the assumptions noted above in the Working Group review, however, certain assumptions noted above were not applicable to this work. An appropriate density factor was applied to the intensification opportunities identified in the Corridor Review to determine the anticipated number of potential short and long term units along the Corridor.

The B-line review had initially been undertaken as part of the LRT planning work in order to understand future redevelopment potential along the corridor. Despite the Provincial cancellation of the LRT project in 2019, staff find that the assumptions surrounding future redevelopment potential along the corridor should be maintained. The B-line corridor is identified as a Primary Corridor in the UHOP and is expected to accommodate a form of higher order transit in the future. Primary Corridors are identified to accommodate intensification and redevelopment opportunities to support future transit use. These assumptions are maintained despite the current cancellation of the LRT project.

It is further noted that the B-line Corridor Review did not include a review of properties in the Downtown Core along the corridor (these properties were not included because at the time there was consideration of a separate downtown review being conducted). As such, the Working Group review described in Section 3.1 included the Downtown Corridor properties in its mandate.

The B-line review data has been updated on an ongoing basis to reflect new development applications, enquiries or land use changes. As with the Working Group review, with the release of Amendment 1 to the Growth Plan 2019 in August 2020, staff were required to re-evaluate the intensification supply potential along the corridor to the year 2051.

4.3 DEVELOPMENT APPLICATIONS:

The third data source for the identification of intensification opportunities was a review of recent and current development applications. The review of development applications included all types (Official Plan and Zoning By-law Amendments, Draft Plans of Subdivision and Condominium, Site Plans, and Consents). All applications for the last five years were compiled and the number of associated intensification units were tracked.

The list of applications was reviewed to remove duplicates (i.e. more than one application on the same property); projects that had already been completed; condo conversions (these units were already existing); and properties located outside of the built boundary.

Finally, a determination on timing of when the proposed intensification units would be built was made. Staff determined that it was appropriate to assign units proposed through a Draft Plan of Subdivision or Condominium, Official Plan or Zoning By-law Amendment or Site Plan to the short term period (units will be constructed prior to 2031). This assumption is based on the fact that an application has already been received, meaning an investment has already been made in the property for the future intensification use, and it is therefore more likely that the proposal will proceed to construction.

Any units proposed through a Formal Consultation application were assigned to the Long Term period (between 2031 and 2051). It is very difficult to determine when or if a Formal Consultation application will proceed to the development stage. To be conservative, staff felt it prudent to assume that Formal Consultation applications signalled an interest in developing the property but, as no investment has been made in the development proposal at this stage, it was reasonable to assume a longer term time period for future intensification of these parcels.

The number of intensification units proposed through currently active (within last 5 years) development applications is shown in Table 1 below:

Table 1 – Residential Intensification Units Proposed Through Current Development Applications

Time Frame	# of Units
"Short Term" (*Units Proposed Through Official Plan / Zoning By-law Amendment, Draft Plan of Subdivision / Condominium, and Site Plan Control Applications)*	18,245
"Long Term" (*Units Proposed Through Formal Consultation Applications)*	17,925
Total *(Short Term + Long Term)*	36,170

Source: City of Hamilton

With regard to Consent applications, rather than tracking all new units created through consent, staff ran a query to determine, on average, how many new units are created through consent within the built boundary each year. Between 2007 and 2016, 356 residential units were built or land was severed to build in the built up area. Of these units, 310 units were added to the City, while 46 were replacement units (where the original dwelling was demolished and rebuilt at the same time as the new dwelling, according to the severance application). These numbers tell us that approximately 30 residential units are created through severance on a yearly basis. An assumption was made that this trend would continue and that intensification through severances in the built-up area would not be a significant contributing factor to overall intensification rates in the City.

4.0 RESULTS: SHORT AND LONG TERM INTENSIFICATION OPPORTUNITIES

Using the results of the identified potential supply from the sources in section 3.0 above, the RI Supply Update identified intensification opportunities based on assumptions for how much RI may be experienced to 2051. Details are shown below in relation to the distribution of intensification units by geographic area. The 'short' time frame refers to 2021 to 2031, and the 'long' refers to 2031 to 2051.

Table 2 below identifies the total identified short and long term intensification units by geographic area:

Table 2: Short and Long Term Residential Intensification Opportunities

Area		Short Term	Long Term	Total
Downtown	Units	9,700	14,000	23,700
	%	36	31	33
Other Nodes & Corridors	Units	4,200	18,300	22,500
	%	16	40	31
Neighbourhoods (includes Waterfront)	Units	12,700	13,400	26,100
	%	47	29	36
Total Units		26,600	45,700	72,300

Source: City of Hamilton

The total identified opportunities equates to the following intensification percentage as compared to the City's overall forecasted growth during the 2021 to 2051 period:

Table 3: Residential Intensification Opportunities as a Percentage of Overall Growth

Year	Forecasted Unit Growth	Identified RI Opportunities (# of Units)	RI % of total growth
2031 - 2051	110,000	72,300	**66**

Source: City of Hamilton, Forecast: Lorius and Associates City of Hamilton Land Needs Assessment to 2051

5.0 COMMENTARY AND ANALYSIS

The results of the RI Supply Update identify supply opportunities of approximately 70,000 units between 2021 and 2051. While many sites in the built-up area could theoretically intensify and therefore the potential intensification supply is vast, the RI Supply Update has attempted to identify potential intensification opportunities to 2051 in accordance with the assumptions outlined in section 3.0 and known development applications.

Planning for an extended 30 year time horizon to 2051 raises challenges when attempting to predict intensification opportunities well into the future. A thirty year time horizon is significant and it is difficult at present to anticipate future social, economic and market changes. Questions surrounding intensification potential, market preferences, built form considerations and other unknown variables make the identification of future intensification opportunities less certain as the time period progresses.

At the same time, the increased planning horizon to 2051 as introduced by Amendment 1 to the Growth Plan 2019 has resulted in the requirement to accommodate more people and jobs within the City, a total growth of 236,000 people and 122,000 jobs between 2021 and 2051. To accommodate this amount of growth, a significant percentage of the new units will need to be in the form of intensification of the existing built-up area.

The intensification supply update has identified a supply which equates to roughly 66% of the City’s unit growth to 2051. However, it must be noted that achieving such significantly high intensification numbers will be challenging and it is not expected that all of these potential opportunities would be realized within the planning horizon.

It is known that the supply of intensification units will almost always exceed demand. Constraints on the ability to bring prospective supply opportunities to market include:

- requirement for land consolidation and / or ownership issues;
- site contamination and associated remediation costs;
- neighbourhood opposition;
- financing constraints;
- lack of infrastructure capacity and / or need for upgrades;
- lack of market demand; and,
- requirement for municipal approvals.

The City has already put in place many measures to encourage and facilitate future intensification projects, including new Secondary Plans (Downtown, Centennial Neighbourhoods), new Zoning (Downtown, Commercial / Mixed Use, Transit-Oriented Corridor), pilot projects related to laneway housing, incentive programs and streamlined development approvals.

To encourage the realization of the supply opportunities, the City will need to continue to be proactive as above, and supplement these initiatives with further endeavours including flexible residential zoning in the new Residential Zoning By-law, additional incentives, education programs surrounding the benefits of intensification within a neighbourhood, and creativity and innovation to problem solve and work with developers and homeowners to create compatible and desirable intensification projects.

Of course, matters beyond the City’s control will continue to impact the realization of intensification potential, including economic and market shifts, pandemic impacts, and consumer choice.

Key to assisting the City in meeting planning goals going forward will be the continual monitoring of key trends, such as the number of intensification units being constructed annually, to determine if the City is making progress toward meeting the established goals and targets. Moving forward in the planning horizon, if the monitoring identifies that the City is not making consistent improvement and progress in meeting its intensification goals, the City can revisit the programs and policies in place to encourage intensification with an objective to increasing the overall numbers. Further, at forthcoming Official Plan reviews, which are mandated to occur at 5 year intervals in accordance with the *Planning Act*, the City can examine the assumptions behind the intensification target, as well as recent trends and market directions, to determine if the planned intensification target needs to be shifted in any direction. In short, while it is difficult at present to plan for an extended 30 year time horizon, there is certainty in knowing that the City will have many opportunities over the forthcoming years to review trends and react accordingly.

6.0 NEXT STEPS

The intensification target is a key input into the LNA. This RI Supply Update is one consideration in determining an appropriate RI target for the City to plan towards, in conjunction with the RI Market Demand Report, a review of recent RI trends, and feedback and input form the public and stakeholders. After completing public consultation, Staff will recommend an RI target to be used as an input into the LNA. Following the approval of the LNA and recommended RI target, a detailed breakdown of anticipated intensification units (by unit type) at the TZ level across the City will be prepared to assist in future growth and infrastructure modelling exercises.

In summary, while the Supply Update has identified that significant opportunities exist to accommodate intensification to 2051, the challenges to bringing these opportunities to market are great, and will require cooperation from the development community, council, the public and staff to meet these ambitious goals. The ultimate intensification target selected by the City for long term planning purposes will need to reflect these challenges.

Provincial Policy Statement (PPS), 2020

“1.1.3.3 Planning authorities shall identify appropriate locations and promote opportunities for *transit-supportive* development, accommodating a significant supply and range of *housing options* through *intensification* and *redevelopment* where this can be accommodated taking into account existing building stock or areas, including *brownfield sites*, and the availability of suitable existing or planned *infrastructure* and *public service facilities* required to accommodate projected needs.

1.1.3.5 Planning authorities shall establish and implement minimum targets for *intensification* and *redevelopment* within built-up areas, based on local conditions. However, where provincial targets are established through *provincial plans*, the provincial target shall represent the minimum target for affected areas.

1.1.3.6 New development taking place in *designated growth areas* should occur adjacent to the existing built-up area and should have a compact form, mix of uses and densities that allow for the efficient use of land, *infrastructure* and *public service facilities*.

1.1.3.7 Planning authorities should establish and implement phasing policies to ensure:

a) that specified targets for *intensification* and *redevelopment* are achieved prior to, or concurrent with, new development within *designated growth areas*; and

b) the orderly progression of development within *designated growth areas* and the timely provision of the *infrastructure* and *public service facilities* required to meet current and projected needs.

1.1.3.8 A planning authority may identify a *settlement area* or allow the expansion of a *settlement area* boundary only at the time of a *comprehensive review* and only where it has been demonstrated that:

a) sufficient opportunities to accommodate growth and to satisfy market demand are not available through *intensification*, *redevelopment* and *designated growth areas* to accommodate the projected needs over the identified planning horizon;

b) the *infrastructure* and *public service facilities* which are planned or available are suitable for the development over the long term, are financially viable over their life cycle, and protect public health and safety and the natural environment;

c) in *prime agricultural areas*:

1. the lands do not comprise *specialty crop areas*;

2. alternative locations have been evaluated, and

i. there are no reasonable alternatives which avoid *prime agricultural areas*; and

ii. there are no reasonable alternatives on lower priority agricultural lands in *prime agricultural areas*;

d) the new or expanding *settlement area* is in compliance with the *minimum distance separation formulae*; and

e) impacts from new or expanding *settlement areas* on agricultural operations which are adjacent or close to the *settlement area* are mitigated to the extent feasible.

In undertaking a *comprehensive review*, the level of detail of the assessment should correspond with the complexity and scale of the settlement boundary expansion or development proposal.

1.1.3.9 Notwithstanding policy 1.1.3.8, municipalities may permit adjustments of *settlement area* boundaries outside a *comprehensive review* provided:

a) there would be no net increase in land within the *settlement areas*;

b) the adjustment would support the municipality’s ability to meet *intensification* and *redevelopment* targets established by the municipality;

c) *prime agricultural areas* are addressed in accordance with 1.1.3.8 (c), (d) and (e); and

d) the *settlement area* to which lands would be added is appropriately serviced and there is sufficient reserve *infrastructure* capacity to service the lands.”

The PPS 2020 was released in February, 2020 and came into effect on May 1, 2020. The PPS directs municipalities to promote opportunities for intensification and to implement minimum targets for intensification within built-up areas as established by provincial plans. For the City of Hamilton, the provincial plan providing direction is the Growth Plan (2019). New development in greenfield areas should have a compact form and efficient land use. Further, the PPS identifies the requirement to demonstrate that

sufficient land to accommodate growth and market demand is not available through intensification, redevelopment and greenfield areas to accommodate projected growth prior to a settlement area boundary expansion occurring. The Land Needs Assessment demonstrates this requirement.

Growth Plan 2019, as amended

“2.2.1.5 The Minister will establish a methodology for assessing land needs to implement this Plan, including relevant assumptions and other direction as required. This methodology will be used by upper- and single-tier municipalities to assess the quantity of land required to accommodate forecasted growth to the horizon of this Plan.”

The Growth Plan identifies the requirement for a municipality to complete a land need assessment to determine the quantity of land which may be required to accommodate forecasted growth. The Minister released an updated methodology for the completion of a land needs assessment in August 2020.

“2.2.2.1 By the time the next *municipal comprehensive review* is approved and in effect, and for each year thereafter, the applicable minimum intensification target is as follows:

a. A minimum of 50 per cent of all residential development occurring annually within each of the Cities of Barrie, Brantford, Guelph, Hamilton, Orillia and Peterborough and the Regions of Durham, Halton, Niagara, Peel, Waterloo and York will be within the *delineated built-up area*; and,

2.2.2.4 Councils of upper- and single-tier municipalities may request an alternative to the target established in policy 2.2.2.1 where it is demonstrated that this target cannot be achieved and that the alternative target will be appropriate given the size, location and capacity of the *delineated built-up area.*

2.2.2.5 The Minister may permit an alternative to the target established in policy 2.2.2.1. If council does not make a request or the Minister does not permit an alternative target, the target established in policy 2.2.2.1 will apply.”

The Growth Plan identifies the minimum intensification target for Hamilton of 50%. The target is a minimum target, and the City may plan for a higher target if it is deemed appropriate for the City. Conversely, the may apply for a lower target, which would require approval from the Minster. The staff report provides analysis and recommendation of an appropriate target for Hamilton.

“2.2.7.1 New development taking place in *designated greenfield areas* will be planned, designated, zoned and designed in a manner that:

a) Supports the achievement of *complete communities*;

b) Supports *active transportation*; and
c) Encourages the integration and sustained viability of transit services.

2.2.7.2 The minimum density target applicable to the *designated greenfield area* of each upper- and single-tier municipality is as follows:

a. The Cities of Barrie, Brantford, Guelph, Hamilton, Orillia and Peterborough and the Regions of Durham, Halton, Niagara, Peel, Waterloo and York will plan to achieve within the horizon of this Plan a minimum density target that is not less than 50 residents and jobs combined per hectare; and

2.2.7.4 Councils of upper- and single-tier municipalities may request an alternative to the target established in policy 2.2.7.2 where it is demonstrated that the target cannot be achieved and that the alternative target will support the diversification of the total range and mix of housing options and the achievement of a more *compact built form* in *designated greenfield areas* to the horizon of this Plan in a manner that is appropriate given the characteristics of the municipality and adjacent communities.

2.2.7.5 The Minister may permit an alternative to the target established in policy 2.2.7.2. If council does not make a request or the Minister does not permit an alternative target, the target established in policy 2.2.7.2 will apply.”

The Growth Plan identifies the minimum density target for new development in the City’s designated greenfield area (areas within the urban boundary but outside of the built-up area) to be 50 persons and jobs per hectare(pjh). Similar to the intensification target, the density target is a minimum and the municipality may plan for a higher target if it is deemed appropriate. The staff report provides analysis and recommendation of an appropriate target for Hamilton.

“2.2.8.2 A *settlement area* boundary expansion may only occur through a *municipal comprehensive review* where it is demonstrated that:

a) based on the minimum intensification and density targets in this Plan and a land needs assessment undertaken in accordance with policy 2.2.1.5, sufficient opportunities to accommodate forecasted growth to the horizon of this Plan are not available through *intensification* and in the *designated greenfield area*:

i. within the upper- or single-tier municipality, and
ii. within the applicable lower-tier municipality;

b) the proposed expansion will make available sufficient lands not exceeding the horizon of this Plan, based on the analysis provided for in policy 2.2.8.2 a), while minimizing land consumption; and

c) the timing of the proposed expansion and the phasing of development within the *designated greenfield area* will not adversely affect the achievement of the minimum intensification and density targets in this Plan, as well as the other policies of this Plan.”

The Growth Plan identifies the requirement for a Land Needs Assessment to be completed prior to a settlement area boundary expansion occurring. The LNA must demonstrate that sufficient opportunities to accommodate growth through intensification and development in the existing designated greenfield area are not available to accommodate forecasted growth. The completed Land Needs Assessment fulfils this requirement.

Urban Hamilton Official Plan

“A.2.3.3.3 Greenfield areas shall be planned to achieve an overall minimum density of 50 people and jobs per hectare. The greenfield density target shall be measured over Hamilton’s greenfield area, excluding natural heritage features designated in this Plan. The greenfield area includes designated employment areas. On employment lands, the City shall plan to meet a density target of 37 people and jobs per hectare. On non-employment lands, densities will need to achieve a minimum average density of 70 persons and jobs per hectare to meet the overall density target.

A.2.3.3.4 Hamilton is required to plan to achieve a minimum of 40% of all residential development occurring annually within its built-up area by 2015. A total of 26,500 units are to be accommodated within the built-up area between 2001 and 2031. The built-up area for Hamilton is identified on Appendix G.

B.2.4.1.1 Residential intensification shall be encouraged throughout the entire built-up area, in accordance with the policies of Chapter E – Urban Systems and Designations and Chapter F – Implementation.

B.2.4.1.2 The City’s primary intensification areas shall be the Urban Nodes and Urban Corridors as illustrated on Schedule E – Urban Structure and as further defined in secondary plans and corridor studies for these areas, included in Volume 2.”

The UHOP contains policies relating to intensification and density targets that are consistent with the former version of the Growth Plan (2006) which had identified a 40% intensification target and a greenfield density target of 50 pjh for the City of Hamilton. The staff report analyses and recommends updated targets for the City in accordance with the revised policy direction of the Growth Plan 2019.

EXISTING DESIGNATED GREENFIELD AREA DENSITY ANALYSIS

DECEMBER 2020

MCR GRIDS 2
Moving Forward Together

Hamilton

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Appendix “A” – Map of Existing DGA Lands by Category (Status)

1.0 INTRODUCTION

1.1 WHAT IS THE DESIGNATED GREENFIELD AREA?

The 2006 Growth Plan introduced the term Designated Greenfield Area. The term, with a slightly modified definition, remains in the 2019 Growth Plan (as amended), as follows:

"Lands within settlement areas (not including rural settlements) 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 this Plan. Designated greenfield areas do not include excess lands."

Designated Greenfield Area, or DGA, is the land that is located within the urban boundary, but outside of the built-up area. The built-up area is defined through the Growth Plan and is essentially the developed portion of the urban area. DGA lands are generally undeveloped, though as will be discussed below, a significant portion of Hamilton's DGA land has been developed since 2006 or is subject to approved development applications.

The schematic in Figure 1 illustrates the DGA, the built-up area and the urban boundary.

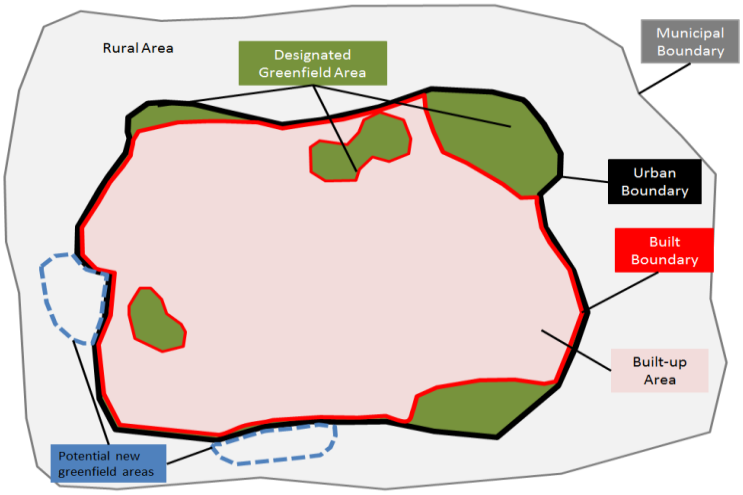


Figure 1: Schematic diagram illustrating Designated Greenfield Area (DGA)

The City's DGA includes DGA lands which are already identified in the Official Plan and located within the urban area (known as "Existing DGA" for the purposes of this paper). However, if it is identified through the Municipal Comprehensive Review (MCR) that the City requires additional land, through urban boundary expansion, to accommodate growth to the year 2051, any new lands added to the urban area will become part of the DGA (known as "New DGA" for the purposes of this paper). The focus of this paper is on the City's Existing DGA lands and a review of the planned density of those lands, including opportunities to increase the planned density. If New DGA lands are added to the urban

boundary through the MCR, a consideration of an appropriate density target for those lands will be undertaken separately as part of the Land Needs Assessment.[1]

1.2 PURPOSE OF THE DESIGNATED GREENFIELD AREA ANALYSIS

The DGA Analysis fulfills the following objectives:

- Provide an overview of Hamilton's Existing DGA lands in terms of gross and net areas, and by category of development status (i.e. Registered Plan; Draft Approved Plan; Pending Development; and, Potential Development Lands);
- Identify opportunities to increase the planned density of Hamilton's Existing DGA lands to the 2051 planning horizon to meet Growth Plan targets; and,
- Identify an appropriate planned density target for the City's Existing DGA to determine conformity with the Growth Plan minimum required target.

This document is being prepared as part of Hamilton's Municipal Comprehensive Review to demonstrate compliance with Section 2.2.7 of the Growth Plan.

2.0 POLICY REVIEW

2.1 GROWTH PLAN, 2019, AS AMENDED

Section 2.2.7 of the Growth Plan provides policy direction for the Designated Greenfield Area. The focus of the policies is primarily related to the establishment of density targets for the DGA, and direction for municipalities on how to plan for those targets.

"2.2.7.1 New development taking place in designated greenfield areas will be planned, designated, zoned and designed in a manner that:

a) supports the achievement of complete communities;
b) supports active transportation; and
c) encourages the integration and sustained viability of transit services."

Policy 2.2.7.1 is a general policy promoting planning of DGA lands to be complete communities which support all modes of transportation, and are transit friendly. Identifying opportunities to increase the planned density of the Existing DGA will assist with meeting these planning objectives.

[1] It is appropriate to consider the density of the Existing DGA separate from the New DGA. As is shown in this report, development opportunities within the Existing DGA are constrained and much of the area is already subject to planning approvals. Opportunities to increase the planned density of the Existing DGA are therefore limited, whereas greater opportunity and flexibility will exist in any New DGA areas added to the urban boundary.

"2.2.7.2 The minimum density target applicable to the designated greenfield area of each upper and single tier municipality is as follows:

a) The Cities of Barrie, Brantford, Guelph, Hamilton, Orillia and Peterborough and the Regions of Durham, Halton, Niagara, Peel, Waterloo and York will plan to achieve within the horizon of this Plan a minimum density target that is not less than 50 persons and jobs per hectare;"

Policy 2.2.7.2 identifies the density target of 50 persons and jobs per hectare for the City of Hamilton. This target is applicable to both the Existing DGA as well as any new DGA lands which may be added to the urban boundary. It important to note that the target is a minimum, and the City may plan to achieve a higher target. As will be shown below, the City's planned density of the Existing DGA already exceeds the Growth Plan minimum target.

"2.2.7.3 The minimum density target will be measured over the entire designated greenfield area of each upper- or single-tier municipality, excluding the following:

a) natural heritage features and areas, natural heritage systems and floodplains, provided development is prohibited in these areas;

b) rights-of-way for:
i. electricity transmission lines;
ii. energy transmission pipelines;
iii. freeways, as defined by and mapped as part of the Ontario Road Network; and
iv. railways;

c) employment areas; and

d) cemeteries."

Policy 2.2.7.3 outlines the technical requirements for measuring density of the DGA. The density of the DGA is measured across the entirety of the DGA area to which the target applies. For the case of this paper, the measurement of the DGA density is applied across the entirety of the Existing DGA already identified in the UHOP.

Policy 2.2.7.3 also identifies the lands to be excluded from the DGA density calculation, those being undevelopable lands such as natural heritage features and areas, rights-of-way, and cemeteries, as well as designated employment areas. This policy is a significant revision from the 2006 Growth Plan, which only allowed for natural features to be excluded from the DGA calculation. The addition of the extra features / areas for exclusion will assist municipalities in meeting the required density targets by not including undevelopable areas, and employment lands which tend to develop at lower density.

The remainder of this paper will provide an overview of the City's Existing DGA, including current planned density, and further, identify opportunities within the City's Existing DGA to plan for a density increase in accordance with Growth Plan requirements.

2.2 URBAN HAMILTON OFFICIAL PLAN (UHOP)

"A.2.3.3.3 *Greenfield areas* shall be planned to achieve an overall minimum density of 50 people and jobs per hectare. The *greenfield* density target shall be measured over Hamilton's *greenfield area*, excluding natural heritage features designated in this Plan. The *greenfield area* includes designated employment areas. On employment lands, the City shall plan to meet a density target of 37 people and jobs per hectare. On non-employment lands, densities will need to achieve a minimum average density of 70 persons and jobs per hectare to meet the overall density target.

E.3.7.1 New greenfield communities shall be designed with a unique and cohesive character. Buildings, streetscapes, street patterns, landscaping, open spaces, and infrastructure shall be designed to contribute to this character."

The UHOP contains policies on the DGA, including a required density target. The UHOP identifies an overall target of 50 pjh, but breaks this target down further into employment areas (target of 37 pjh) and non-employment areas (70 pjh). This differentiation was made to account for the generally lower density development of employment lands. A higher non-employment target was required to offset the employment areas and balance out to the overall target of 50pjh. With the revised Growth Plan policy direction which now removes employment areas from the DGA density calculation, UHOP policy A.2.3.3.3 will need to be reviewed and updated as part of the future Official Plan Review.

3.0 EXISTING DGA OVERVIEW:

3.1 EXCLUSIONS

The gross land area of the City's Existing DGA totals more than 4,200 ha. However, for the purpose of density analysis, the Growth Plan provides that certain lands can be excluded from the density calculation. Policy 2.2.7.3 of the Growth Plan outlines the lands which may be excluded from the DGA density calculation due to being considered non-developable, or being designated as employment area.

Table 1 breaks down the amount of land area, in hectares, of each exclusion area from the DGA density calculation.

Table 1: Growth Plan Exclusions from Calculation of DGA Density

Existing DGA Breakdown	Area (ha)	%
Total Existing Designated Greenfield Area (Gross)	4,231	100
Total Exclusions	2,090	49
Employment Lands	1,780	42
Core Areas (non-employment)	305	7
Rights of Way (non-employment)	0	0
Cemeteries	5	0.1
Net "Community" *(residential, institutional, commercial)* Developable Area (based on 2019 Growth Plan)	**2,140**	**51**

Source: City of Hamilton, year end 2019

Table 1 above identifies the portion (42%) of the City's Existing DGA that is designated employment land. This confirms the significance of the revisions to the 2019 Growth Plan which allow municipalities to net out employment lands for the purposes of calculating DGA density. Employment lands traditionally develop at a lower density than non-employment lands, and therefore including the employment areas in the DGA density calculation had the effect of lowering the overall planned density. This paper focuses on the non-employment DGA lands. Discussion on the City's employment lands and opportunities to intensify those lands is discussed in the City's Land Needs Assessment.

3.2 DEVELOPMENT STATUS OF EXISTING DGA

The built boundary line, which separates the built-up area from the DGA, was established by the Province in 2006. At that time, the lands that were identified as DGA were largely undeveloped or underdeveloped (i.e large lot with one single detached dwelling). In the 14 years since that delineation, a portion of the DGA lands have now been developed, or have existing or pending development approvals (plans of subdivision). Despite this fact, there were no modifications made to the built boundary line during the co-ordinated provincial plan review in 2015. Therefore, a portion of the lands that are classified as Existing DGA are already fully or partially built-out.

Further, another significant subset of DGA lands have already been approved for development through a Registered or Draft Approved Plan of Subdivision, or are subject to a Pending Plan of Subdivision application. These DGA lands are broken down into three categories:

- Registered – lands within a registered plan of subdivision for which building permits have not been issued.
- Draft Approved – lands within a draft approved, but not registered, plan of subdivision.
- Pending Plans – lands within a draft plan of subdivision application that has been submitted to the City, but not approved.

Table 2 summarizes the breakdown of Existing DGA land by development status, not including employment lands:

Table 2: Development Status of DGA Lands

Existing DGA Category (Non-employment)	Land Area (gross ha)
Fully or Partially Built (i.e. building permits issued)	910
Registered (no permits issued)	75
Draft Approved	365
Pending	115

Source: City of Hamilton VRL, year end 2019

It is apparent from the chart above that a significant portion of the Existing DGA lands are already developed for residential purposes or are subject to an approved or pending draft plan of subdivision application. A map of the above noted breakdown is attached as Appendix "A".

Further constraints to residential development of the Existing DGA are also shown on Appendix "A", including lands designated for employment uses and open space lands (i.e. parks, natural features, cemeteries). As is evidenced on Appendix "A", the Existing DGA lands that are not subject to an existing development application / approval, or constrained for development by one of the features above, is limited.

4.0 PLANNED RESIDENTIAL SUPPLY INFORMATION

To ultimately determine the DGA planned density, it is necessary to consider the potential residential supply of the City's Existing DGA lands. For the purposes of this analysis, the planned residential supply is defined as the lands remaining (after allowable Growth Plan net-outs) that are currently designated in the UHOP for residential uses over the plan horizon. This includes mostly vacant lands as identified in the City's Vacant Residential Land Inventory (section 4.1 below) as well as a small amount of currently occupied lands that can be reasonably expected to redevelop with new residential uses in accordance with their current designation (section 4.2 below). Information on the City's designated and available planned residential land supply comes from two different sources:

4.1 VACANT RESIDENTIAL LAND INVENTORY (VRLI)

The VRLI classifies development potential of vacant residential lands, including DGA lands, by current development status. The VRLI includes lands in four categories:

- Registered Plan - These lands have the highest degree of development certainty.
- Draft Approved Plan - These lands also have a high degree of development certainty, but could be subject to revision in terms of total unit count, type etc.

- Pending Plans - Development potential can be estimated for lands within this category based on the submitted plan, but it is noted that this is an estimate only, and subject to change as the plan moves through the approval process.

- Potential Development – vacant residential lands for which no draft plan of subdivision application has been submitted. Development potential for these lands is estimated using a variety of sources, including Secondary or Neighbourhood Plan designations, zoning, surrounding land uses and density, or other types of pending development applications (eg. site plan control). These lands have the least degree of development certainty. Staff undertook a review of these lands to determine if there is opportunity to increase the assumed development potential based on updated policy direction or surrounding development in the area (see Section 5.0 below).

For the purpose of calculating the DGA planned density to 2051, all lands which are currently designated for residential purposes within the VRLI were assumed to develop within the planning horizon. Of note, lands which are currently subject to a development application for redesignation to a residential designation were not included. An example is the proposed application to redesignate District Commercial lands in the vicinity of Highways 5 & 6 (Flamborough) to a Mixed Use designation. The lands that are subject to this application were not included in the planned density calculation above because the application is in the early stages and the ultimate outcome of the applications is unknown at this time.

The following chart summarizes the amount of land area within each VRLI category within the Existing DGA:

Table 3: Vacant Residential Land Inventory Breakdown by Category

DGA Category		Land Area (ha)
Registered		75
Draft Approved		365
Pending		115
Potential Development	Within Secondary Plan	220
	Outside of Secondary Plan	30

Source: City of Hamilton VRLI, year end 2019

4.2 OTHER DESIGNATED RESIDENTIAL SUPPLY OPPORTUNITIES:

The VRLI considers lands which are vacant and designated for residential development. Other sites within the Existing DGA which do not meet this criteria, but which represent designated supply opportunities, include:

- Large parcels currently developed with a single detached dwelling, but which offer potential for severance and future additional residential development; and,

- Land assembly opportunities for parcels currently developed with single detached dwellings with opportunity to be developed at a higher density.

Development opportunities of the lands noted above are identified by City staff through a review of the Existing DGA, but do not form part of the City's VRLI because they are not vacant. However, because these lands are designated for residential development (i.e. "Neighbourhoods" on Scheulde E-1 of the UHOP and / or within a Secondary Plan residential designation), they represent planned residential supply opportunities and should be considered as part of the the planned density calculation. An assessment of realistic potential of these sites to develop by 2051 was undertaken, and only sites which did not require consolidation with other properties in order to develop were assumed as realistic development opportunities within the planning horizon.

5.0 CALCULATING POPULATION AND EMPLOYMENT POTENTIAL

5.1 POPULATION

Calculating the development potential, and ultimately the planned density, of the DGA requires calculating the unit potential across each of the subsets noted above. The development potential of the Registered, Draft Approved, and Pending development categories (VRLI) is straightforward, and is based on the unit potential of the Registered / Draft Approved / Pending Plan of Subdivision applications. Units are translated into population based on the following assumptions regarding persons per unit for the DGA[2]:

Unit Type	PPU
Single / Semi	3.44
Row	2.50
Apartment	1.64
Total	3.05

The density calculation of the Potential Development category of the VRLI (within and outside of a Secondary Plan boundary), and the Other Designated Residential Supply Opportunities outside of the VRLI, requires greater discussion, being based on certain development assumptions, as follows:

- Within a Secondary Plan generally assume development will occur at the maximum density permitted by the Secondary Plan land use designation. (Secondary Plan land use categories permit development at a density range, eg. 20 to 40 units per hectare.) For this exercise, the maximum density permission was assumed for the majority of sites, with the exception of certain situations where the existing surrounding

[2] The PPU factors are based on average Household Size by Unit Type by Period of Construction from Statistics Canada for the 10-year period 2006-2016. The resulting population figures are checked for consistency with available Census information at the Dissemination Area (DA) level for total occupied housing units, population and average persons per unit in the DGA and adjusted upwards to included non-household population and the Census net undercoverage ("the undercount") in accordance with the Growth Plan Schedule 3 forecast definitions. The PPUs are applicable to the DGA only, and not city-wide.

development was at a lower density and it was assumed that future development would be at a similar density.

- For properties that are subject to a development application (eg. Zoning By-law Amendment or Site Plan), the proposed development concept was used to inform density assumptions.

- Review of existing OP and zoning designations to obtain guidance. Note that some DGA lands within this category remain under remnant Agricultural zoning, despite being within the urban boundary, and therefore cannot be used to guide future development assumptions.

- If applicable, Neighbourhood Plans provide guidance on future development potential.

- Review of surrounding land uses to determine appropriate development potential taking into account matters such as transition and compatibility.

These assumptions are used to assign potential unit and population totals to the Potential Development lands within the VRLI, and the Other Designated Residential Supply Opportunity areas. The population assumptions use the same Persons per Unit factors discussed above.

5.2 IDENTIFYING OPPORTUNITIES TO INCREASE THE PLANNED DENSITY OF EXISTING DGA

City staff conducted a review of the designated residential supply opportunities across the Existing DGA to identify opportunities to increase the planned density (unit potential). The review focussed on lands within the Potential Development Category of the VRLI, and lands within the Other Designated Residential Supply Opportunities category. The context of the review was to consider opportunities to increase the planned density of the Existing DGA to the planning horizon of 2051.

It is assumed that opportunities to increase the planned density of the Registered, Draft Approved and Pending category lands are low. While it is recognized that unit potential of the Pending Category may change from what is currently proposed, it is nonetheless assumed that any changes in planned density from what is submitted on the development application would be fairly minor, and would reflect the need to redesign the proposed development to account for technical requirements arising during the development review process. A significant change in planned density is not likely or anticipated.

The following categories were reviewed by staff :

- The Potential Development category of the VRLI represents only 11% of the net Residential DGA, or 250 hectares. Of this 250 ha, almost 90% is located inside a Secondary Plan boundary. These lands offer some opportunity to plan for increased

density, through processing of future development applications that may contemplate a density increase above that permitted in the approved Secondary Plan. In this regard, staff updated the assumptions within the VRLI to reflect higher densities in certain areas, reflective of recent developments or applications in the vicinity, and the Growth Plan and UHOP planning direction to plan for compact form with a range of housing options.

- The remaining lands of the Potential Development (VRLI) category are located outside of a Secondary Plan boundary. These lands offer the greatest opportunity and flexibility in future planning, but also represent the smallest subset of land area. Similar to above, staff reviewed these lands to update the density assumptions in the VRLI, based on updated zoning, surrounding development, and recent development applications on the subject lands or in the vicinity.

  In reviewing these Potential Development sites, staff also considered locations on the edges of neighbourhoods, particularly at the intersection of arterial roads, where an increase in density may be appropriate in accordance with UHOP policy direction. These areas offer an important opportunity to plan for ‘missing middle’ housing, which refers to a need to provide a greater range of medium density housing forms within neighbourhoods, which may include townhouses of various forms of low-rise apartments.

- In addition to the update to the VRLI, staff also undertook a review of the Other Designated Residential Supply Opportunities. Opportunity areas were identified, taking into account recent development trends in the surrounding area, new or updated zoning, and development enquires or consultations on the lands.

5.3 JOBS

The employment assumptions are based on a growth factor of 1 job per 8 persons to account for anticipated population-related job growth to support the increased population. Population-related jobs are jobs that are meant to serve the needs of the population and include retail, services, and institutional jobs. Traditional ‘employment land’ jobs (eg manufacturing and warehousing) and office jobs are not included in this category. Commercial and institutional jobs on lands designated for those uses are calculated at a rate of 60 jobs per hectare (commercial) and 38 jobs per ha (institutional).

5.4 PLANNED DENSITY OF EXISTING DGA

The calculation of the planned DGA density is based on a combination of existing population and jobs, plus population in the designated residential supply (VRLI and Other Designated Supply Opportunities), plus potential job growth.

Based on the supply information in the VRLI, combined with the Other Residential Supply Opportunities, the planned density across the Existing DGA as of 2019 is 60 pjh.

Table 4: Summary of Planned Density of Existing DGA

Category		Units	Population	Jobs	PJH
Population					
Fully or Partially built		18,900	55,500		
Registered (VRLI)		3,500	8,100		
Draft Approved (VRLI)		6,250	14,400		
Pending (VRLI)		2,600	5,900		
Potential Development (VRLI)	Within Secondary Plan	7,400	18,200		
	Outside Secondary Plan	600	1,500		
Other Designated Residential Supply Opportunities		1,000	2,570		
Jobs				13,270	
Total (Persons + Jobs per hectare)					**60**

Source: City of Hamilton

This represents an increase from the last previously reported calculation of 56 pjh, as of year-end 2017. This current review is based on the most up-to-date information, including some revisions to the GIS mapping, land area measurements and capacity calculations (updated PPUs and employment density factors) since the last reported calculation. The key differences are noted herein, and generally result in a moderately higher density for the current DGA than had been previously estimated.

6.0 CHALLENGES AND OPPORTUNITIES

While staff have determined that opportunity does remain within the City's Existing DGA to plan to achieve a 60 pjh target, achieving this target requires planning for compact form and, in some cases, increased densities. The following considerations need to be recognized:

- As noted above, only a small percentage of the Existing DGA is true vacant greenfield land. The vacant greenfield lands represent an opportunity to plan for increased densities, subject to good planning and servicing availability. Other opportunities will require land assembly or redevelopment, which could be more challenging.

- Planning for increased density in the Existing DGA could be challenging in light of the potential for neighbourhood opposition if a new development is proposed at a higher density than surrounding lands. While the planned density takes into account neighbourhood compatibility when making assumptions about future development potential, the possibility of neighbourhood concern remains if density increases are proposed (eg. townhouses instead of single detached dwellings);

- The planned density calculation assumes that future development will proceed at the higher end of the Secondary Plan density range (if applicable). Recent history shows that new developments are not consistently being proposed at the higher end of the range. Ensuring future development meets the higher density requirement will require education and cooperation from the development community, staff and council.

- The planned density calculation assumes that some parcels currently developed with a single detached dwelling will be redeveloped at a higher density over the long term. There is no guarantee redevelopment will occur, and it is entirely dependent on the will of the landowner.

As noted above, planning to achieve 60 pjh represents an optimistic view of the density of future development (i.e. assumption that development will proceed at densities greater than the minimum requirements). To support the City's achievement of the 60 pjh target over the long term, staff recommend the following actions:

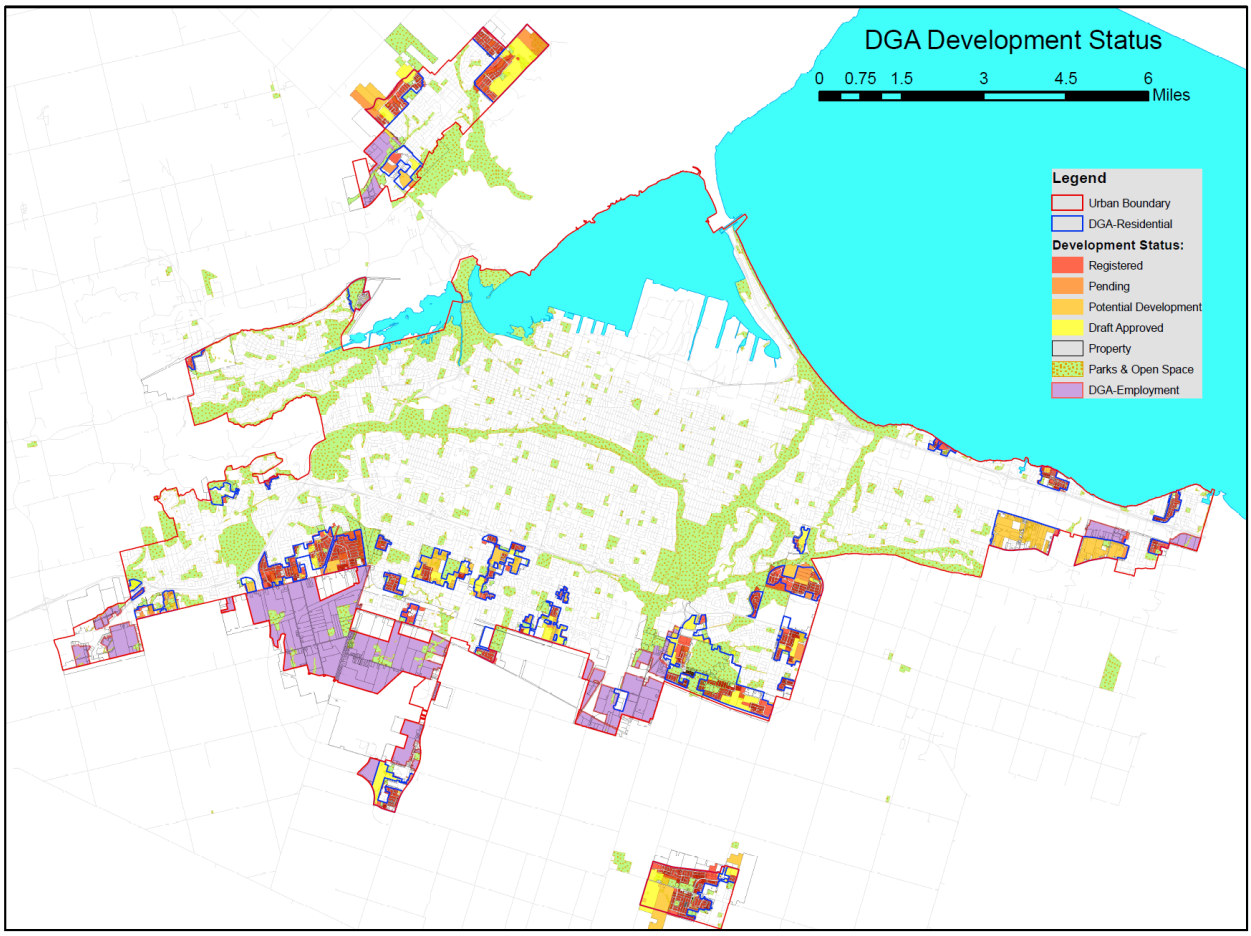
- Supportive residential zoning – the City is currently working on the final stage of its new comprehensive zoning by-law, which is the residential zones. Currently, residential zoning is dictated by the zoning by-laws of the six former municipalities, some of which date back to the 1950s. Some of the zoning by-laws do not contemplate the full range of housing types which are common in new greenfield developments today, including maisonettes, stacked townhouses, and rear lane townhouses, and developments with multiple forms in one block. This causes a delay in approvals process as site specific zoning must be created for new developments. By establishing new residential zoning that contemplates a variety of medium and high density residential forms, and allows for flexibility in design and regulations, developers will be encouraged and facilitated in planning for higher density developments in their greenfield communities.

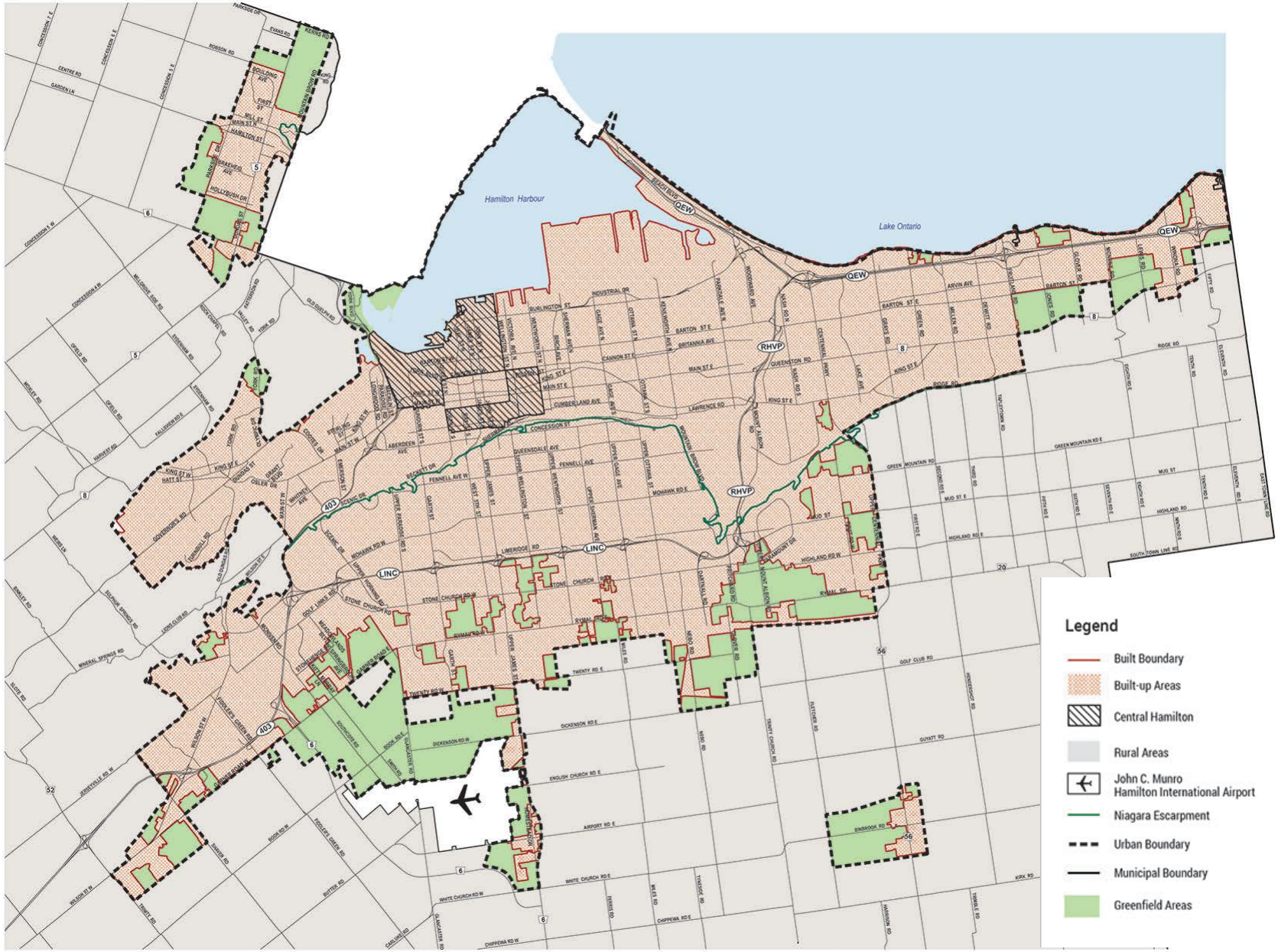
- Education on medium and high density housing – this approach is important for the public, the development community, and Council. Providing education on the variety of housing forms and typologies that contribute to higher density can facilitate development other than the standard low rise and townhouse development which is typical of new communities. Education on the benefits of higher densities could help address neighbourhood and political opposition. The City has already embarked on this initiative through a series of open houses held in the fall of 2018 entitled *Imagining New Communities*, which provided information to the public and council on higher density community design.

9.0 CONCLUSION

It is appropriate for the City to plan to achieve 60 pjh as a target for Existing DGA density. This target will require new greenfield developments to be approved at a higher density than the historical norm, and will require cooperation and support of staff, developers, Council and the public.

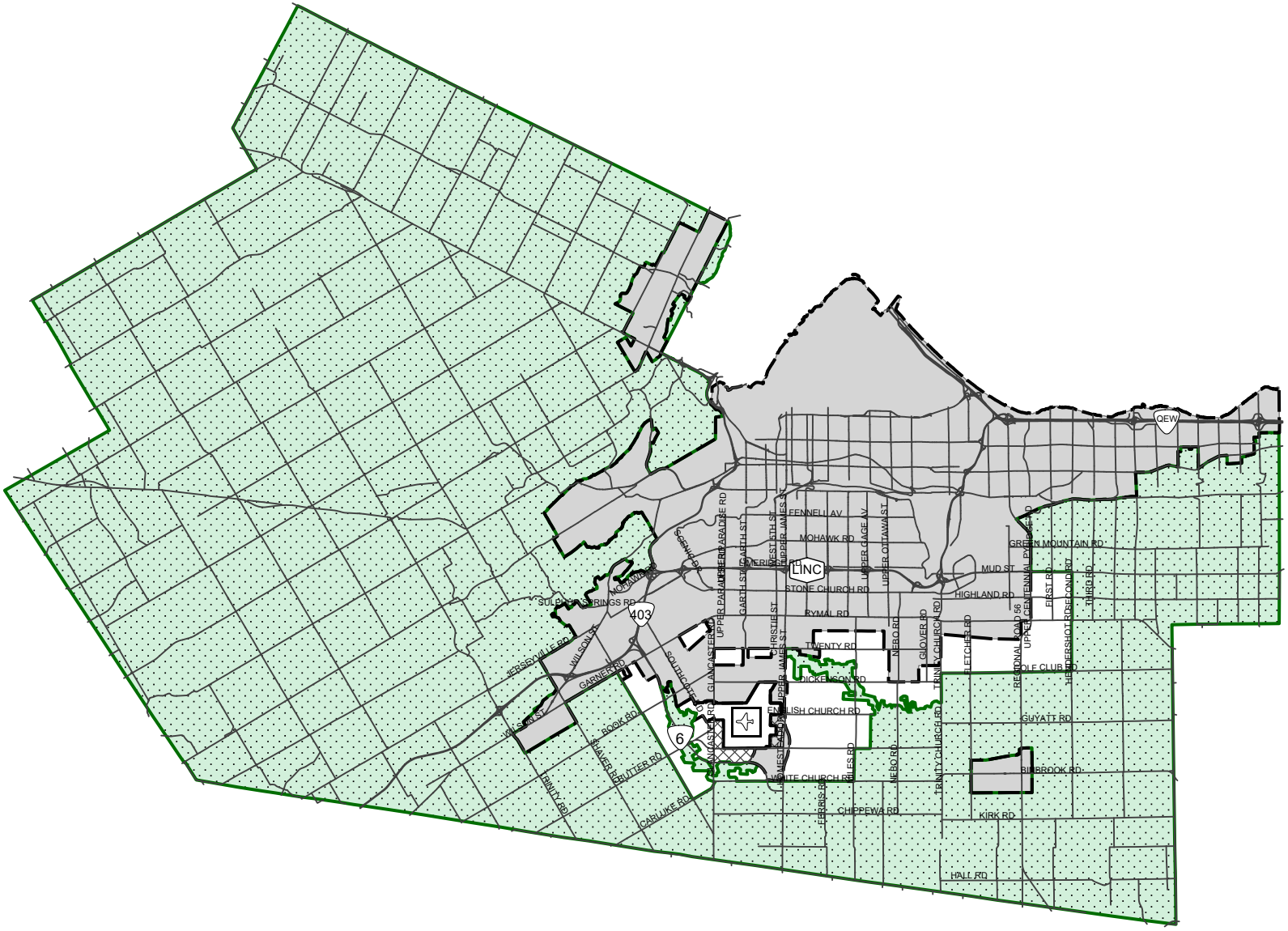
APPENDIX "A"


DGA Development Status
0 0.75 1.5 3 4.5 6
Miles
Legend
Urban Boundary
DGA-Residential
Development Status:
Registered
Pending
Potential Development
Draft Approved
Property
Parks & Open Space
DGA-Employment


Hamilton Harbour
Lake Ontario
QEW
RHVP
LINC
403
Legend
Built Boundary
Built-up Areas
Central Hamilton
Rural Areas
John C. Munro
Hamilton International Airport
Niagara Escarpment
Urban Boundary
Municipal Boundary
Greenfield Areas

Urban and Rural Areas (in hectares)	
Urban Area	24000
Rural Area*	88830
Greenbelt	*83674*
Whitebelt	*4321*

*includes airport lands



Legend

- John C. Munro International Airport
- Greenbelt
- Whitebelt
- Airport Expansion Lands
- Urban Boundary
- Urban Area

Urban and Rural Areas
City of Hamilton

Date:
March 13, 2020

0 1 2 3 4 5 6
Kilometers

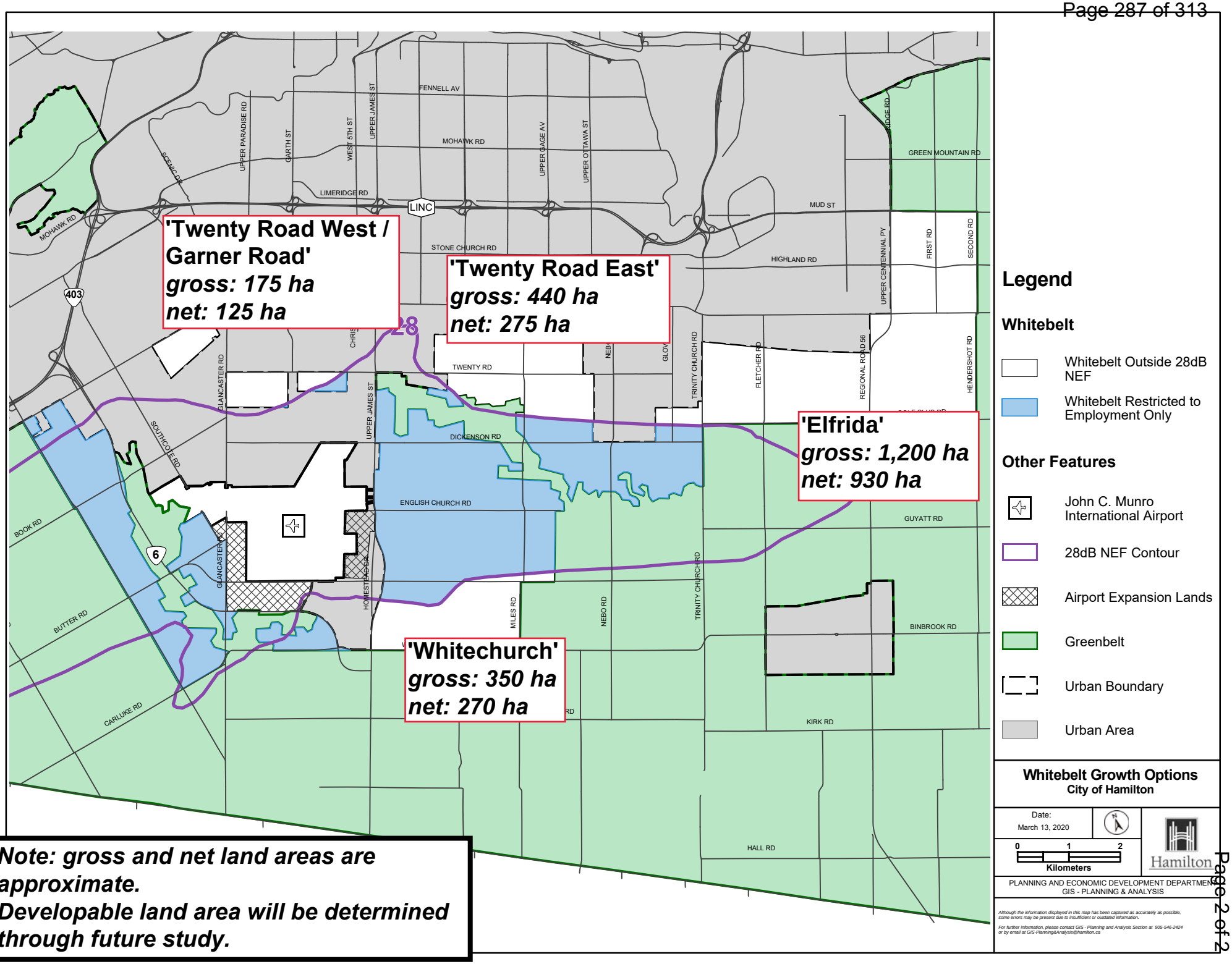
Hamilton

PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT
GIS - PLANNING & ANALYSIS

Although the information displayed in this map has been captured as accurately as possible, some errors may be present due to insufficient or outdated information.

For further information, please contact GIS - Planning and Analysis Section at 905-546-2424 or by email at GIS-Planning&Analysis@hamilton.ca

Appendix "H" to Report PED17010(h)
Page 1 of 2


'Twenty Road West / Garner Road'
gross: 175 ha
net: 125 ha
'Twenty Road East'
gross: 440 ha
net: 275 ha
'Elfrida'
gross: 1,200 ha
net: 930 ha
'Whitechurch'
gross: 350 ha
net: 270 ha
Note: gross and net land areas are approximate.
Developable land area will be determined through future study.
Legend
Whitebelt
Whitebelt Outside 28dB NEF
Whitebelt Restricted to Employment Only
Other Features
John C. Munro International Airport
28dB NEF Contour
Airport Expansion Lands
Greenbelt
Urban Boundary
Urban Area
Whitebelt Growth Options
City of Hamilton
Date:
March 13, 2020
0 1 2
Kilometers
Hamilton
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT
GIS - PLANNING & ANALYSIS
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FENNELL AV
MOHAWK RD
LIMERIDGE RD
LINC
STONE CHURCH RD
MUD ST
HIGHLAND RD
GREEN MOUNTAIN RD
TWENTY RD
DICKENSON RD
ENGLISH CHURCH RD
GUYATT RD
BINBROOK RD
KIRK RD
HALL RD
BOOK RD
BUTTER RD
CARLUKE RD
SOUTHCOTE RD
GLANCASTER RD
UPPER JAMES ST
TRINITY CHURCH RD
FLETCHER RD
REGIONAL ROAD 56
HENDERSHOT RD
UPPER CENTENNIAL PY
FIRST RD
SECOND RD
MILES RD
NEBO RD
403
6

Hamilton

MCR GRIDS 2

Moving Forward Together

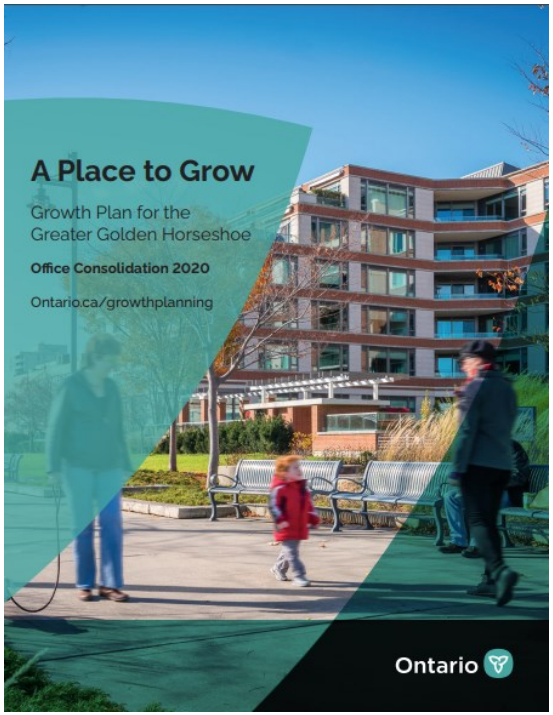
General Issues Committee
December 14, 2020

GRIDS 2 and the MCR

Growth Related Integrated Development Strategy (GRIDS) 2 – long-term planning exercise to 2051 that will guide how and where the forecasted growth of people and jobs will be accommodated.

GRIDS 2 is an integrated process which combines land use planning, infrastructure planning, human services requirements and fiscal impacts into one process

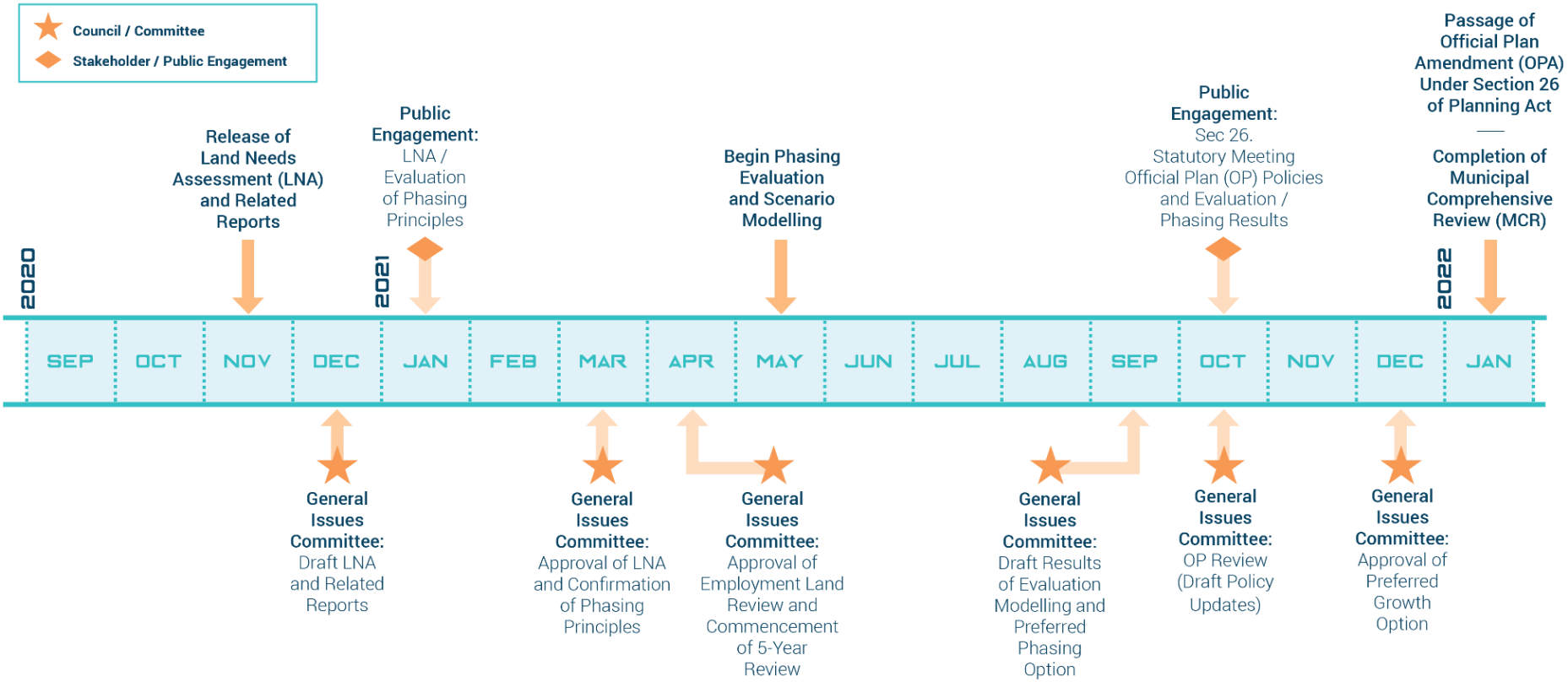
Municipal Comprehensive Review (MCR) – Provincial requirement to update the City's Official Plans (Urban and Rural) to bring them into conformity with the most recent versions of provincial policy documents



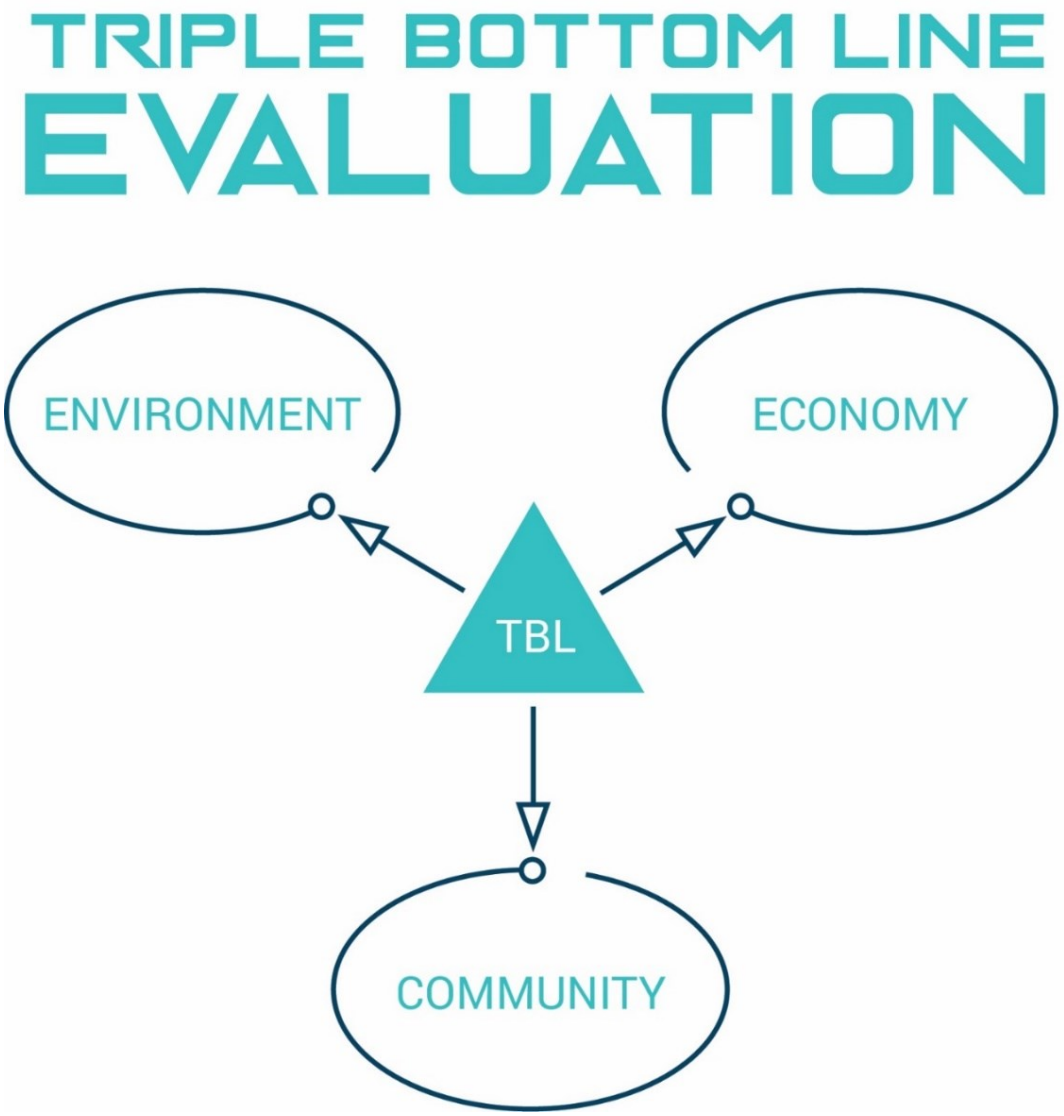
GRIDS 2 / MCR Project Timeline:

MCR GRIDS 2
Moving Forward Together

TIMELINE



GRIDS Nine Directions:



GRIDS 2 / MCR 10 Directions

MCR GRIDS 2
Moving Forward Together

1. **Plan for climate change mitigation and adaptation, and r**
   greenhouse gas emissions.

2. Encourage a compatible mix of uses in neighbourhoods, **inc**
   range of housing types and affordabilities, that provide o
   and play, **promoting a healthy, safe**

3. opment **and infrastructure** within existing built-up areas and
   ry **through intensification and adaptive re-use.**

4. Protect rural areas for a viable rural economy, agricultural resour
   sensitive recreation and the enjoyment of the rural landscape.

5. Design neighbourhoods to improve access to community life **for**
   age, ethnicity, race, gender, ability, income and spirituality.

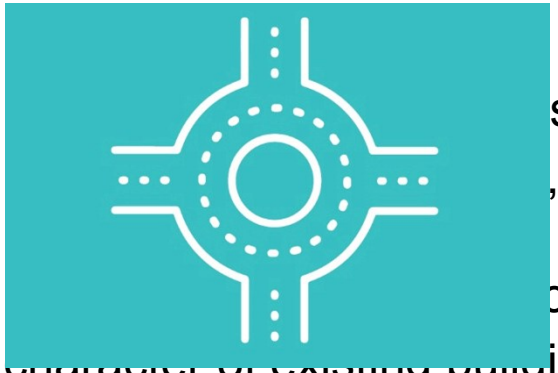
GRIDS 2 / MCR 10 Directions

MCR GRIDS 2
Moving Forward Together

6. Retain **and intensify existing employment land,** attract jobs in Hamilton's strength areas and targeted new sectors, **and support access to education and training for all residents.**

7. Expand transportation options **through the development** **streets** that encourage travel by foot, bike and transit, and efficient inter-regional transportation connections.

8. Maximize the use of existing buildings, infrastructure, and vacant or abandoned land.



9. s **and the natural environment, reduce waste**, improve , and encourage the use of green infrastructure.

10. ctive public and private spaces and respect the unique ings, neighbourhoods **and communities, protect cultural heritage resources, and support arts and culture as an important part of community identity.**

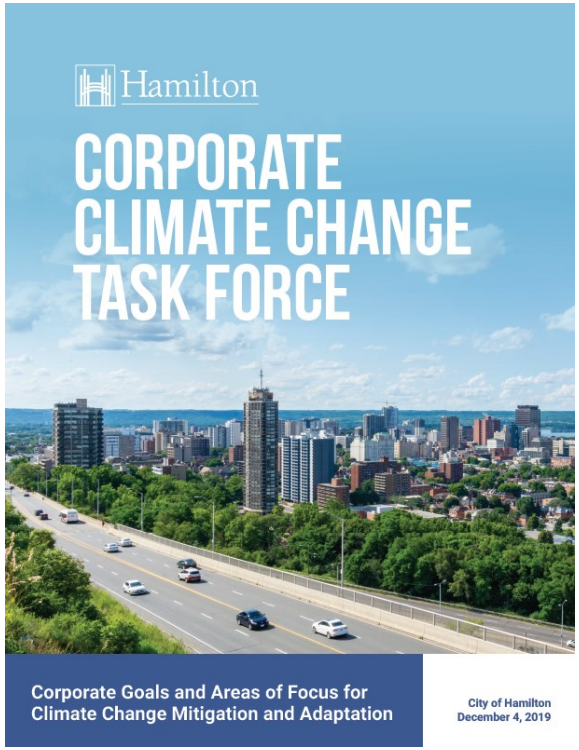
MCR GRIDS 2
Moving Forward Together

Climate Change:

- The Land Needs Assessment (LNA) is a technical document that is required to follow a provincially-mandated method which does not consider climate change implications.

- There is some flexibility on the inputs into the LNA – the intensification target and the density of new growth areas.

- A climate change lens can be applied to the decision making process, and is in keeping with the City's *Corporate Goals and Areas of Focus for Climate Change Mitigation and Adaptation.*



Climate Change Considerations:

MCR GRIDS 2
Moving Forward Together

Climate lens through growth management:

- Intensification target: an increased target will focus more growth in the existing urban area.
- Planned density: a higher planned density of new development will result in a more compact urban form.
- Land need: intensification and planned density influence overall urban expansion area land need.
- Evaluation framework: climate change lens in the evaluation of growth options, including phasing of future development.

Climate Change and New Communities:

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Moving Forward Together

Mitigation

Active transportation

Compact form

Mix of land uses

Alternative Energy

Adaptation

Open space protection

Urban forest

LID

Flood protection

Building design

Infrastructure planning

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Moving Forward Together

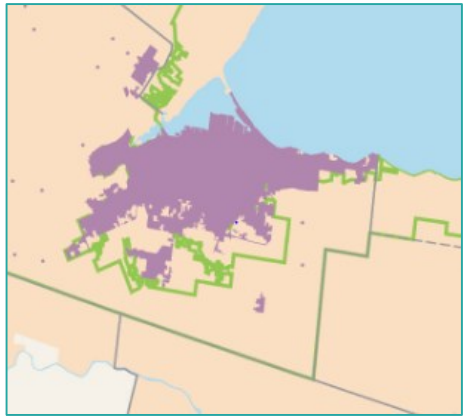
GRIDS 2 / MCR Planning Period:

- GRIDS 2 / MCR began in 2017 to plan for the City's growth between 2031 and 2041.
- GRIDS (approved in 2006) planned for the City's growth to the year 2031. Almost 15 years have passed since GRIDS was approved.
- Amendment 1 to Growth Plan 2019 now requires the City to plan to the year 2051.
- Staff recommendation: *That Council endorse the direction to collapse and consolidate the Municipal Comprehensive Review (MCR) process to guide and direct growth for the 2021 to 2051 time period into one process.*

Growth Management Context

MCR GRIDS 2
Moving Forward Together

- Long-term **economic outlook remains positive**
- **Intensification** is becoming a bigger part of the picture across the GTHA
- **Tech and Creative Industries** sectors **s**et to perform well
- Demand for **greenfield employment areas** continues to be strong
- **Hamilton is well-positioned** to capture future opportunities



35%

Intensification 2008-2019

Key Elements of the Analysis

- **Long-term approach** is taken to the assessment of land needs
- Short-term **impacts of COVID-19** are incorporated
- Provincially **mandated forecasts and method** underpin the results
- Recent shift to a more **'Market'-Based' perspective** is significant
- **Objective and defensible analysis** still required to justify major urban boundary expansions

The Growth Forecast to 2051

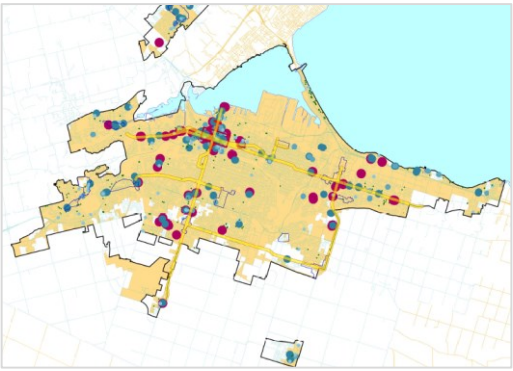
MCR GRIDS 2
Moving Forward Together

Planning Period	Population	Housing	Employment
2021	584,000	222,540	238,000
2051	820,000	332,860	360,000
Growth 2021-51	+236,000	+110,320	+122,000

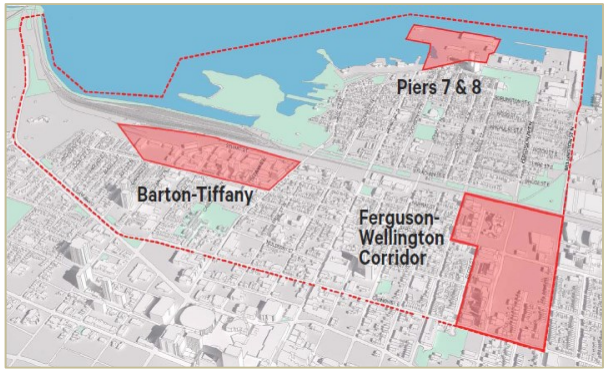
- **Significant growth**: more than twice as much over the period to 2051 than the last 30 years
- Fundamentally **driven by migration**: especially international migration, set annually by the Federal Government
- Integrated housing and labour **markets are drawing Hamilton closer** into the 'orbit' of the broader City-region

Outlook for Residential Intensification

- **Economic and demographic forces** determine the overall 'pool' of demand: actual builds go to the best spots
- City is **well-advanced in its planning** efforts: modernized policy, financial incentives, pre-zoned supply of sites in place
- **Significant intensification** anticipated under all scenarios



Concentration in Central Hamilton Continues



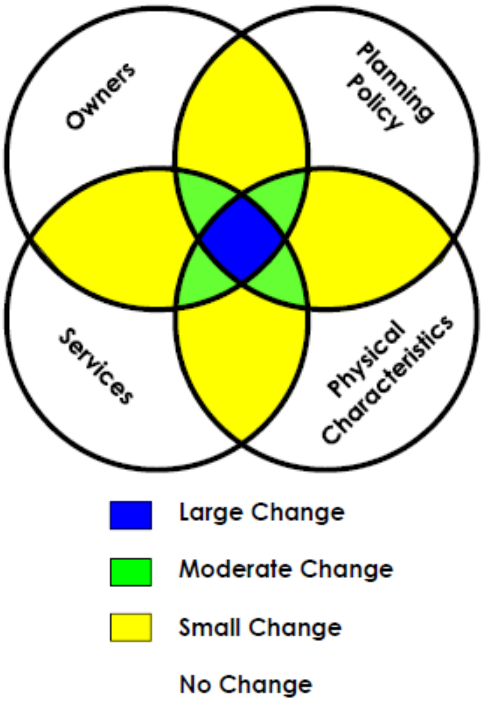
Major Changes for the West Harbour Area

Prospects for the LRT remain unclear

Role of Intensification and Greenfields

MCR GRIDS 2
Moving Forward Together

- Intensification and Greenfield development are **driven by unique dynamics**
- **Demand must change** for more people to choose intensification
- Simply **setting targets** does not ensure success in the market
- Need to acknowledge the **synergistic role** of the urban, suburban and rural areas within the broader City-region system
- Target of **50% is recommended** for the period to 2031



Large potential supply of sites required to capture opportunities

Overview of LNA Method and Approach

MCR GRIDS 2
Moving Forward Together

R1	Forecast Population Growth Over the Planning Horizon
R2	Forecast Housing Need by Dwelling type to Accommodate Population
R3	Allocate Housing Units to *Growth Plan* Policy Areas
R4	Determine Housing Supply Potential by Policy Area
R5	Determine Housing Unit Shortfall within the Designated Greenfield Area
R6	Establish Community Area Land Need Including Community Area Jobs

Output is Community Area Land Need (in ha)

E1	Calculate Total Employment Growth to *Growth Plan* Horizon
E2	Categorize Employment Growth into the Major Land Use Planning Types
E3	Allocate Growth to the *Growth Plan* Policy Area
E4	Calculate Capacity of Employment Areas to Accommodate Growth
E5	Establish Employment Area Land Need

Output is Employment Area Land Need (in ha)

Community Area Land Need Scenarios

MCR GRIDS 2
Moving Forward Together

- **Three main scenarios** are prepared to provide a range on future urban land needs

Growth Plan Minimum	Increased Targets	Ambitious Density
Applies the 'minimum' intensification target (50%) in the *Growth Plan,* which is considered to be a suitable aspirational goal.	Based on higher rates of intensification and greenfield density. May be a challenge to achieve towards the end of the period to 2051.	Based on still higher rates of intensification and greenfield density. Would require careful monitoring and reporting on progress to 2051.

Highest Range of urban land need **Lowest**

- An illustrative **"Current Trends" scenario** has been prepared to show the results of a lower (40%) intensification target

Community Area Land Need to 2051

MCR GRIDS 2
Moving Forward Together

LNA Scenario	Land Need (Gross ha)	*Growth Plan* Density
Growth Plan Minimum (50% Intensification to 2051)	2,200 ha	65 rjha
Increased Targets (50% → 55% → 60%)	1,640 ha	75 rjha
Ambitious Density (50% → 60% → 70%)	1,340 ha	77 rjha

- Maximum **'market-based'** demand of 3,440 ha shown for the *Current Trends* Scenario (illustrative)
- **Land need is reduced** as intensification increases and 'denser' ground-related development is incorporated into the analysis
- **Minimum of 1,340 ha required:** means a significant increase in intensification and very dense greenfield housing

Employment Area Land Need to 2051

MCR GRIDS 2
Moving Forward Together

- Analysis indicates **supply and demand are in balance**: small surplus of roughly 60ha shown to 2051
- **Very efficient use** of the existing land and building supply
- Outlook for **new greenfield areas** reflects City policy directions and the market requirements of industry

Intensification Potential on Stelco Lands

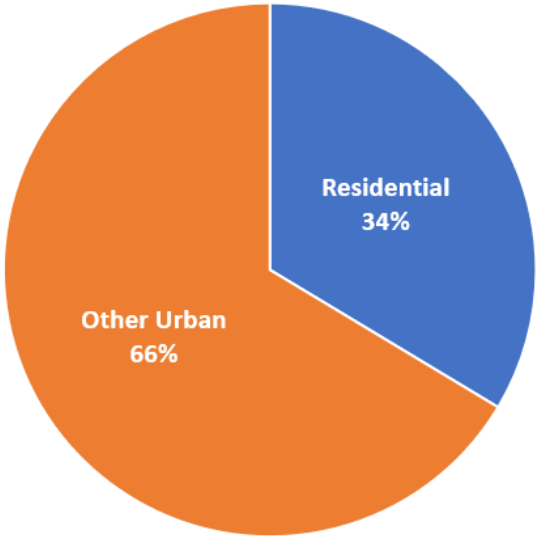
Nearly 8 million sq.ft. new office space

Demand for large-scale warehouse and distribution

Reconciling Results

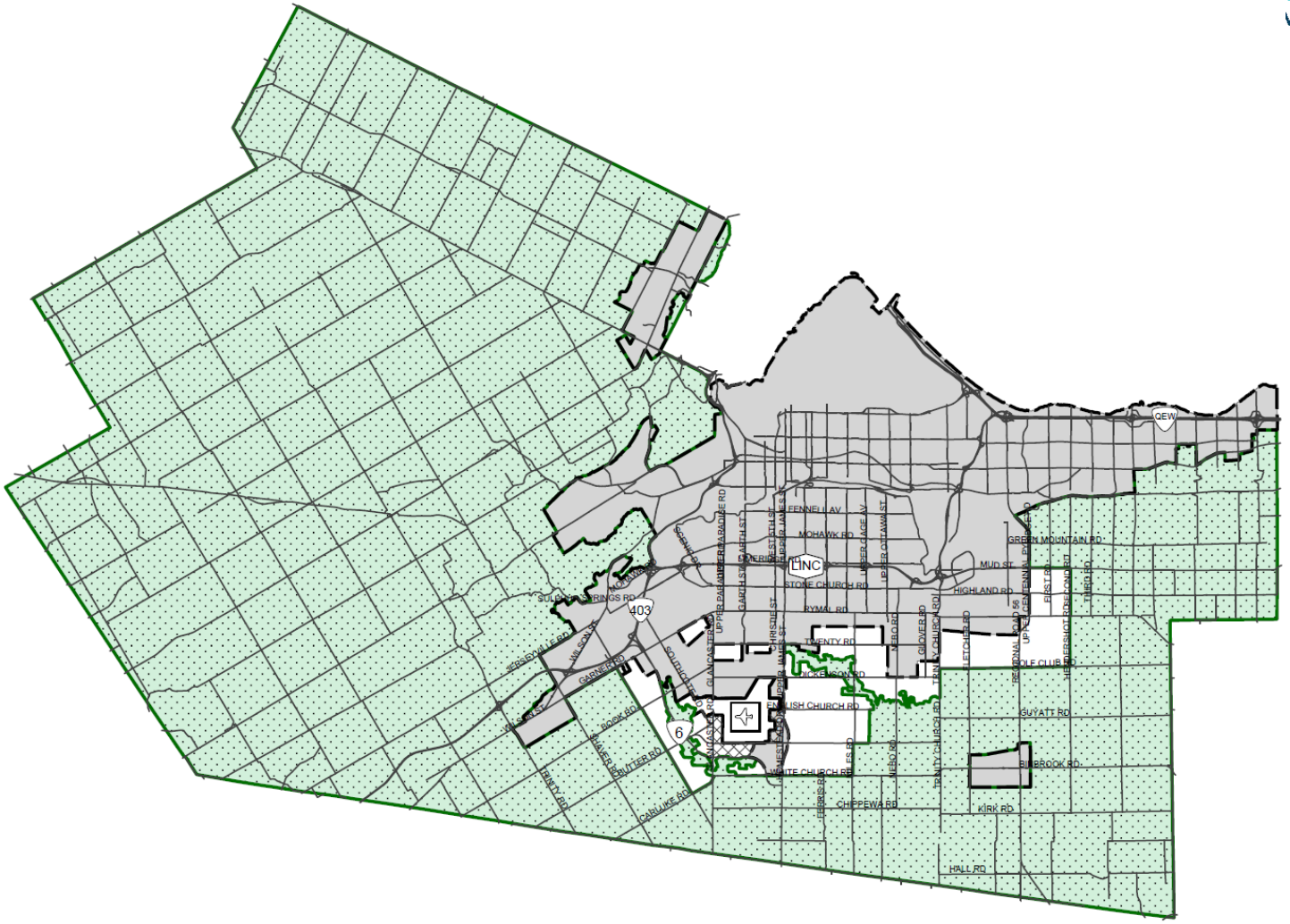
- **Urban boundary expansion** required
- Community Area **land need ranges** from 1,340 ha to as high as 3,440 ha
- "**No Urban Expansion"** does not reflect Provincial 'market-based' requirements
- **Balanced approach required** to meet demands of all market segments
- City and Provincial **objectives can be achieved** through carefully planned, well-serviced expansion areas

2019 Urban Land Use



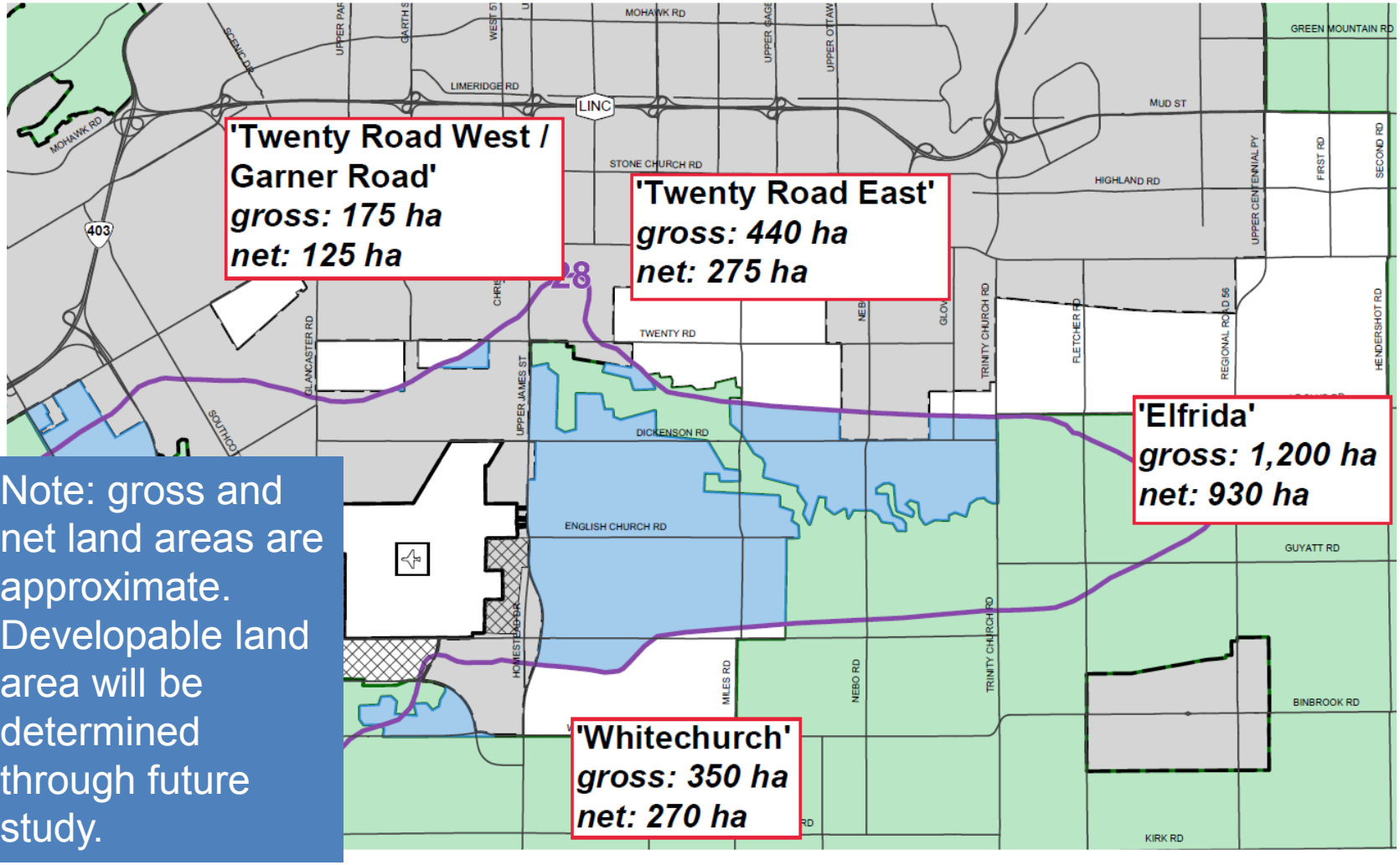
Evaluation of growth options is the **next phase of GRIDS 2**

Land Supply Considerations:



Land Supply Considerations:

MCR GRIDS 2
Moving Forward Together



Note: gross and net land areas are approximate. Developable land area will be determined through future study.

Community Area - Key Decisions:

MCR GRIDS 2 Moving Forward Together

	Increased Targets	*Ambitious Density*
Intensification target:	2051 55% AVG 50% to 2031 55% 2031 to 2041 60% 2041 to 2051	2051 60% AVG 50% to 2031 60% 2031 to 2041 70% 2041 to 2051
Density of new growth areas:	Singles and Semis (11m Lot Frontage) **Density = 35uph** 80% Street Towns, 20% Stacked or Back-to-Back Towns **Density = 65uph**	Singles and Semis (11m Lot Frontage) **Density = 35uph** 50% Street Towns, 50% Stacked or Back-to-Back Towns **Density = 70uph**
Land need:	**1,640 ha**	**1,340 ha**

Next Steps:

1. Consultation on LNA and related reports

- Public consultation using the new Engage Hamilton portal will commence in early January.
- Virtual open houses and stakeholder meetings.
- Final approval of LNA and related reports anticipated in late March / early April.

Next Steps:

2. Evaluation Framework and Phasing Principles
   - Establishing an evaluation framework and phasing principles to evaluate the location and phasing of future growth.
   - Key consideration is a climate change lens.
   - Public / stakeholder consultation early 2021.

3. Final Employment Land Review report
   - Draft report was presented in November 2019.
   - Anticipated between 40 and 100 ha of employment land recommended for conversion.

MCR GRIDS 2
Moving Forward Together

Thank you