




CITY OF HAMILTON
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT
Planning Division

TO:	Chair and Members Planning Committee
COMMITTEE DATE:	August 13, 2024
SUBJECT/REPORT NO:	Draft Framework for Processing and Evaluating Urban Boundary Expansion Applications under the proposed Provincial Planning Statement (PED24109) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Dave Hayworth (905) 546-2424 Ext. 1279 Charlie Toman (905) 546-2424 Ext. 5863
SUBMITTED BY:	Anita Fabac Acting Director, Planning and Chief Planner Planning and Economic Development Department
SIGNATURE:	

RECOMMENDATION

- (a) That the Draft Framework for Processing and Evaluating Urban Boundary Expansion Applications, attached in Appendix “A” to Report PED24109, be used by staff in reviewing Official Plan Amendment urban boundary expansion applications until established in the Urban and Rural Official Plans through Official Plan Amendments, be **APPROVED**;
- (b) That Council direct Planning and Economic Development staff to:
 - (i) consult on the Draft Framework for Processing and Evaluating Urban Boundary Expansions, attached in Appendix “A” to Report PED24109; and,
 - (ii) prepare for Council’s consideration Official Plan Amendments to the Urban Hamilton Official Plan and Rural Hamilton Official Plan to establish the Official Plan Amendment Submission Requirements, Evaluation and Locational Considerations, and Application Submission and Review Process for urban boundary expansions;
- (c) That Council direct Planning and Economic Development staff to establish a new team within the Planning and Economic Development Department to be funded

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

SUBJECT: Draft Framework for Processing and Evaluating Urban Boundary Expansion Applications under the proposed Provincial Planning Statement (PED24109) (City Wide) - Page 2 of 18

in 2024 from the Development Fees Stabilization Reserve Account No. 110086, and through development application fees starting in 2024, for the coordinated review of urban boundary expansion applications, Ontario Land Tribunal appeals, and implementation of planning and related work should an Official Plan Amendment urban boundary expansion application be approved;

- (d) That Council authorizes \$1,500,000 be added to the tax supported Official Plan OLT Appeals Capital Budget (8142455800) as part of the 2025 budget process;
- (e) That the amending By-law to By-law No. 12-282 (Tariff of Fees), as amended, attached as Appendix “C” to PED24109, to establish new fees for an Official Plan Amendment application for urban boundary expansions be **APPROVED** on the following basis:
 - (i) That public notice of the proposal to amend the Tariff of Fees By-law to establish new fees has been provided in accordance with the City of Hamilton’s Public Notice By-law No. 707-351;
 - (ii) That the draft By-law, attached as Appendix “C” to PED24109, which has been prepared in a form satisfactory to the City Solicitor, be enacted by Council.

EXECUTIVE SUMMARY

The purpose of this Report is to inform Council of the implications of new urban boundary expansion applications under the proposed Provincial Planning Statement and the changes to the Planning Act through Bill 185, *Cutting Red Tape to Build More Homes Act* and to seek approval of a draft Framework for processing and evaluating these applications.

The province has released a draft Provincial Planning Statement which removes the requirement for a Municipal Comprehensive Review before a municipality or landowner can expand the urban boundary more than 40 hectares, opening the door for urban boundary expansions applications at any time and with no limit on the size. Bill 185, *Cutting Red Tape to Build More Homes Act, 2024* received Royal Assent on June 6, 2024, which, among other things, would allow landowners to appeal urban boundary expansion applications to the Ontario Land Tribunal. Bill 185 also allows applicants to opt out of consulting with municipalities (e.g., Formal Consultation) to determine application submission requirements which may impact what is included in an urban boundary expansion application.

These Provincial changes undermine and could reverse the City’s urban boundary expansion growth strategy which was solidified in December 2023 with the Province’s

SUBJECT: Draft Framework for Processing and Evaluating Urban Boundary Expansion Applications under the proposed Provincial Planning Statement (PED24109) (City Wide) - Page 3 of 18

adoption of Bill 150, *Planning Statute Law Amendment Act, 2023*. In adopting Bill 150, the province confirmed that the no urban boundary expansion growth strategy conforms to the A Place to Growth, Growth Plan for the Greater Golden Horseshoe (Growth Plan) and Provincial Policy Statement.

The City's Official Plans maintain a strong no urban boundary expansion growth strategy which does not contemplate urban boundary expansion applications under the proposed Provincial Planning Statement. There is a lack of clear policy direction to consider private urban boundary expansion applications. There are no restrictions under the *Planning Act* preventing a landowner from submitting an Official Plan Amendment to modify or remove the Urban Hamilton Official Plan's no urban boundary expansion policies and without the City establishing its own submission requirements or evaluation considerations, urban boundary expansion proponents would only need to apply the general criteria under the proposed Provincial Planning Statement.

Through on-going updates to the Official Plan and Zoning By-law, the City has been putting in place land use permissions to facilitate planned growth within the urban area. Staff are not recommending the City move away from the no urban boundary expansion growth strategy, which was recently reaffirmed by City Council on November 22, 2023, and the recommended framework is not intended to be a list of conditions to be satisfied by applicants to obtain municipal support for an urban boundary expansion. Rather, as a direct result of the recent/expected Provincial legislative and policy changes, the recommended Draft Framework for Processing and Evaluating Urban Boundary Expansion Applications (Draft Framework), would require that any urban boundary applications received:

- Consider and assess broader design, intensification, land use compatibility, environmental, climate change and financial implications to the City to ensure higher quality applications; and,
- Require enhanced notification of and consultation with the public, First Nations, and Indigenous communities.

Staff recommend that prior to finalizing this framework through amendments to the City's Official Plans, the city commence public and stakeholder consultation on the different components of the framework. This would include external review agencies like the Conservation Authorities and School Boards, First Nations, Indigenous and Metis communities and the development industry. Should new urban boundary expansion applications be received before this work is completed, staff recommends that the Draft Framework be used by staff in assessing the application.

Alternatives for Consideration – See Page 16

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: Urban Boundary Expansion Fee

The 2024 Tariff of Fees for the Planning and Economic Development Department includes a \$82,320 Official Plan Amendment fee for Urban Boundary Expansion applications. This fee was first established in 2020 and considers the current restriction in the Growth Plan limiting urban boundary expansion applications to 40 hectares outside the Greenbelt Plan area.

Staff have assessed the time and resources anticipated to process urban boundary expansion applications under the proposed Provincial Planning Statement which does not limit the size of the expansion.

Based on the principle of full cost recovery and in recognition that the larger the area of the proposed urban boundary expansion and the greater number of properties within the expansion area, the greater amount of time required to review and comment on technical submissions, staff are recommending a graduated fee structure where the application cost increases based on the size of the urban expansion area as follows:

- \$82,320 – Under 40 hectares (current fee)
- \$120,048 – Between 40 to 100 hectares
- \$177,535 – Between 100 to 500 hectares
- \$234,925 – Greater than 500 hectares

The above noted fees are reflected in the proposed amending By-law to By-law No. 12-282 (Tariff of Fees By-law) attached as Appendix “C” and referenced in recommendation (e) of this report. Staff note that *Planning Act* application fees are appealable to the Ontario Land Tribunal.

Ontario Land Tribunal Appeal Expenses

There are significant costs to the city to defend its refusal or failure to make a decision on an urban boundary expansion application at the Ontario Land Tribunal. For context in 2021 the cost of retaining external legal counsel, including a planner, to represent the City through a scheduled 55 day Ontario Land Tribunal merit hearing on the Elfrida urban boundary expansion lands stemming from Council’s original approval of the Urban Hamilton Official Plan in 2009 was \$1.065 million (plus HST). This appeal was ultimately withdrawn before the hearing occurred. Note

that this amount does not account for any city staff time or additional consultants retained by the city to submit evidence at an Ontario Land Tribunal Hearing nor has any cost indexing been applied. Also, with Bill 185 the City may receive multiple urban boundary expansion applications that may be appealed.

Recognizing that under Bill 185 and the proposed Provincial Planning Statement there may be multiple urban boundary expansion appeals, staff recommend Council authorize \$1,500,000 be added to the tax supported Official Plan OLT Appeals Capital Budget (8142455800) as part of the 2025 budget process, as referenced in Recommendation (d) of this report.

Long Term Financial Implications of Urban Boundary Expansions

Determining the long-term financial implications of new urban boundary expansions is complex and dependent on several variables including the location and size of the expansion area, the land uses that would be developed and the time horizon considered.

Staff note that a developer/proponent of new urban expansion areas would be required to front end any new infrastructure associated with servicing and developing the expansion lands. Staff also anticipate that proponents of urban boundary expansions will reference anticipated Development Charge revenue as well as previous consultant financial analysis completed by the City as part of the Growth Related Integrated Development Strategy (see Report PED17010(o)) stating replacement of existing linear water and wastewater infrastructure costs more than putting new sewer and water mains in greenfield areas.

However, 100% of the lifecycle replacement costs of the infrastructure and 100% of the operational costs associated with servicing the urban expansion lands (e.g., providing emergency services, snow clearing, operating new municipal recreational facilities) would be the responsibility of the city in perpetuity. In addition, the removal of any open space and natural heritage features would have additional costs due to the ecological services value these natural features provide. To understand and assess the long-term financial implications to the City, the recommended evaluation framework identifies several municipal finance considerations which would be evaluated through the submission of a Financial Impact Analysis and Financial Strategy. The Draft Framework recommends that the time horizon assessed in any analysis extend past the lifecycle replacement costs of new infrastructure.

SUBJECT: Draft Framework for Processing and Evaluating Urban Boundary Expansion Applications under the proposed Provincial Planning Statement (PED24109) (City Wide) - Page 6 of 18

Staffing: The General Manager of the Planning and Economic Development Department has delegated authority to hire additional staff relative to the processing of development applications.

Large urban boundary expansions are complex and require significant staff resources to review and provide corresponding coordinated comprehensive recommendations. To implement a coordinated review of what could be multiple expansion applications, staff recommend, as referenced in Recommendation (c) of this report, the formation of a new dedicated cross-departmental team to process and evaluate these applications. The team would include planning, transportation planning and engineering staff. Should expansion applications be approved by Council or at the Ontario Land Tribunal, this team would be the lead in establishing new Secondary Plans for the expansion lands.

The new full-time temporary positions should be established and filled as soon as possible. For 2024, the positions will be funded from the Development Reserve Fund, and in 2025 the position will be funded through development application fees. These positions would be temporary but likely expected for the next 5 years and would be renewed as required.

Legal: To defend against a boundary expansion appeal at the Ontario Land Tribunal would require substantial staff time, legal counsel, and qualified external consultants. Staff note that multiple Ontario Land Tribunal urban boundary expansion hearings would also impact Legal Services overall capacity as experience has shown that such hearings will be very costly as discussed under the financial implications and the potential number of applications and associated appeals is unknown at this point in time.

Legal Services and the Planning Division will continue to monitor the proposed Provincial Planning Statement, 2024 and report back where necessary with recommendations for the implementation of the proposed Provincial Planning Statement, 2024.

Historical Background

Appendix “B” attached to Report PED24109 provides a detailed chronology of reports, applications and decisions related to urban boundary expansions since 2020. Reports PED23145(a) and PED24097 were submitted to Planning Committee on May 14, 2024, recommending Council adopt staff’s submission to the province on the second draft of the Provincial Planning Statement, 2024 and

SUBJECT: Draft Framework for Processing and Evaluating Urban Boundary Expansion Applications under the proposed Provincial Planning Statement (PED24109) (City Wide) - Page 7 of 18

Bill 185. Report PED23145(a) included the following recommendation which was adopted by Council on May 22, 2024:

“Council direct staff to assess the implications of existing or potential urban boundary expansion Official Plan Amendment applications and report back with recommendations on the processing and evaluation of these applications relative to requirements for a complete application, potential staffing and consultant resources for the processing of applications and potential Ontario Land Tribunal appeals, changes to existing application fees, and any necessary capital budget enhancements.”

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

Provincial Policy Statement (2020)

The Provincial Planning Policy framework is established through the *Planning Act* (Section 3) and the Provincial Policy Statement. It provides municipal governments with the direction and authority to guide development and land use planning through official plans, secondary plans, and zoning by-laws. The *Planning Act* requires that all municipal land use decisions affecting planning matters be consistent with policy statements and plans issued by the province. The Provincial Policy Statement represents minimum standards and allows municipalities to be more restrictive provided it does not conflict with any other Provincial policy.

Section 1.1.3.8 of the Provincial Policy Statement states that expansions to settlement area boundaries may only be identified through a Municipal Comprehensive Review of its Official Plan policies to determine if the expansion is required to bring it into conformity with Provincial plans. The Provincial Policy Statement does not allow landowners or developers to initiate a Municipal Comprehensive Review.

Proposed Provincial Planning Statement (2024)

The proposed Provincial Planning Statement, 2024 proposes to rescind the Growth Plan and remove the requirement for municipalities to undertake a Municipal Comprehensive Review before considering urban boundary expansions. This combined with the *Planning Act* changes proposed in Bill 185 would allow landowners to submit Official Plan Amendment applications for urban boundary expansions at any time and with no limit on the size of a boundary expansion provided it is outside of the Greenbelt Plan area. The Greenbelt Plan covers 88,505 hectares of land within the City of Hamilton. There is approximately 4,320 hectares of land outside of the Greenbelt Plan Area and outside of the existing urban boundary (referred to as the white belt) which is

shown in the map attached as Appendix “D” to Report PED24109. The proposed Provincial Planning Statement (2024) will result in the elimination of minimum required intensification rates and density targets for greenfield areas.

In place of the Municipal Comprehensive Review requirement, the proposed Provincial Planning Statement, 2024 states municipalities shall consider certain criteria for expanding a settlement area including: whether there is a need for additional land to accommodate an appropriate range and mix of land uses; if there is sufficient infrastructure capacity available or planned; and general avoidance of expansions into prime agricultural areas.

Overall, the proposed Provincial Planning Statement combined with the rescinding of the Growth Plan makes it easier for privately initiated urban boundary expansions to be considered for approval by allowing privately initiated applications and reducing or eliminating the criteria that must be considered. The province has not provided a date by which the new Provincial Planning Statement will come into effect.

Urban Hamilton Official Plan

The Urban Hamilton Official Plan implements a no urban boundary expansion growth strategy, directing all urban population and employment growth identified in the Growth Plan to the year 2051 to lands within the Urban Boundary.

Growth Management Policies

“A.2.3 Growth Management – Provincial

The Province of Ontario’s *A Place to Grow: Growth Plan for the Greater Golden Horseshoe* (2019) (*Growth Plan*), as amended, sets out a vision to 2051 for how much growth should occur in the Greater Golden Horseshoe (GGH) and how it should be planned for. This area is expected to grow by 4.6 million people by 2051 with Hamilton projecting to take a 5.1% share of the GGH growth. (OPA 167)

Although the total population is expected to grow, certain demographic trends will shape Hamilton over the next three decades. These demographic changes will influence how, where, and when we will grow.

Notably, the provincial growth forecasts are based on assumptions that household size [or persons per unit (PPU)] will slowly decline in varying degrees over the next 30 years. This trend is influenced by lower birth rates, an aging population contributing to a growing number of empty nester households and

growth in non-traditional households (e.g. single person households, single parent households).

One of the principal components of the *Growth Plan* is a series of population and employment forecasts for upper and single-tier municipalities within the GGH. The *Growth Plan* requires these forecasts be used by municipalities for planning and managing growth. The *Growth Plan* also identifies a series of density and *intensification* targets which municipalities must plan to achieve".

With respect to future urban boundary expansions, the Urban Hamilton Official Plan states:

"B.2.2 Urban Boundary Expansions

2.2.1 The City's urban boundary is firm and expansion to accommodate growth to the year 2051 is not required. All planned growth to 2051 shall be accommodated through development of the City's existing designated *greenfield area*, and intensification throughout the *Urban Area*, and a limited amount of infill development within *Rural Hamilton*. (OPA 167)

2.2.2 Notwithstanding Policy B.2.2.1, adjustments to the *urban boundary* may be permitted through a municipal comprehensive review provided:

- a) There is no net increase in land within the *urban area*;
- b) The adjustment would support the City's ability to meet *intensification* and *redevelopment* targets provided in Section A.2.3 – Growth Management Provincial;
- c) *Prime agricultural areas* are avoided where possible. Alternative locations will be evaluated, prioritized, and determined based on avoiding, minimizing, and mitigating impacts on the Agriculture System;
- d) The lands are not located within the *Greenbelt Area*;
- e) For lands within the *Niagara Escarpment Plan* area, the lands are designated Urban Area in the *Niagara Escarpment Plan*; and,
- f) There is sufficient reserve *infrastructure* capacity to service the lands. (OPA 167)

2.2.3 Expansions of the Urban Area of 40 hectares or less in accordance with policy 2.2.8.5 and 2.2.8.6 of the A Place to Grow: Growth Plan shall not be permitted in advance of a municipal comprehensive review. (OPA 167)”

As the Urban Hamilton Official Plan policies as established through Official Plan amendment No. 167 to the Urban Hamilton Official Plan do not contemplate any privately initiated urban boundary expansions, any Official Plan Amendment to expand the urban boundary would need to also amend the growth policies of the Official Plan to provide this permission.

Application Submission Requirements

Chapter F of the Urban and Rural Hamilton Official Plan sets out the various implementation tools available to the city in considering development proposals. This includes policies setting out the City’s complete application and Formal Consultation requirements as well as the public participation and notification processes. The recommended Draft Framework expands upon these policies to include enhanced submission and consultation requirements for urban boundary expansion applications.

Following the recommended community engagement, these requirements would be incorporated into the Official Plans through a city initiated Official Plan Amendment.

Staff note that the city initiated Official Plan Amendment to reflect and respond to the removal of a requirement for an applicant to go through mandatory pre-consultation is scheduled for Q4 2024.

Rural Hamilton Official Plan

Similar to the Urban Hamilton Official Plan, the Rural Hamilton Official Plan implements a firm urban boundary growth strategy. As a result, the Rural Hamilton Official Plan does not contain any policies identifying or establishing criteria for where urban boundary expansions are to be located.

RELEVANT CONSULTATION

Staff from within Planning, Growth Management, Climate Change Initiatives, Transportation Planning, Public Works, Finance, and Legal Services were consulted in the drafting of this report, recommendations, and appendices. Staff also consulted the City’s Senior Leadership Team on the recommendations of this report.

SUBJECT: Draft Framework for Processing and Evaluating Urban Boundary Expansion Applications under the proposed Provincial Planning Statement (PED24109) (City Wide) - Page 11 of 18

As per the City's Public Notice By-law No. 07-351, notice of the proposed amendment to the Tariff of Fees By-law was provided in the Hamilton Spectator on Monday, July 29, 2024.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

As detailed in the City's submission to the Province through Reports PED23145(a) and PED24097, the proposed Provincial Planning Statement and amendments to the *Planning Act* through Bill 185 result in a shift from "Residential Intensification First" to ad hoc urban boundary expansions that significantly erodes the City's ability to make coordinated land use decisions based on Council's directed Urban Hamilton Official Plan's no urban boundary expansion growth strategy as well as, public engagement, local conditions, and municipal priorities.

With these Provincial changes, staff anticipate that the city will receive multiple new urban boundary expansions of various sizes and locations which, under Bill 185, can ultimately be approved or refused by the Ontario Land Tribunal, rather than City Council or the Ministry of Municipal Affairs and Housing.

The rationale for staff's recommendations respecting staffing, legal costs and application fees is discussed above. Staff's rationale for the recommended Draft Framework and next steps is discussed below.

Framework for Processing and Evaluating Urban Boundary Expansion Applications

The Draft Framework provided in "Appendix A" to Report PED24109 sets out how the city would receive, process, and assess new Official Plan Amendment applications to expand Hamilton's urban boundary under the most recent version of the Provincial Planning Statement, 2024. The Draft Framework clearly communicates the City's expectations for urban boundary expansions to applicants, external review agencies, First Nations, Indigenous and Metis communities and the general public. Amendments to the Urban and Rural Hamilton Official Plan will be required to enshrine the requirement of the Framework in policy.

It is emphasised that it is not the intent of the Draft Framework to constitute a list of minimum submission requirements or criteria to determine whether an urban boundary expansion can receive municipal approval. Rather, as a direct result of the recent/expected Provincial legislative and policy changes, the recommended framework has been proactively established to ensure that any urban boundary expansion applications received are comprehensively assessed and the review process is clear and transparent. The draft Framework is broken into three parts.

Part A – Urban Boundary Expansion Submission Requirements

This part of the Draft Framework sets out what technical plans and studies must be submitted as part of an urban boundary expansion application. Urban boundary expansion applications are unique from typical *Planning Act* development applications and not contemplated in the Urban Hamilton Official Plan or Rural Hamilton Official Plan. As a result, this part of the Draft Framework identifies new plans and studies not currently identified in the Official Plans including a Housing Supply (Needs) Assessment and Emergency Services Assessment. A Housing Needs Assessment is a broader examination of the housing market and assesses not only unit need but also unit size, number of bedrooms, tenure and affordability considerations. In addition, the Framework provides guidance on the Terms of Reference for other plans and studies required to assess the impact of the proposed expansion. This includes additional direction on the required Subwatershed Impact Study, Energy and Environmental Assessment Report and Financial Impact Analysis and Financial Strategy. The submission requirements were developed in collaboration with various City Departments as well as Dillon Consulting who was retained to provide additional technical expertise of the identified submission requirements. Dillon Consulting submitted a technical memo that is appended to the Draft Framework and is provided in Appendix “A1” attached to Report PED24109.

Typically, the list of submission requirements would be determined through the submission of a Formal Consultation application to the City. However, under Bill 185, applicants are no longer required to submit a Formal Consultation application meaning that an applicant could submit minimal information as part of an application and the City would have limited time under the *Planning Act* to review and respond. As a result, it is imperative that these requirements be included within the Framework as well as be incorporated into the Official Plans as policy to ensure that the City has grounds to deem an urban boundary expansion incomplete if the required materials have not been submitted.

Following consultation on the draft Framework an additional city-initiated amendment should be required to the Urban and Rural Hamilton Official Plans will be brought forward to specifically reflect the submission requirements for urban boundary expansion applications.

Part B – Evaluation and Locational Considerations

Building upon the proposed Provincial Planning Statement, the City’s Urban and Rural Official Plan as well as recent work undertaken through the City’s Growth Related Integrated Development Strategy (GRIDS 2) and Municipal Comprehensive Review, the City has identified thematic considerations to be used by applicants in preparing an

SUBJECT: Draft Framework for Processing and Evaluating Urban Boundary Expansion Applications under the proposed Provincial Planning Statement (PED24109) (City Wide) - Page 13 of 18

urban boundary expansion application and City staff to assess urban boundary expansion applications. The table below identifies each theme and a general description of what is being considered.

Theme	General Description
Agricultural Systems	Does the proposed urban boundary expansion prioritize development of areas that are non-prime agricultural?
Climate Change	Does the proposed urban boundary expansion contribute to the City's long-term goal of carbon neutrality by providing opportunities for reductions in greenhouse gas emissions?
Complete Communities	Does the proposed urban boundary expansion provide a diverse mix of land uses in a compact built form, with a range of housing options to accommodate people at all stages of life and to accommodate the needs of all household sizes and incomes?
Cultural Heritage Resources	Does the proposed urban boundary expansion prevent or minimize impacts cultural heritage resources including designated heritage properties, and can they be conserved?
Growth Allocation	Does the proposed urban boundary expansion demonstrate the expansion growth will not negatively impede the City's growth strategy including intensification targets and housing forecasts to the year 2051?
Infrastructure and Public Service Facilities	Does the proposed urban boundary expansion prevent or minimize impacts to the City's existing or planned infrastructure and public service facilities?
Theme	General Description
Land Use Compatibility	Does the proposed urban boundary expansion protect the major facilities, including the Hamilton International Airport, from incompatible land uses and supports its long term operation?
Municipal Finance	Does the proposed urban boundary expansion demonstrate an avoidance of significant municipal

SUBJECT: Draft Framework for Processing and Evaluating Urban Boundary Expansion Applications under the proposed Provincial Planning Statement (PED24109) (City Wide) - Page 14 of 18

	financial risks associated with the proposed urban boundary expansion?
Natural Heritage and Water Resources	Does the proposed urban boundary expansion demonstrate an avoidance of potential negative impacts on watershed conditions and the water resource system including quality and quantity of water?
Natural Hazards	Is the proposed urban boundary expansion area directed away from hazardous lands?
Transportation Systems	Does the proposed urban boundary expansion area demonstrate an avoidance of significant impacts to the City's existing or planned transportation infrastructure?

In evaluating an urban boundary expansion application, City staff will provide commentary on each identified consideration to provide Council with a wholesome analysis of its implications.

Part C – Application Submission and Review Process

This part of the Draft Framework sets out in detail how urban boundary expansion applications will be processed from preliminary discussions with landowners to what happens after an Ontario Land Tribunal decision. As part of the Framework, staff have identified several additional public, First Nations, and Indigenous community consultation requirements that go beyond the *Planning Act* requirements and current Official Plan policies. This includes:

- Requesting the applicant to contact First Nations and local Indigenous communities prior to the submission of a Formal Consultation and/or Official Plan Amendment application. Note that while the Framework identifies this requirement, under the *Planning Act*, the city cannot require that this early consultation occur.
- Requesting the applicant to hold a community meeting in coordination with the local Councillor(s) office prior to the submission of its Official Plan Amendment application.
- Circulate any urban boundary expansion Formal Consultation application and/or Official Plan Amendment application to First Nations and local Indigenous communities for input through both a Development Review Team meeting and direct in-person meetings.

SUBJECT: Draft Framework for Processing and Evaluating Urban Boundary Expansion Applications under the proposed Provincial Planning Statement (PED24109) (City Wide) - Page 15 of 18

- Posting all materials submitted as part of an urban boundary expansion application on the City's website for review and comment.
- Increasing the circulation to surrounding residents from 120 metres to 400 metres.
- Requiring public notice signs to be posted facing all roads surrounding and bisecting the proposed urban boundary expansion area.
- Holding an Open House prior to the statutory public meeting for the city to receive additional input.

Several of these requirements, including increasing the range of written notice to residents and enhanced signage requirements would be included in the proposed city initiated Official Plan Amendment.

Engagement on the Framework

Staff recommend that the city undertakes community engagement on the Framework prior to bringing forward city initiated amendments to the Urban and Rural Hamilton Official Plans. Planned engagement is scheduled to occur from September to November 2024 and will include consultation with:

- First Nations, Indigenous and Metis Communities;
- External review agencies including the Conservation Authorities, School Boards and Hamilton International Airport;
- The Agriculture and Rural Affairs Sub-Committee;
- Community Climate Change Advisory Committee;
- The Development Industry Liaison Group; and,
- Other interested community groups.

In addition, at least one in-person Open House will be held to receive input from landowners within the white belt lands as well as the general public. Notice of the open house will be mailed to all residents within the rural area outside of the Greenbelt Plan Area as well as sent out through the City's Growth-Related Integrated Development Strategy e-mail list of approximately 700 contacts.

Staff note that there are challenges in obtaining public feedback on what should be included as part of a Framework for processing and evaluating urban boundary expansion applications when there is significant interest and debate associated with the Provincial decisions that have led up to this point. Specifically, the proposed Provincial Planning Statement and adoption of Bill 185 that enables urban boundary expansions to be decided on by the Ontario Land Tribunal once appealed, despite Council's approval of a no urban boundary expansion growth strategy.

SUBJECT: Draft Framework for Processing and Evaluating Urban Boundary Expansion Applications under the proposed Provincial Planning Statement (PED24109) (City Wide) - Page 16 of 18

The Planning Division will work with the City's Public Engagement office in the preparation of engagement materials and in the planning of the Open House so that it is clearly communicated to the public the City's position respecting urban boundary expansions and the purpose of establishing the Framework. As part of the communications strategy, staff will prepare materials that informs the public of how urban boundary expansion applications will now be considered considering all the changes to Provincial policy and legislation that has occurred in recent years.

Planning staff will update the growth Related Integrated Development strategy (GRIDS 2) notification list and maintain this list, adding people who request to be notified, as the Project Mailing List for notification.

Transition Period

The Draft Framework has been developed under the new Provincial policy approach proposed under the Provincial Planning Statement. However, Bill 185 is now in effect and the City has already received appeals for the three Official Plan Amendment applications seeking an urban boundary expansion of the Twenty Road West lands which was discussed in Information Report PED24142 received by Planning Committee on July 9, 2024. Should the Province propose additional changes to the proposed Provincial Planning Statement, staff will review and make any modifications to the Draft Framework as necessary.

Should an urban boundary expansion application be submitted after the new Provincial Planning Statement comes into effect but before the City's Framework and Rural and Urban Hamilton Official Plan has been finalized, staff recommends that the Draft Framework attached as Appendix "A" to Report PED24109 be used by staff in processing the application.

ALTERNATIVES FOR CONSIDERATION

Not adopting the proposed Framework

Council may direct staff not to establish a Framework and subsequent amendments to the Official Plan for processing urban boundary expansion applications. Staff recommend against this option as it does not enable the city to:

- Establish greater submission requirements from what currently exists in the Urban Hamilton Official Plan;
- Establish broader land use considerations to evaluate an urban boundary expansion application than what exists in the proposed Provincial Planning Statement and Urban Hamilton Official Plan; and,

SUBJECT: Draft Framework for Processing and Evaluating Urban Boundary Expansion Applications under the proposed Provincial Planning Statement (PED24109) (City Wide) - Page 17 of 18

- Clearly set out its expectations with respect to the review and processing of urban boundary expansion applications, including enhanced Indigenous and community consultation.

Not Providing Additional Staff Resources

Council may direct staff to not establish appropriate staff resources however this alternative is not recommended as it would slow down planning work to support intensification within the existing urban boundary, including updating and creating new Secondary Plans for established neighbourhoods and planning for intensification within Major Transit Station Areas, as staff time would need to be reallocated for the processing of expansion applications or Ontario Land Tribunal hearings.

An alternative to hiring additional staff is to retain an external consultant firm to process and evaluate an Official Plan Amendment urban boundary expansion application on the City's behalf. Estimated costs are approximately \$200,000 to \$250,000 per application. Note that under this option one new project manager position within the Planning Division would still be required to manage the consultant and coordinate the City's review of the application.

Not Authorizing \$1,500,000 to The Capital Budget to Defend Ontario Land Tribunal Appeals

Council may decide not to authorize additional funds be added to the capital budget however this alternative is not recommended as it may result in there not being sufficient funds available to defend Council's decisions. It is anticipated that additional capital funds may be needed annually.

Not Authorizing New Application Fees for Urban Boundary Expansion Applications

Council may decide not to approve the creation of new application fees however this alternative is not recommended as the current fee for an urban boundary expansion is \$82,000. This fee was established when the largest expansion for a single application permitted by provincial policy was 40 ha. Keeping the current application fee for larger urban boundary expansions would not meet the objective of full cost recovery given the significant staff resources required to process, review, and arrive at recommendations on these applications.

APPENDICES AND SCHEDULES ATTACHED

Appendix "A" to Report PED24109 - Draft Framework for Processing and Evaluating Urban Boundary Expansion Applications

Appendix "A1" to Report PED24109 - Dillon Consulting Memo

Appendix "B" to Report PED24109 - Chronology of Reports, Applications and Decisions Since 2020 related to Urban Boundary Expansions

Appendix "C" to Report PED24109 - Amending By-law to By-law No. 12-282 (Tariff of Fees)

Appendix "D" to Report PED24109 - Potential Urban Expansion Areas under the Provincial Planning Statement

CT/DH:sd