



CITY OF HAMILTON
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT
Planning Division

TO:	Chair and Members Planning Committee
COMMITTEE DATE:	February 19, 2019
SUBJECT/REPORT NO:	Growth Plan for the Greater Golden Horseshoe – Amendment No. 1 and Provincially Significant Employment Zones (PED19033) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Heather Travis (905) 546-2424 Ext. 4168
SUBMITTED BY:	Steve Robichaud Director, Planning and Chief Planner Planning and Economic Development Department
SIGNATURE:	

RECOMMENDATION

- (a) That the City of Hamilton supports the Province’s general directions of the revised Growth Plan for the Greater Golden Horseshoe, to manage growth by strengthening the economy and population base through complete communities, strong transportation and infrastructure systems, and protecting agricultural lands and natural heritage systems.
- (b) That the City of Hamilton is concerned that certain changes in Amendment No. 1, particularly in regards to the permission for settlement area boundary expansions and employment land conversions to proceed in advance of a completed Municipal Comprehensive Review (MCR), represents a shift to an incremental planning approach which could undermine the City’s long-term planning, create uncertainty in the local market, and require the reallocation of resources from strategic growth management projects to respond to short term growth pressures.
- (c) That the Province of Ontario be advised that the City of Hamilton is supportive of the following proposed key changes to the Growth Plan:
 - (i) Introduction of Provincially Significant Employment Zones, with additions and modifications, which are employment areas that are given special protection to prohibit any employment land conversions from occurring in advance of the MCR;

- (ii) Removal of the requirement to complete an Employment Strategy and to identify a singular density target for all employment areas;
 - (iii) Added flexibility on the requirement to complete watershed planning as part of review of future expansion areas, while maintaining the requirement to protect the water resource system;
 - (iv) Revision to the built-up area policies to allow all municipalities to request an alternative intensification target for any portion of the planning horizon period;
 - (v) Reduction of the minimum density target from 80 pjh to 60 pjh, and applicability of the target to the entirety of the designated greenfield area;
 - (vi) Removal of the requirement to complete a Housing Strategy as part of the MCR;
 - (vii) Allowance for a Major Trip Generator within a defined Major Transit Station Area (MTSA) to be included as a justification for a reduced density target for MTSA's;
 - (viii) Clarification that Agricultural System mapping and Natural Heritage System mapping does not apply until such time as it is implemented in the Official Plan;
 - (ix) Amended Rural Settlement definition to clarify that rural settlement areas do not form part of the Designated Greenfield Area (DGA); and,
 - (x) Amended definition of Major Trip Generator to add recreational facilities, parks and post-secondary institution uses.
- (d) That the Province of Ontario be advised that the City of Hamilton does not support the following proposed changes, additions and deletions to the Growth Plan:
- (i) Introduction of new and amended definitions that are different than definitions in the Provincial Policy Statement (PPS). The consistency of wording between the PPS and the Provincial Plans is an important step for implementing provincial documents;
 - (ii) Introduction of a policy to allow sensitive land uses in conjunction with major retail or office uses in employment areas, which has the potential to put pressure on employment areas for a mix of land uses that are not compatible with industrial uses and could occupy lands that should be for

- manufacturing, research and development, and other similar uses. This proposed policy should be deleted;
- (iii) Addition of a policy to allow employment land conversions to proceed in advance of the MCR (proposed policy 2.2.5.10). This proposed policy should be deleted;
 - (iv) Removal of the concept of prime employment areas from the Growth Plan and the opportunity for municipalities to identify these areas in Official Plans;
 - (v) Revision to the definition of ‘office parks’ to remove the requirement for office parks to be located within employment areas, which could result in the Urban Growth Centre being classified as an office park;
 - (vi) Addition of a policy to allow for adjustments to a settlement area boundary outside of the MCR process (proposed policy 2.2.8.4). This proposed policy should be deleted;
 - (vii) Addition of new policies to allow for settlement area boundary expansions, up to a maximum area of 40 ha, to occur in advance of the MCR (proposed policies 2.2.8.5 and 2.2.8.6). These proposed policies should be deleted;
 - (viii) Increased intensification target from 50% to 60% between the completion of the MCR to 2031, whereas the current plan has a gradual increase in the intensification target from 50% between completion of the MCR to 2031 to 60% between 2031 and 2041. The policies of the 2017 Growth Plan should be maintained which allow for a graduated target increase, provided that the opportunity to apply for an alternative target is maintained;
 - (ix) Deletion of policy 2.2.4.4 (a)(ii) from the Growth Plan 2017 which recognized that planning for the minimum density target for some MTSA's may be premature based on the existing built form and the potential for redevelopment. This existing policy should not be deleted and should be maintained in the Growth Plan; and,
 - (x) Addition of a policy (policy 2.2.9.7) to allow for adjustments of the boundaries of rural settlement areas outside of the MCR process. This proposed policy should be deleted.
- (e) That the Province of Ontario be advised that the City of Hamilton provides the following suggestions / revisions regarding the revised Plan / policies:

- (i) Amend the proposed boundaries of the lands identified in Hamilton as Provincially Significant Employment Zones as follows:
 - (aa) Hamilton Portland's – Employment lands along the QEW. The proposed description is incorrect and includes two different areas. This area should be renamed to Hamilton North (Bayfront Area and employment lands along the QEW);
 - (bb) Hamilton Central – only a portion of the Red Hill North Park has been included. The entirety of the Park should be included; and,
 - (cc) Hamilton Airport – this area should be renamed to Hamilton Airport Employment Growth District and follow the boundaries of the Airport Employment Growth District.
- (ii) Add the following employment areas to the lands identified as Provincially Significant Employment Zones:
 - (aa) Ancaster Business Park;
 - (bb) Red Hill South and the eastern half of Red Hill North Business Park;
 - (cc) The West Hamilton Innovation District; and,
 - (dd) Flamborough Business Park
- (iii) Provincially Significant Employment Zones should be identified on a Schedule to the Growth Plan to protect them for the long term;
- (iv) Add a policy to the implementation section to address existing non-complying uses in the rural area similar to the policies of the Greenbelt Plan.
- (f) If the Province of Ontario does not make the changes requested by the City of Hamilton in recommendations (b) and (d) above, the following are suggested revisions to clarify and improve the policies:
 - (i) Amend proposed policy 2.2.5.10 regarding employment land conversions in advance of the MCR as follows, in order to ensure that the City has an opportunity to complete the Employment Land Conversion Review and Land Needs Assessment in advance of any requests for employment land conversion:

“Notwithstanding policy 2.2.5.9, lands within existing *employment areas* may be converted to a designation that permits non-employment uses prior to the completion of the *municipal comprehensive review*, provided that:

- a) the municipality completes a comprehensive Employment Land Conversion Review in accordance with the requirements of policy 2.2.5.9 and a Land Needs Assessment; and,
 - b) upon the completion of the Employment Land Conversion Review and Land Needs Assessment, the Council of the municipality passes a resolution identifying lands which may be converted to a non-employment use;”
- (ii) If proposed policy 2.2.5.10 is not amended as per recommendation (f)(i) above, the Growth Plan should be revised to provide clarity as to what constitutes a “significant number of jobs”.
- (iii) If proposed policy 2.2.8.5, which will allow for interim urban boundary expansions and which is not supported by the City of Hamilton, is maintained, the policy should be revised to clarify that only a one time expansion is permitted in advance of the next MCR which is the conformity exercise for the 2017 Growth Plan and to require that such an expansion must be municipally initiated.
- (g) That the City of Hamilton request that further revisions to the Growth Plan for the Greater Golden Horseshoe be undertaken based on implementation issues that have arisen in the 2017 Growth Plan and previous requests by the City of Hamilton in 2016 and 2017 for changes as part of the Coordinated Provincial Plan review:
- (i) Section 2.2.4 – Transit Corridors and Station Areas, or the definition of Major Transit Station Area, should be amended to clarify that MTSA’s do not need to include established low density neighbourhoods;
 - (ii) Amend Schedule 5 (Moving People – Transit) of the Growth Plan to extend the Priority Transit Corridor in Hamilton to include planned Parkdale, Nash and Eastgate LRT stops;
 - (iii) Revise the built boundary to include developed “greenfield areas”, since they are more appropriate to be included within the built-up area;
 - (iv) The Growth Plan forecasts should be developed with a range, and not one definitive number and the forecasts should be updated every 10 years as part of the Plan review;

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- (v) Amend Policy 4.2.6.2. to add “or a LEAR study previously approved by the Province” after the reference to “in accordance with mapping identified by the Province” which would allow the municipality to use their own accurate and consistent mapping of prime agricultural areas; and,
- (h) That the City request the province to increase the commenting period for any changes to Provincial Plans, the *Planning Act* or Provincial Policy statement from 45 days to 90 days to allow municipalities sufficient time to assess and comment on any proposed changes;
- (i) That the City Clerk’s Office be requested to forward Report PED19___ to the Ministry of Municipal Affairs and this Report is considered the City of Hamilton’s formal comments on Amendment No. 1 to the Growth Plan and the Provincially Significant Employment Zones.

EXECUTIVE SUMMARY

On January 15, 2019, the Province released proposed Amendment No. 1 to the Growth Plan regarding a range of key topic areas, including employment, settlement area boundary expansions, intensification, greenfield density, transit station areas and rural areas. The Province also released a proposed framework for the identification of Provincially Significant Employment Zones (PSEZs), which are employment areas to be provided extra protection from proposed conversions. The deadline for comment on the proposed Amendment and the PSEZs is February 28, 2019. Staff have reviewed the proposed amendment and are supportive of a number of policy changes which have the effect of providing clarity and simplifying the City’s Municipal Comprehensive Review (MCR) conformity exercise. Further, staff are generally supportive of the PSEZ approach, but note that modifications are required. However, staff are concerned that certain changes in Amendment No. 1, particularly in regards to the permission for settlement area boundary expansions and employment land conversions to proceed in advance of a completed MCR, represent a shift to an incremental planning approach which could undermine the City’s long-term planning and create uncertainty in the local market. The following report identifies a number of concerns with the proposed policies and staff recommendations on how to address these issues. The Growth Plan changes and staff comments are further summarized in the attached Appendices “A” to “I”.

Alternatives for Consideration – See Page 25

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: N/A

Staffing: N/A

Legal: N/A

HISTORICAL BACKGROUND

1.0 Co-ordinated Provincial Plan Review and 2017 Provincial Plans

Between 2015 and 2016, the Province of Ontario conducted consultation on the update to four provincial plans:

- Growth Plan for the Greater Golden Horseshoe (Growth Plan);
- Greenbelt Plan;
- Niagara Escarpment Plan; and,
- Oak Ridges Moraine Conservation Plan.

The City of Hamilton participated fully in this consultation process, and provided comments on the proposed plan changes as the review process unfolded. Some of the comments in this report reflect comments that the City previously put forward as part of the co-ordinated review.

In May, 2017, the Province of Ontario introduced updates to the four provincial Plans, including the Growth Plan, 2017 which is now being amended as part of Amendment No. 1.

In June, 2017, new Agricultural mapping for all municipalities within the Growth Plan for the Greater Golden Horseshoe area was introduced which identified prime agricultural areas.

To aid in the implementation of the Growth Plan and Greenbelt Plan, over the course of 2017, the Province:

- produced a series of implementation guides, including a Land Needs Assessment Methodology; and,
- held workshops with stakeholders and municipalities to get an understanding of the implementation challenges of the various Plans.

2.0 Amendment No. 1 to the Growth Plan and Associated Modifications

On January 15, 2019, Ministry of Municipal Affairs and Housing released the following proposed amendments and modifications respecting the Growth Plan:

- Proposed Amendment 1 to the Growth Plan for the Greater Golden Horseshoe, 2017 [ERO #013-4504].

- Proposed Framework for Provincially Significant Employment Zones (PSEZ) [ERO #013-4506].
- Proposed Modifications to O. Reg. 525/97 (Exemption from Approval – Official Plan Amendments) and O. Reg. 311/06 (Transitional Matters - Growth Plans) made under the *Planning Act* to implement the Proposed Amendment to the Growth Plan for the Greater Golden Horseshoe, 2017 [ERO# 013-4507 and ERO #013-4505].

The Province has established a 44 day consultation period; comments on the proposed Amendment, PSEZs and associated regulations are due to the Province by February 28, 2019.

The purpose of this Report is to comment on Amendment No. 1 to the Growth Plan and the proposed framework for PSEZs. The modifications to the regulations are technical in nature and support the changes in the Growth Plan. A summary of the proposed changes and staff comments is attached as Appendices “A” to “I”.

It is noted that the Province, at the time of writing of this report, has not released any proposed changes to the Greenbelt Plan. However, staff expect that some of the changes proposed to the Growth Plan regarding rural areas, infrastructure and natural and agricultural systems mapping, will also be carried forward into the Greenbelt Plan in the future. In addition, staff note that the Province is concurrently consulting on future changes to the *Planning Act* and the Provincial Policy Statement. Proposed changes to these documents have not been released.

3.0 Municipal Comprehensive Review (MCR)

The MCR is a process which the City is currently undertaking which will update the policies of the Urban and Rural Hamilton Official Plans to comprehensively apply the policies of the Growth Plan, and Amendment No. 1 if approved, and identify how and where Hamilton’s projected growth will be accommodated to 2041. The MCR is being completed concurrently with the update to the City’s Growth Related Integrated Development Strategy (GRIDS2). The MCR is a comprehensive process that reviews a number of aspects of the City’s future growth:

- Intensification;
- Greenfield density;
- Major Transit Station Areas (future stops along LRT corridor);
- Employment, including employment land conversions and future growth within the City’s employment lands; and,
- Agricultural and natural heritage mapping.

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The MCR process requires the City to complete a Land Needs Assessment (LNA) which will determine how much of the City's population and employment growth can be accommodated within the City's existing urban boundary, and how much may need to be accommodated through new growth area(s). If the LNA identifies a need for additional land, a review and evaluation of growth options (residential and employment) will be undertaken to identify a preferred growth option.

The process to undertake a MCR is lengthy and involves a review of all of the technical aspects noted above and significant public and stakeholder consultation. The MCR will ultimately be approved through the passage of an Official Plan Amendment(s) which will update the City's Official Plans to reflect provincial policies and the recommendations of the MCR process. The Province requires that the City complete the MCR by 2022.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

Growth Plan for the Greater Golden Horseshoe

The Growth Plan sets the direction for accommodating growth and development in the region. The Plan encourages the development of complete communities and requires municipalities to grow in ways that use land and resources more efficiently. The Growth Plan provides policy direction on matters related to intensification, greenfield development, transit areas, housing, employment, rural lands, and infrastructure.

Importance of Provincial Plans for Municipalities

Provincial Planning documents play a critical role in land use planning and development in Ontario. Provincial Planning documents outline a framework by which municipal planners must be consistent with (in the case of the Provincial Policy Statement) and conform to (in the case of the Growth Plan and Greenbelt Plan) the policies and regulations contained within each Plan. The Plans direct where growth shall occur and where protection shall be focussed. The City will implement the directions of the Growth Plan, including the updates proposed through Amendment No. 1, through the MCR.

RELEVANT CONSULTATION

Not applicable.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

As part of Amendment No. 1 there are several proposed changes to the Growth Plan regarding key topic areas, including Employment, Settlement Area Boundary Expansions, Intensification and Density Targets, Transit and the Rural area.

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For the purposes of this Report, the key issues have been highlighted. Appendices “A” to “I” provide a summary of the key policy changes which are relevant to the City of Hamilton and the staff response to those changes.

There are numerous other proposed changes to the Growth Plan which are minor in nature or are meant to provide clarity to an existing policy but not change the intent of that policy. These changes are not highlighted in the Report or Appendices.

Key Issues

Staff have reviewed the proposed changes through Amendment No. 1 and the proposed PSEZs and note that many of the changes will have the impact of simplifying and therefore speeding up the MCR process. Some of these changes are positive and include the removal of certain requirements, such as the housing strategy and employment strategy, and reduction of criteria required to justify an alternative target.

However, there is also a new emphasis on allowing certain actions to occur in advance of the completion of the City’s MCR, including some employment land conversions and settlement area boundary expansions up to a maximum of 40 ha. Staff are concerned that these changes represents a shift to an incremental planning approach which was more common prior to the enactment of the first Growth Plan in 2006. At that time, urban boundary expansions and employment land conversions could occur without the level of rigor required in today’s policy regime. Staff are concerned that this planning approach could undermine the City’s urban structure and create uncertainty in the local market, be it housing or employment. Further, staff note that this flexibility to allow for boundary expansions and employment land conversions to occur in advance of the MCR could have the overall effect of slowing down the MCR process, as staff will be required to respond to the individual requests rather than continuing with the comprehensive planning work. An interim urban boundary expansion without a corresponding land use plan (i.e. Secondary Plan and / or Neighbourhood Plan) in conjunction with the appropriate implementation tools (i.e. Block Servicing Strategy and Land Owner Cost Sharing Framework) may increase the amount of land designated ‘urban’ but will not automatically translate into ‘shovel ready’ lands. Rather, in the absence of a land use plan and implementation framework, it has been the City’s experience that there will be delays in the timing of the lands being ‘shovel ready’ due to the need to coordinate how development proceeds in a piecemeal fashion based on individual applications that do not address equitable distribution of and uses (i.e. parks or stormwater management ponds). This would appear to be contrary to the overall goals of Amendment No. 1.

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Comments on individual policy areas are provided in the next sections:

1.0 Employment Areas and Provincially Significant Employment Zones (PSEZs)

1.1 Key Growth Plan Policy Changes

Overall, the changes to the Employment Area policies will weaken the municipality's ability to protect these areas for long term employment opportunities and economic growth. Specifically, it allows:

- employment land conversions, except within PSEZ's, to occur outside of the MCR, provided the new use "maintains a significant number of jobs" (proposed policy 2.2.5.10);
- sensitive lands may be combined with major office and major retail uses.

The Province has introduced certain PSEZ's which have been identified for the sole purpose of ensuring these employment areas are not converted to a non-employment use outside of the MCR.

On the positive side, the requirement to complete an Employment Strategy has been removed from the MCR process. The Employment Strategy was identified in the 2017 Growth Plan as a strategy to identify opportunities for intensification of employment lands, identify a minimum density target for all employment areas which would ultimately be an input into the Land Needs Assessment, and be implemented through the MCR. While it is noted that much of the background work which would have been required for the employment strategy is still required to justify inputs into the Land Needs Assessment, the removal of the requirement to complete a separate strategy will simplify the MCR process.

A summary of Employment Area policy changes can be found in Appendix "A".

1.1.1 Provincially Significant Employment Zones (PSEZs)

The Province has introduced PSEZs. The purpose of these zones is to ensure that key employment areas are protected from conversion, prior to the completion of the MCR process.

Selection of these zones was based on a series of criteria, which include areas that are:

- located inside existing settlement boundaries and designated as employment area;
- vulnerable to conversion pressures or areas experiencing encroachment of sensitive land uses;
- needed to attract new investment and retain existing industries;

- with good access to highways, railways, intermodal facilities, transit, and or other major transportation infrastructure;
- with high concentration of employment and/or economic output;
- that support industrial uses that are sensitive to encroachment;
- contiguous zones containing large continuous developable land; and,
- areas that support the agri-food network.

Only three zones/areas have been identified in Hamilton. They are:

- Hamilton Central – the western portion of the Red Hill North Business Park;
- Hamilton Airport lands – areas around the Airport; and,
- Hamilton Portland's – Employment lands along the QEW.

1.2 Staff Comments

1.2.1 Conversion of Employment Lands

The policies of the Growth Plan, 2017 only permit designated employment land to be converted to a non-employment use as part of the MCR. Staff recognizes the Province is aiming to reduce time frames for employment land conversion given the length of time it takes to complete the MCR. However, staff have concerns about permitting employment land conversions in advance of the MCR as the City would not have sufficient information to fully evaluate the conversion request (i.e. information on the City's future employment land need and whether or not the lands in question are required to address that need). In this regard, staff suggest that the proposed policy 2.2.5.10 be removed.

If the Province does not follow this recommendation, staff suggest alternative wording for policy 2.2.5.10. This alternative wording would only allow for conversions to proceed in advance of the completed MCR if the City has completed the required Employment Land Conversion and Land Needs Assessment Studies as part of the background work for the MCR. At the completion of these background studies, Council could pass a resolution identifying specific areas to be converted and direct staff to proceed with an Official Plan amendment to give effect to the resolution or alternatively allow land owners to apply for the appropriate OPA in advance of the City's conformity OPA (MCR completion). This would allow for certain lands to be converted in a timely manner, while still ensuring the municipality has the benefit of completing a thorough review of its employment lands.

Further, it should be noted that the policy (2.2.5.10), as it is currently proposed, allows for conversion of certain employment areas outside of a MCR. The policy does not stipulate which MCR (i.e. 2022). Therefore, once the 2022 MCR has been completed,

this policy would allow certain employment areas to be converted for non-employment uses at any time. The policy also does not stipulate what constitutes a ‘significant number of jobs’.

City Employment Land Conversion work:

As part of the municipal comprehensive review, staff are reviewing certain designated Employment lands within the UHOP to address existing uses and small boundary adjustments. A call for submissions for lands to be considered as part of the employment land review was issued in June, 2017. A total of 16 requests were received. In addition, staff have conducted an analysis of lands along the edges of the City’s older employment areas which may have changed over time and may be more suitable for a non-employment land use designation. This review is on-going and a final decision on conversion requests has not been made to date as information from the on-going Employment Background Review and Land Needs Assessment will need to be considered.

1.2.3 Prime employment areas and PSEZ

The identification of PSEZs are important for the long term protection of employment areas. However, these PSEZs are only intended to provide temporary protection and will be removed upon the completion of the next MCR.

The existing Growth Plan 2017 policies allow municipalities to identify prime employment areas which would provide added protection for employment areas. This policy has been removed; likely in favour of the PSE’s.

Staff recommend these PSEZs be identified on a Schedule within the Growth Plan to provide for protection of these areas over the long term. In addition, based on the criteria used by the Province to identify the PSEZs as well as the City’s need to protect employment lands, staff are recommending both additions and changes to the identified PSEZs:

Proposed Modifications to PSEZs

1. Hamilton Portland’s – Employment lands along the QEW. The description is incorrect and includes two different areas. It should be renamed to Hamilton North (Bayfront Area and employment lands along the QEW).
2. Hamilton Central – see the comments on the Red Hill North and south Business parks.

3. Hamilton Airport – rename to Hamilton Airport Employment Growth District and follow the boundaries of the District.

Proposed Additions to PSEZs:

4. *Ancaster Business Park* – Although not directly fronting on Highway 403, it is connected to the Highway by a major arterial road. It includes agri-food network uses.
5. *Red Hill South and the eastern half of Red Hill North Business Park* – this area is connected to the QEW and Highway 403 by the Redhill Parkway and the Linc. It is in the process of being serviced and contains significant manufacturing companies. (e.g Maple Leaf Foods).
6. The West Hamilton Innovation District - It is a Research and Development Park closely aligned to McMaster University and other major research partners. It directly fronts onto Highway 403.
7. Flamborough Business Park – it has a direct link to Highways 403 and 401 via Highway 6 (a provincial highway). It permits a full range of agri-food businesses.

The identification of these areas cannot solely be made on what uses exist today but what uses are permitted in the updated zoning by-law over the long term. In addition, the City has an Economic Development Action Plan that clearly directs the growth of the City's non-residential tax base and a plan to provide or upgrade municipal services to the employment areas.

The term 'Provincially Significant Employment Zones' should be renamed to "Regionally Significant Employment Zones" because some of these employment areas are important to Hamilton but may not be significant on a provincial scale. An alternative would be to identify the Bayfront and the Airport employment areas as "provincially significant" because of the Port and Airport as significant goods movement transfer points and name the other employment areas as "regionally significant".

1.2.2 Addition/Removal of Uses from Employment Areas

Policy 2.2.5.8 has been deleted and replaced. The new policy allows for sensitive land uses to be incorporated within major office and major retail uses and it removed the prohibitions on the inclusion of institutional, office and retail uses as part of employment areas.

The addition of sensitive land uses and the potential to include non-employment uses has the potential to put pressure on employment areas for a mix of land uses that are

not compatible with industrial uses and could occupy lands that should be for manufacturing, research and development, and other similar uses. The introduction of sensitive land uses (institutional, residential) in the employment areas could create unintended impacts on existing or new industries in the business park which require an Environmental Compliance Approval (ECA) for air and noise emissions to operate. The proximity to sensitive uses could limit the operations of the industry if they are not able to mitigate any adverse impacts on the sensitive use.

1.3 Staff Recommendations

Based on the above, the following are staff's recommendations regarding the Employment Area policy changes:

- Support the removal of the requirement for an employment strategy;
- Support the allowance to add to employment areas in advance of the MCR;
- Support the addition of PSEZs, provided the changes noted above to modify and add to the PSEZs are implemented, and to ensure these identified areas are included as part of a Schedule to the Growth Plan for the long term protection of these areas;
- Do not support the new policy 2.2.5.10 to permit employment land conversions in advance of the MCR;
- If proposed policy 2.2.5.10 is not removed, the following rewording of the policy is suggested, to strengthen the policy and ensure that the municipality has an opportunity to at least complete a Land Needs Assessment and Employment Land Review prior to any conversions going forward, as follows:

~~“Notwithstanding policy 2.2.5.9, until the next *municipal comprehensive review*, lands within existing *employment areas* may be converted to a designation that permits non-employment uses **prior to the completion of the *municipal comprehensive review***, provided the conversion would that:~~

- ~~a) the municipality completes a comprehensive Employment Land Conversion Review in accordance with the requirements of policy 2.2.5.9 and a Land Needs Assessment; and,~~
- ~~b) upon the completion of the Employment Land Conversion Review and Land Needs Assessment, the Council of the municipality passes a resolution identifying lands which may be converted to a non-employment use;”~~
 - ~~a. satisfy the requirements of policy 2.2.5.9 a), d) and e); and~~
 - ~~b. maintain a significant number of jobs on those lands.~~

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- Do not support the removal of the prime employment areas unless the PSEZ's in Hamilton are expanded and are included as a schedule to the Growth Plan to provide long term protection.
- Do not support the addition of sensitive lands uses in conjunction with major retail or major office uses or the removal of the prohibition on institutional, office and retail uses.

2.0 Settlement Area Boundary Expansions

2.1 Key Growth Plan Policy Changes

The key changes to the settlement area boundary expansion policies are related to interim urban boundary expansions that occur in advance of the completion of the MCR.

The changes are:

- New policy to allow for urban boundary adjustments outside of the MCR provided there is no net increase of land within the settlement area (new policy 2.2.8.4);
- New policies to allow for an urban boundary expansion in advance of the MCR, to a maximum of 40 ha, subject to criteria (new policies 2.2.8.5 & 2.2.8.6).

A summary of Settlement Area Boundary Expansion policy changes can be found in Appendix “B” to Report PED19033.

2.2 Staff comments

Staff have concerns with the proposal to allow interim urban boundary expansions in advance of the MCR. The policies of the Provincial Policy Statement and the 2017 Growth Plan clearly direct that a settlement area boundary expansion may only occur as part of a municipal comprehensive review. The rationale for this restriction is to ensure that any expansion of the urban boundary is fully considered in a comprehensive process which holistically evaluates the City's land need to the planning horizon and makes informed recommendation on preferred growth areas based on an integrated public planning process that considers environmental, economic, social, transportation and infrastructure requirements. The City is currently undertaking its MCR which will identify how and where the City's projected population and employment growth will be accommodated to the year 2041. The MCR, through the land needs assessment completed in accordance with the provincial methodology, will determine if any additional lands are needed to accommodate growth. Should additional land be required, a full and public evaluation will be undertaken to determine the preferred growth option.

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The policies (2.2.8.5 and 2.2.8.6) allow for an expansion to a maximum of 40 ha in advance of the MCR. Further, the policies would allow for multiple expansions, each of a maximum of 40 ha. The policy does not place a limit on the number of interim expansions that could occur. Staff raise the following concerns with this approach:

- Allowing interim expansion(s) in advance of the MCR could undermine the process and result in pressures on staff and council to extend the boundary in advance of the proper justification or review. Further, this could have the overall effect of slowing down the MCR process, as staff will be required to respond to the individual requests rather than continuing with the comprehensive planning work.
- An urban boundary expansion of 40 ha could result in an expansion which accommodates approximately 1,900 persons or approximately 800 dwelling units (assuming that roughly 80% of the land area is developable and the lands develop to the required density of 60 pjh). This amount of land is a substantial addition and should be reviewed comprehensively as part of the MCR which will consider all impacts (environmental, economic, social etc).
- One of the goals of the Growth Plan is to plan for the achievement of complete communities, which feature a range of housing types and land uses, and promote walkability and active transportation. Staff are concerned that an incremental planning approach which permits multiple urban boundary expansions of a size up to 40 ha will not achieve this goal, and rather, could result in new growth areas comprised primarily of a single housing type.
- Regardless of the size of the expansion area, there are still planning and servicing requirements that must be completed, including block servicing strategies, secondary plans and public consultation. The City does not have the resources to undertake this detailed planning for smaller expansion areas simultaneously. The approval of the Fruitland Winona Secondary Plan and subsequent block servicing strategies illustrates the time required to bring new lands into the urban boundary and prepare them for development.
- Costs of providing infrastructure, transit and public service facilities to multiple smaller expansion areas will be greater and will not be an effective use of City financial resources.

Further, it should be noted that policy (2.2.8.5), as it is currently proposed, allows for a settlement area boundary expansion in advance of a MCR. The policy does not stipulate which MCR (i.e. 2022). Therefore, once the 2022 MCR has been completed, this policy could allow for settlement area boundary expansions to occur at any time before the next MCR. In addition, the policy lacks clarity as to whether or not such an expansion needs to be municipally initiated or if could be initiated by a private party.

Staff note that the proposed new policy 2.2.8.4 allows for urban boundary adjustments to be completed outside of the MCR, provided there is no net land area increase within the settlement area boundary. While it is acknowledged that this policy is intended to

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allow for minor adjustments or technical corrections, staff maintain the concern noted above that allowing for any urban boundary changes in advance of the MCR, no matter how minor, could result in pressures on staff and council to adjust the boundary in advance of the proper justification or review.

2.3 Staff Recommendations

Based on the above, the following are staff's recommendations regarding the Settlement Area Boundary Expansion policy changes:

- Delete proposed new policies 2.2.8.4, 2.2.8.5 and 2.2.8.6 regarding interim urban boundary adjustments or expansions.
- If proposed policy 2.2.8.5 is maintained, revise the policy to clarify that only a one time expansion is permitted in advance of the next MCR which is the conformity exercise for the 2017 Growth Plan and to clarify whether or not such an expansion must be municipally initiated.

3.0 Intensification Target

3.1 Key Growth Plan Policy Changes

They key changes to the policies regarding intensification in the built-up area result in an increased intensification target for the City of Hamilton:

- An increase in the intensification target for the period between 2021 and 2031 from 50% to 60%;
- An amended policy to permit municipalities to apply for an alternative to the 60% intensification target.

A summary of Built-up Area policy changes can be found in Appendix "C" to Report PED19033.

3.2 Staff Comments

The Growth Plan intensification target measures the number of new units constructed annually within the built-up area. The 2017 Growth Plan had introduced new intensification targets for municipalities which increased the target from the existing 40% to 50% following the completion of the MCR to 2031, and to 60% from 2031 to 2041. The revised policy has removed the gradual increase of the target and now requires that the City meet the 60% intensification target starting upon completion of the MCR (approximately 2021). The removal of the gradual increase and revision to a target of 60% following completion of the MCR has been applied to the City of Hamilton and the Regions of Peel, Waterloo and York. Staff note that these municipalities all have approved provincial funding for new LRT systems.

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It will be very challenging for the City to meet this increased intensification target. The City’s rate of intensification for the past 5 years is:

- 2013 – 32%
- 2014 – 36%
- 2015 – 42%
- 2016 – 28%
- 2017 – 26%

As is evidenced above, the City has achieved the current target of 40% intensification only once in the last 5 years.

Even under the gradually increased target of the 2017 Growth Plan, it would be challenging for the City to meet those targets. The chart below identifies the required unit construction per year, and the number of intensification units required, based on the City’s growth forecasts (provided by the Province):

Year	Unit Growth*	2006 G.P. requirement		2017 G.P. requirement		Amend. No 1 requirement	
		%	units	%	units	%	units
2021 – 2031	37,000 units	40%	14,800	50%	18,500	60%	22,200
2031 – 2041	38,000 units	40%	15,200	60%	22,800	60%	22,800
Total	75,000 units		30,000		41,300		45,000

* numbers are preliminary and subject to change

The increased targets introduced through the 2017 Growth Plan resulted in the need for an additional 11,000 units to be constructed within the built-up area over the time period as compared to the previous target of 40%. Through the increased targets in Amendment No. 1, a further 4,000 units would be required.

On a yearly basis, the 2017 Growth Plan would have required approximately 2,100 intensification units per year compared to approximately 1,500 yearly under the 2006 requirements. In comparison, over the past 5 years, the number of intensification units constructed in Hamilton has ranged from 600 to 1,100 units per year. These numbers illustrate the challenge the City would face in meeting the 2017 Growth Plan requirements. The proposed revision has increased this challenge, now requiring the City to meet a target of almost 2,300 intensification units per year over the period of 2021 to 2031.

The introduction of the ability to apply for an alternative to the 60% intensification target is positive, and allows the City the opportunity to apply for a lower target if it is demonstrated that the 60% target cannot be achieved given the capacity of the built-up area.

3.3 Staff Recommendations

- Do not raise the intensification target for the City of Hamilton to 60% for the entirety of the period between 2021 and 2041. It is not realistic to assume that the City will be able to achieve such a significant increase in intensification rates starting in 2021, given historical numbers. The policies of the 2017 Growth Plan should be maintained which allow for a graduated target increase, provided that the opportunity to apply for an alternative target is maintained.
- Keep the amended policy which allows for municipalities to apply for an alternative intensification target for any part of the time period between completion of the MCR and 2041. This is an improvement from the current 2017 Growth Plan policy which only allows for inner ring municipalities to apply for an alternative to the 50% target between completion of the MCR and 2031.

4.0 Designated Greenfield Area

4.1 Key Growth Plan Policy Changes

The key changes to the Designated Greenfield Area policies result in a lowered density target for any expansion lands added to the City's urban area:

- The density target (measured in persons and jobs per hectare (pjh)) for any new lands added to the City's Designated Greenfield Area has been lowered from 80 pjh to 60 pjh.

A summary of Designated Greenfield Area policy changes can be found in Appendix "D" to Report PED19033.

4.2 Staff Comments

The Designated Greenfield Area is the land within the City's urban boundary that is not within the built-up area. Generally these are undeveloped lands which are identified to accommodate a significant portion of future growth. The Growth Plan establishes targets for the density of future development on these lands, which is measured as an average across the entirety of the DGA.

The 2017 Growth Plan had introduced separate DGA density targets for the DGA lands which are already part of the City's urban area (60 pjh) versus any new DGA lands which may be added to the urban area through a future urban boundary expansion (80pjh). There was concern that the 80 pjh target for any new communities was high and would result in a mix of housing that was predominantly medium to high density.

This policy direction would not meet the PPS and Growth Plan requirements of planning for complete communities with all forms of housing.

Amendment No 1 removes the separate density requirements for existing versus new DGA and applies the 60pjh target to the entire area. It is the opinion of staff that this policy change is a more reasonable and realistic target for the City to plan to achieve within the horizon of the plan. Currently, the City's existing DGA lands have a planned density of 56 pjh. Of note, the City's newest greenfield secondary plan (Fruitland-Winona) has a planned density of 70 pjh.

4.3 Staff Recommendations:

- Staff are supportive of the revised policy 2.2.7.2 which applies the density target of 60 pjh to the entirety of Hamilton's Designated Greenfield Area.

5.0 Major Transit Station Areas

5.1 Key Growth Plan Policy Changes

The key policy changes regarding Major Transit Station Areas (MTSAs) do not change the required density targets, but do allow for a simpler process for applying for alternative targets for individual stations / stops:

- Revised method to apply for alternative targets for individual MTSAs which is simpler and recognizes the contribution of non-residents to the viability of the transit line
- New policy which allows a municipality to delineate the boundaries of MTSAs in advance of the MCR.
- Amended definition of Major Transit Station Area to expand the potential radius from 500 m to 800 m.

A summary of MTSA policy changes can be found in Appendix "E" to Report PED19033.

5.2 Staff Comments

The changes proposed for the Major Transit Station Area policies do not change the required density target for each of the City's MTSAs along the LRT corridor or the methodology the City will utilize to delineate the MTSA boundaries or determine the anticipated density. However, the revised policies provide a simplified process for applying for and justifying an alternative target. The 2017 Growth Plan included a

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lengthy list of criteria which a municipality needed to address in order to apply for an alternative MTSA density target. The first test required a municipality to demonstrate that the required target could not be met for one of two reasons: development in the area was restricted or prohibited by provincial policy, or, planning for the density target was premature given the existing built form. Through Amendment No. 1, the first criteria remains the same, but the second criteria has been removed and replaced with a requirement to demonstrate that there is a major trip generator in the MTSA which would sustain high ridership despite the lower number of residents and jobs.

Staff are supportive of the new criteria which recognizes the important role that a major trip generator plays in attracting ridership to an MTSA. Of note, the definition of ‘major trip generator’ has been revised to include post-secondary institutions, large parks and recreational destinations. This change will be a benefit to the City as there are a number of individual MTSAs along the LRT corridor that will not meet the provincial target of 160 pjh, but which function as major draws for other reasons. These stops include Longwood, Scott Park and Gage Park. Staff support this recognition by the Province that the usability and viability of the LRT corridor is not dependent only on those who live and work along the corridor, but also those who learn, visit or play along the corridor.

However, staff do not support the change to remove the second criteria in the 2017 Growth Plan “planning for the relevant minimum density target established in policy 2.2.4.3 would be premature given the potential for redevelopment of the existing built form within the horizon of this Plan.” Staff are concerned about the removal of this policy because there are certain MTSAs along the LRT corridor which, due to the presence of established low-density neighbourhoods in the MTSA, may not be able to meet the required density target within the Plan horizon. The removal of this policy appears to suggest that the presence of an existing lower density built form in an MTSA will not be considered toward the justification of an alternative MTSA density target.

5.3 Staff Recommendations

- Proposed policy 2.2.4.4(b) is supported in that it recognizes the importance of major trip generators (recreational facilities, city-wide parks, post-secondary institutions) in contributing to the ridership at a station. Staff support this addition.
- Policy 2.2.4.4a)ii) from the 2017 Growth Plan, which has been deleted by Amendment No 1, should be added back into the Plan. This policy provides justification for an alternative target in situations where it would be premature to plan for the minimum density target given the existing built form. This policy change would address certain MTSAs at the eastern end of the LRT corridor which are primarily surrounded by established low density neighbourhoods.

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- Support the amended definition of ‘major trip generator’ to include post-secondary institutions, recreation destinations and large parks.

6.0 Rural Area

6.1 Key Growth Plan Policy Changes

The key policy change regarding the rural area are as follows:

- New policy would allow for minor rounding out of rural settlement areas, outside of the Greenbelt Plan area, outside of the municipal comprehensive review process.
- Clarification that rural settlements are not part of the Designated Greenfield Area (DGA) through a revised definition.

A summary of Rural Area policy changes can be found in Appendix “G” to Report PED19033.

6.2 Staff Comments

The new policy allows for minor adjustments to be made to the boundaries of rural settlement areas which are located outside of the Greenbelt Plan area. Staff note that this policy would not be applied in Hamilton as all of Hamilton’s rural settlement areas are within the Greenbelt area. However, staff are concerned about the precedent that this policy could set and for future pressures to allow expansion of rural settlement areas within the Greenbelt. Rural settlement areas are generally dependent on private services and are not intended to experience any appreciable growth. Any allowance for the expansion of rural settlement area boundaries would be contrary to the goals of the provincial policy statement and the Rural Hamilton Official Plan to protect rural and agricultural lands and the natural environment.

Staff further note that a policy should be added to the implementation section to address existing non-complying uses in the rural area, but not in the Greenbelt Plan area, similar to policy 5.2.1 of the Greenbelt Plan. This policy allows municipalities to recognize and carry forward existing site specific approvals which do not conform with the Plan.

6.3 Staff Recommendations

- Delete proposed policy 2.2.9.7 which would allow for the minor rounding out of rural settlement areas.

- Support the revised definition of Designated Greenfield Area which clarifies that rural settlement areas are not part of the DGA, which is critical in terms of density calculations.
- Add a policy to the implementation section to address existing non-complying uses in the rural area.

7.0 Agricultural and Natural Heritage System Mapping

7.1 Key Growth Plan Policy Changes

The changes regarding Agriculture and Natural Heritage are related to the mapping of the agriculture and natural heritage systems that was released in 2017:

- Revised policy to clarify that the new mapping is not applicable until after it has been implemented in official plans.
- Clarification that refinement of the mapping may occur at the time of implementation of the mapping in the official plan, but thereafter, must occur as part of a MCR.

A summary of implementation-related policy changes can be found in Appendix “H” to Report PED19033.

7.2 Staff comments

While staff are supportive of these changes which will allow municipalities with the time to work on refinements to the mapping prior to it being in force and effect in the official plan, staff maintain the concern that the provincial agricultural mapping should not apply in municipalities that have completed their own Land Evaluation Area Review (LEAR) study. Hamilton’s LEAR was completed in 2005 to inform the RHOP. The results of the LEAR study along with a planning rationale were implemented in the RHOP through the identification of lands as Agriculture (Prime) or Rural on Schedule D – Rural Land Use Designations. The City has been consistent in its comments to the province that the provincial agricultural mapping should not apply to municipalities that have completed and implemented their own LEAR, which is reflective of local conditions (see Appendix “X”).

7.3 Staff Recommendation

- Amend Policy 4.2.6.2. to add “or a LEAR study previously approved by the Province” after the reference to “in accordance with mapping identified by the Province” which would allow the municipality to use their own accurate and consistent mapping of prime agricultural areas.

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ALTERNATIVES FOR CONSIDERATION

Council could direct staff to provide revised comments on Amendment No. 1 and the Provincially Significant Employment Zones.

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” – Employment Areas policy changes
- Appendix “B” – Settlement Area Boundary Expansion policy changes
- Appendix “C” – Built-up Area policy changes
- Appendix “D” – Designated Greenfield Area policy changes
- Appendix “E” – Transit Corridors and Station Areas policy changes
- Appendix “F” – Housing policy changes
- Appendix “G” – Rural Areas policy changes
- Appendix “H” – Infrastructure, Protecting what is Valuable and Implementation policy changes
- Appendix “I” – Definitions changes
- Appendix “J” – Summary of comments made previously by City of Hamilton regarding provincial plans

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