April 14, 2022

## VIA EMAIL

Mayor Eisenberger & Councillors

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

## **Attention: City Clerk**

## Re: GRIDS 2 and Municipal Comprehensive Review – Draft Official Plan

We are Hamilton homebuilders and developers. We own lands in the Elfrida, Twenty Road East and Twenty Road West/Garner Road areas. We are not land speculators. We are long-standing members of the Hamilton community and, collectively, have constructed a very significant proportion of Hamilton's housing stock.

We continue to build homes and communities for Hamilton's growing population. Today's developments are smart, well-planned, complete communities. They make efficient use of land by incorporating a mix of residential densities, community facilities, open spaces, and environmental innovations.

We are writing to provide our comments on the proposed amendments to the Urban Hamilton Official Plan and Rural Hamilton Official Plan, attached as Appendices "A" and "B" to Report PED21067(a) (the "**Proposed OPAs**"). The Proposed OPAs are intended to implement a No Urban Boundary Expansion ("**NUBE**") growth option to accommodate the City's forecasted population and employment growth to the year 2051, as endorsed by City Council in November.

Our overriding comment is that City Council should reverse its endorsement of the NUBE growth option, and thus <u>not</u> adopt the Proposed OPAs. As you have been consistently advised by your planning staff and consultants, the NUBE growth option does not conform to Provincial policy, does not represent good planning and, most importantly, does not address the acute housing supply shortage that currently exists in Hamilton.

The Proposed OPAs should not be adopted, and City Council should instead adopt official plan amendments which include an urban boundary expansion that comprises the Elfrida, Twenty Road East and Twenty Road West/Garner Road areas and implements the Ambitious Density Scenario recommended by your planning staff and consultants. The NUBE Growth Option Should Be Rejected and the Ambitious Density Scenario Should Be Supported for the following reasons:

1. The Ambitious Density Scenario Provides a Balanced Approach to Intensification and Greenfield Growth by Proposing Compact New Communities with the Highest Greenfield Densities in the Greater Golden Horseshoe. The November 2021 Land Needs Assessment ("LNA") prepared by the City's consultant, Lorius and Associates, noted, on pg. 9, that under the Ambitious Density Scenario, a "substantial increase in total residential intensification and shift to higher-density apartment forms is envisioned, which has the effect of substantially reducing the amount of new urban expansion lands required". The LNA further notes that achieving the necessary shifts in housing mix will be a challenge from a market and demographic perspective, and therefore "the Ambitious Density Scenario is not a pure market-based approach to the LNA, but rather embodies a high level of policy intervention to optimize the use of the existing urban supply and avoid over-designating land for future urban development while still planning to achieve the Schedule 3 Growth Plan forecasts".

- 2. By Contrast, the NUBE Growth Option is Based on Unrealistic Growth Assumptions that Will Not be Realized. The proposed policy changes to implement the NUBE growth option would implement the following growth assumptions: a density of 60 residents and jobs per hectare ("rjha"), an intensification rate of 80% and increases in the minimum density targets for the Downtown Urban Growth Centre, Sub-Regional Service Nodes and Community Nodes from 250 to 500 rjha, 100 to 150-200 rjha and 100 to 100-150 rjha. There has been no analysis to suggest that these assumptions are achievable or defensible. To the contrary, Lorius and Associates have raised serious concerns about the NUBE growth option on several occasions, and City staff continued to recommend in November 2021 that Council adopt the Ambitious Density Scenario even after City Council had directed it earlier in the year to consider the NUBE growth option. Here are some key facts available to Council which demonstrate that the NUBE growth option is not workable:
  - "Planning to achieve a density of 60 rjha in the existing DGA is likely to be a challenge and represents an optimistic view of the future." (pg. 13, November 2021 LNA)
  - The proposed intensification rate of 80% is 1/3 higher than the aggressive level of intensification assumed under the Ambitious Density Scenario, and entirely unrealistic when considered in the context of intensification rates achieved within the City since the Growth Plan was introduced in 2006. As noted on page 3 of the March 2021 *City of Hamilton Residential Market Demand Analysis* prepared by Lorius and Associates, the City's achieved intensification rate from 2008 to 2019 was only 35% and has never exceeded 50% in any year.
  - There has been no analysis undertaken of how the increased density targets for the Downtown and Sub-Regional and Community Nodes were determined and how they might be achieved.
  - The City has not identified the cost required to upgrade the current infrastructure in order to accommodate the NUBE growth option and it is expected that these costs will be many hundreds of millions of dollars and the infrastructure upgrades will take many years to complete.
  - In Report PED17010(o) dated November 9, 2021, your staff noted that the Ambitious Density Scenario represents an achievable, albeit challenging, growth

management objective. By contrast, they had this to say about the NUBE growth option: "It is staff's opinion that achieving the intensification levels as required under the No UBE scenario (81% intensification over the entirety of the planning period) are not realistic."

- 3. The NUBE Growth Option Does Not Conform to Provincial Policy and Does Not Represent Good Planning. The City's staff and consultants have consistently advised that the NUBE growth option does not conform to Provincial policy and does not represent good planning: The LNA states the following at page 20: "As discussed at the December 2020 and March 2021 GIC meetings, the NUBE scenario was not modelled in the LNA because it did not meet Provincial planning policy requirements and was not considered to be good planning. We remain of this view for reasons summarized below ...." (pg. 20, November 2021 LNA). Provincial staff share this view: "Ministry staff also wish to acknowledge the strong growth management principles that underpin the City's Ambitious Density scenario. The Ambitious Density scenario appears to balance market-demand for different housing types while also implementing an intensification target (60%) and a designated greenfield area density target (77 [rjha]) which exceeds the targets set out in ... A Place to Grow. Based on Ministry staff review ..., it appears that the No Urban Boundary Expansion scenario poses a risk that the City would not conform with Provincial requirements." (March 17, 2021 letter from Heather Watt, Ministry of Municipal Affairs and Housing, to Steve Robichaud, City's Chief Planner).
- 4. Council's Endorsement of the NUBE Growth Option Fails to Address Hamilton's <u>Acute Housing Supply Shortage</u>. A June 2021 research paper by Smart Prosperity Institute addressed Hamilton's housing supply shortage as follows: "Our rough estimate is that Hamilton CMA saw 13,000-15,000 people, on net, leave the community between 2015 and 2020 due to a lack of housing. This exodus, primarily of young families, represents a multi-million-dollar loss of annual municipal revenue and economic activity." In its July 12, 2021 Technical Update memorandum to the City, Lorius and Associates commented as follows: "In our view, the No Urban Boundary Expansion scenario would likely have the effect of redirecting growth away from the City of Hamilton which is not in accordance with the *Growth Plan* and is not considered to be good planning. The City of Hamilton is very well-suited to accommodate growth because of its urban structure, strategic location and well-developed multi-modal transportation connections within the broader metropolitan region."
- 5. The City's Ambitious Density Scenario Will Not Encroach On Hamilton's Prime Agricultural Lands In Any Material Way and the NUBE Growth Option Will Place Pressure on Prime Agricultural Lands Elsewhere. Your staff have advised you that the urban boundary expansion required by the Ambitious Density Scenario represents approximately 1.5% of the City's rural land area and 2% of the City's prime agricultural lands. The overwhelming majority of the City's rural land, including prime agricultural lands, will remain protected. City and Provincial staff have also noted that the shortfall of available land and ground-related units that will result from the NUBE growth options will redirect growth to outer ring municipalities that are less suited to accommodate growth, with negative regional impacts on prime agricultural areas, natural systems and planning for infrastructure.

6. <u>The NUBE Growth Option is Not Supported by Climate Change Considerations</u>. As we noted in our November 8, 2021 letter to you, climate change is real and needs to be addressed, but the NUBE growth option is not a silver bullet solution to climate change. To the contrary, your staff's November 9, 2021 Report PED17010(o) noted, on pg. 18, that there is no material difference between the Greenhouse Gas Emissions resulting from the Ambitious Density Scenario and the NUBE growth option.

For the reasons noted above, and in our November 2021 letter, we urge you to support the wellresearched and carefully considered advice of your professional planning staff and consultants to deliver on Hamilton's promising future. You should rescind your endorsement of the NUBE growth option, endorse instead the Ambitious Density Scenario, and adopt official plan amendments which approve an urban boundary expansion that includes the Elfrida, Twenty Road East and Twenty Road West/Garner Road areas as identified on Schedule "A" to this letter. These lands are the only remaining Whitebelt lands contiguous to the City's existing urban boundary, and they comprise approximately 1,330 gross developable hectares, the size of the urban boundary expansion required by the Ambitious Density Scenario. The City has spent or allocated hundreds of millions of dollars on infrastructure projects serving each of these areas in anticipation of a needed urban boundary expansion.

Yours very truly,

Al Frisina President - Frisina Group

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David Horwood Artstone Holdings Limited / Corpveil Holdings Limited

Carmen Chiaravalle

President - Sonoma Homes

John Demik President - Demik Construction

The be Sai

Aldo De Santis President - Multi-Area Developments

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Anthony G. DiCenzo President – The DiCenzo Group of Companies

cc:

Steve Robichaud, Director, Planning and Chief Planner

## **SCHEDULE "A"**

