

January 3, 2023

Hon. Steve Clark
Minister of Municipal Affairs and Housing
777 Bay Street - 17th Floor
Toronto, Ontario
M7A 2J3

Dear Minister Clark;

**Re: Waterloo Region Official Plan Amendment 6
ERO Number 019-5952
Ministry Reference Number 30-OP-222206**

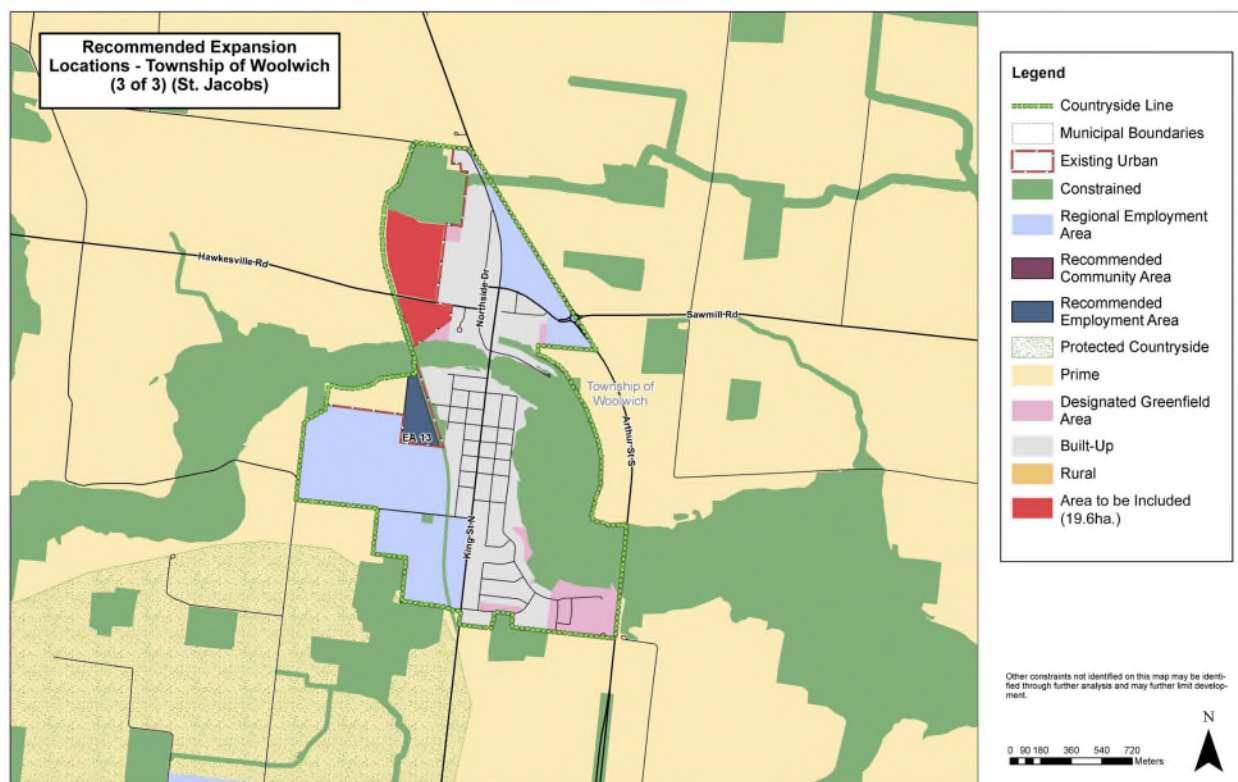
Waterloo Official Plan Amendment 6 Should be Modified to Add 19.62 HA of Land in St. Jacobs in Settlement Area (Community Area) - Woolwich Township

The Region of Waterloo has adopted Regional Official Plan Amendment 6 after their Municipal Comprehensive Review. The amendment does not conform with the Growth Plan for the Greater Golden Horseshoe, and did not follow the provincial Land Needs Assessment Methodology. It is now before the Minister for his consideration.

We act for Polocorp Inc. with respect to lands in the community of St. Jacobs, in Woolwich Township. We are requesting that the subject lands should be included in the settlement area by modification of Waterloo Region Official Plan Amendment 6. The area of the subject lands is 19.62 hectares (48.48 acres).

This submission is made in response to the above-captioned Environmental Registry posting inviting public comment with respect to Waterloo Region's Official Plan Amendment 6. This submission is also supported by a separate planning submission from The Butler Group supporting the request for settlement area expansion. In particular, it is our submission that all the subject parcels - all minor remnant lands on the developable side of the Countryside Line in the community of St. Jacobs - should be included as settlement area. Such a settlement area expansion is in conformity with the Growth Plan for the Greater Golden Horseshoe.

The plan below illustrates the subject lands:



The Region's adopted Official Plan Amendment 6 includes only a minimal settlement area expansion for new community area. While this has been done primarily through rounding out settlement areas in small rural communities, only 52 hectares of new community area is included for Woolwich Township, with none of that in St. Jacobs.

Overall, Waterloo Region is forecast to increase its population by 50%. However, the municipal comprehensive review provides for a settlement area expansion of less than 1% of the land area. Clearly, the Region is severely underdesignating the amount of new settlement area required to accommodate forecast growth.

The Minister should either modify the Region's adopted Official Plan to include the settlement area expansion produced by a proper Land Needs Assessment, or the Minister should refer the matter to the Ontario Land Tribunal for a hearing.

Despite Waterloo Region Being an Attractive Destination for New Homeowners in the Greater Golden Horseshoe, Council Land Use Decisions Reflect Strong Anti-Growth Policies

As housing prices continue to rise, and the supply of family housing is further restricted in Toronto, families continue to move out seeking a home. Like other municipalities outside the Greater Toronto Area, Waterloo Region has become a preferred destination for many such families - especially as it has enjoyed strong economic growth - much of it directly and indirectly supported by investment in research and technology from higher orders of government.

At the same time as Governments have poured money into Waterloo Region's economy, transportation infrastructure and universities, the Regional Municipality has long practised anti-growth policies. The result has been a boom in housing values for existing homeowners, while newcomers are priced out of the marketplace.

In fact, the Region's previous initial municipal comprehensive review of its official plan was rejected by the Ontario Municipal Board for not properly accommodating expected growth.

The current proposed Regional Official Plan has been delayed, and is providing no new community area settlement expansion in the three major local municipalities of Cambridge, Kitchener and the City of Waterloo.

The Growth Plan and Land Needs Assessment Methodology Require Municipalities to Deliver a Market-Based Supply of Housing "To the Extent Possible"

The Growth Plan and the Provincial Policy Statement on Land Use Planning require that housing be delivered in a market-based supply fashion. That includes delivering a full range and mix of housing types to meet market demand.

This was a change by the current Government over the policies of the previous Government - previous policies put the focus on limiting suburban development, and compelling development and new housing to be overwhelmingly in apartments. The current Government's new policies were intended to more closely reflect what Ontario residents actually wanted as their housing.

However, some municipalities and planners have preferred to ignore these policy changes, and carry on as if the old policies remain in place unchanged.

In the case of Waterloo, City staff proposed an Official Plan Amendment resulting in a very small amount of settlement area expansion in small communities - but which falls far short of the expansion that would result from properly following the prescribed provincial methodology.

Hemson Technical Report for Growth Plan Forecasts a Need for 90,700 New Grade-Related Units Between Now and 2051

The province's consultant for the Growth Plan Schedule 3 population growth forecasts was Hemson Consulting. In August 2020, they released their technical report regarding those forecasts.

The Hemson forecasts for Waterloo Region anticipate a need for 146,700 new dwelling units between 2021 and 2051. [In contrast, Waterloo Region's land needs assessment identifies a need for only 121,000 dwelling units.]

Of the Hemson forecast of growth, 63,900 (or 44%) of the required new housing would be single-detached or semi's. Once row housing demand is added, the total of grade-related units would be 90,700 (62%) of the total demand.

These numbers are in stark contrast to the very limited settlement area expansion model in the Region's official plan. Simply put, the Waterloo Region Official Plan comes nowhere close to meeting the expectations set out by the provincial consultants in their technical report.

The Region's Official Plan only adds 150 hectares of new settlement area (all in small communities). In contrast, the Region's consultants did a Growth Plan compliant land needs calculation and concluded that 2,208 hectares of new settlement area are required to satisfy forecast growth.

Region Land Needs Assessment Work Includes a Growth Plan and Land Needs Assessment Methodology Conformity Option Which Requires 2,208 Hectares of New Community Area, With 416 HA of New Community Area in Woolwich

The Region's original Land Needs Assessment Study includes three options. However, only one of those options is actually in conformity with the Growth Plan and its Land Needs Assessment Methodology by providing a market-based supply of housing "to the extent possible".

That Growth Plan conformity scenario is option 1. It conforms with the Growth Plan targets of 50% intensification, and 50 people and jobs per hectare.

However, unlike the other Waterloo options (including ROPA 6), Option 1 conforms with the Growth Plan's directive to provide "a diverse range and mix of housing options ... to meet projected needs of current and future residents" (policy 2.2.6.1). It is also consistent with the Provincial Policy Statement requirement that "Planning authorities shall provide for an appropriate range and mix of housing options and densities to meet projected market-based and affordable housing needs of current and future residents of the regional market area" (PPS policy 1.4.3). Critically, this option is the only one that conforms to the requirement of the provincial Land Needs Assessment Methodology to provide a market-based supply and mix of housing types "to the extent possible".

Option 1 produces a requirement for 2,208 hectares of new community area. Woolwich Township is identified as requiring 416 hectares of this new community area under this Growth Plan conformity option analysis. This is in stark contrast to the only 52 hectares provided for Woolwich Township in Regional Official Plan Amendment 6.

Option 1 Represents Compact Urban Development, With Half of all Housing Growth Being Apartments - Double the Current Pattern in Waterloo Region

It should be observed that Option 1 represents an ambitious step forward towards a significantly more compact urban form in Waterloo Region. Under option 1, 49% of all new housing growth would be in apartments. This is double the existing urban form, where only 25% of all dwelling units are in apartments.

It also represents a significant ambitious departure from the provincial market-based forecast, wherein Hemson foresees only 39% of growth demand being met by apartments.

As such, the province can have considerable confidence that option 1 delivers a growth pattern that conforms both with the technical requirements of the Growth Plan, and with the overall policy thrust of moving towards a more compact, and intensified urban settlement pattern.

Provincial Technical Report for Growth Plan Provides a Market-Based Growth Forecast with 64% Grade-Related Housing

The Provincial Government commissioned Hemson Consulting to undertake the growth forecasts which are schedule 3 of the Growth Plan. As part of this exercise, Hemson produced a technical report explaining the forecasts, including forecasts by housing type by Region. This technical report is identified in the Land Needs Assessment Methodology as an appropriate market-based forecast of housing type growth by Region, for the period 2021 to 2051, for use in Land Needs Assessments.

The Hemson market-based forecast for Waterloo Region included 45% singles and semis, and 19% row housing, for a total of 64% grade-related housing. Only 36% of the market-based growth forecast would be met by apartments.

This is dramatically at variance with the Region's Official Plan Amendment, which foresees only 45% in grade-related housing and 55% of new growth being in apartments. This deviation from the Hemson market-based forecast is so severe, that it demonstrates the extent to which the Waterloo Regional Official Plan Amendment 6 does not reflect a market-based supply to the extent possible. As a result, it is not in conformity with the Growth Plan, and is not consistent with the Provincial Policy Statement on Land Use Planning.

Comparison of Waterloo Region's Land Needs Assessment Alternatives

Alternative	New Community Area	In Woolwich Twp.
Option 1- 50% 50 People+jobs/HA (Growth Plan Conformity)	2208 hectares	416 hectares
Option 2 - 60% 60 People+jobs/HA	376 hectares	176 hectares
Option 3 - 60% 66 People+jobs/HA	0 hectares	0 hectares
ROPA 6 - 61% 59 People+jobs/HA	150 hectares	52 hectares

The Subject Lands are Anticipated to Allow for the Construction of Approximately 700 Units of New Housing As Part of the Community of St. Jacobs

While the subject lands are not very large in size, they are still anticipated to make a significant contribution to the housing supply in the Region. An estimated 700 dwelling units are anticipated to be constructed on the subject lands.

The St. Jacobs community already has uncommitted sewage capacity for a population of 620 - meaning that much of the new housing could be constructed almost immediately, without the need to await the future servicing capacity changes planned for the years to come.

Inclusion of Subject Lands in Settlement Area is in Conformity With Growth Plan Policies 2.2.1 Respecting “Managing Growth”

The inclusion of the subject lands in St. Jacobs as settlement area, would be in conformity of the policies in 2.2.1 of the Growth Plan.

- The lands are immediately adjacent to the existing settlement area of Woolwich, in the St. Jacobs community.
- The lands are on the developable side of the Region’s Countryside Line, identifying the lands as appropriate for development in the long term.
- Ensures settlement area expansion is directed, where possible, to the existing settlement area in St. Jacobs, appropriately reinforcing the established planning hierarchy.
- Allows for efficient construction of infrastructure, completing roads and services from the existing community to the east.
- The environmental features are all protected in the plans for development.
- Allows for a complete community with an appropriate mix of uses, and services including parks and schools.
- Provides for a mix of housing options responsive to market demand.
- Provides a higher density of designated greenfield area development than is historically the case in Waterloo Region, resulting in more compact urban form.

The proposed addition of the subject lands to the settlement area will also be in conformity with the Growth Plan Policies for “Settlement Area Boundary Expansions” found at 2.2.8.

- The lands are required to meet the Growth Plan population forecasts under any scenario based upon a Land Needs Assessment conducted in accordance with the provincial methodology.
- The development of the subject lands will assist the Region in meeting the Growth Plan targets for intensification and Designated Greenfield Area density.
- The lands can be serviced efficiently as an extension of the abutting approved settlement area neighbourhood.

- The development of the lands will not have adverse impacts on the water resource system.
- The lands have been identified as on the developable side of the Countryside Line, and as such are not required as part of the agricultural system in the long term. The small parcel sizes make the lands of limited utility for modern agriculture. Their development will have no adverse impact on the agri-food system.

Overall, the expansion of the settlement area to include the St. Jacobs subject lands is in conformity with the policies of the Growth Plan.

Inclusion of the Lands in Settlement Area is Consistent with the Provincial Policy Statement on Land Use Planning

The inclusion of the subject lands in Waterloo Region's Settlement Area is consistent with the requirements of the Provincial Policy Statement on Land Use Planning, particularly those found in section 1.0 "Building Strong Healthy Communities".

- The addition of these lands to the adjacent abutting settlement area results in an efficient pattern of land development, including through a contiguous addition to the approved urban area of Woolwich, in St. Jacobs. In geometric terms, it is virtually "infill" of existing gaps in the community.
- The approval of this settlement area expansion will help better deliver a "market-based range and mix of residential types".
- The resulting land use pattern will not cause environmental or public health concerns.
- It represents an "efficient expansion of settlement areas in those areas which are adjacent or close to settlement areas."
- The development of the lands will optimize public investments in infrastructure.
- The approval of these lands as settlement area is necessary to help meet the anticipated market demand for housing that cannot be met elsewhere in the Region over the projected horizon.

Province Can Modify the Adopted Plan, or Refer It to The Land Tribunal for a Hearing

Under section 3 of the Planning Act, the Minister, in carrying out his responsibilities and making planning decisions, must act in conformity with provincial plans (in this case the Growth Plan for the Greater Golden Horseshoe), and consistent with the Provincial Policy Statement on land Use Planning. A decision to approve the official plan adopted by Waterloo Region Council will not be consistent with the Provincial Policy Statement, or conform with the Growth Plan.

The Provincial Policy Statement in policy 1.1.1.b) requires municipalities to accommodate a “*market-based range and mix of residential types (including single-detached, additional residential units, multi-unit housing and housing for older persons)*”. The Waterloo Region official plan does not provide this market-based range and mix including single-detached housing.

The Growth Plan requires, in policy 2.2.1.5, that municipalities must use the Land Needs Assessment Methodology to determine the need for land to accommodate growth over the horizon of the Official Plan (now 2051). The methodology, on page 9, while allowing for adjustments to the market-based supply forecast to achieve the density and intensification targets of the Growth Plan, requires “ensuring the provision of a market-based supply of housing to the extent possible”. That means that, if the plan’s numbers depart from a market-based supply more than necessary to achieve 50% intensification, and 50 people and jobs per hectare in the Greenfield Area, the plan will NOT be in conformity with the Growth Plan.

On page 13, the methodology explains an aspect of this in more detail. The methodology says that the market-based forecast should be adjusted to meet the density targets of the Growth Plan “while still providing a full range and mix of housing options to meet the market-based demand of housing that meets the current and future needs of residents”, and if that is not possible, an alternative density target should be sought.

Thus, the Minister cannot approve the Official Plan as adopted by Waterloo Region and be following the requirements of section 3 of the planning act to act in conformity with the Growth Plan, and consistent with the Provincial Policy Statement.

Only the “Growth Plan Minimum” option (2208 HA settlement area expansion) identified by the City’s consultants would satisfy the requirements of the Growth Plan (including the Land Needs Assessment Methodology) and the Provincial Policy Statement on Land Use Planning.

Thus, the options available to the Minister are as follows:

- 1). Modify the Waterloo Region Official Plan to reflect a settlement area expansion of 2208 HA.
- 2). Modify the Waterloo Region Official Plan to include the 19.64 hectare subject lands in St. Jacobs, in Woolwich Township in settlement area.
- 3). Refer the Region’s Official Plan to the Ontario Land Tribunal for a decision.
- 4). Refer the designations of the subject lands to the Tribunal for a Hearing.

We are requesting that the Minister select options 1 and 2, and modify the Waterloo Region Official Plan to include the subject lands in St. Jacobs in Woolwich Township in settlement area as community area.

If option 3 or 4 is selected, the Minister should, in the referral, advise the Tribunal of his concern that Waterloo Region did not properly follow the Land Needs Assessment Methodology - in particular, its requirement for “ensuring the provision of a market-based supply of housing to the extent possible” (page 9) and “providing a full range and mix of housing options to meet the market-based demand of housing that meets the current and future needs of residents” (page 13).

Yours sincerely,

AIRD & BERLIS LLP



Hon. Peter Van Loan
Partner

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