



# CBI POLICY PAPER

## The Outer Limits

### Housing the regional while drawing lines on farmland production

Alicia Kingdon

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Maintaining agricultural production is imperative to our region's food security and the local economy. The less we have to rely on importing food, the more secure we are in the face of climate change and a fluctuating Canadian dollar. Ontarians are already feeling the effects of rising food prices, with a head of cauliflower selling for \$10<sup>1</sup> earlier this year.

Paving over arable land reduces our capacity to feed communities and increases our reliance on imported food<sup>2</sup>. Yet, from 2006 to 2011 Ontario lost more than 640,000 acres of its farmland, nearly 120,000 acres of that being cropland<sup>3</sup>. With 100,000 people moving to the region every year and a related booming housing industry, there is increasing pressure on

1 Sharp, Alastair (2016). \$10 cauliflower is just the beginning: Canadian grocers, retailers warn more price increases on the way. Available at: <http://business.financialpost.com/news/economy/10-cauliflower-is-just-the-beginning-canadian-grocers-retailers-warn-more-price-increases-on-the-way>

2 Friends of the Greenbelt Foundation (2014). Agriculture by the Numbers: Understanding the Greenbelt's Unique Advantages. Available at: [https://d3n8a8pro7vnm.cloudfront.net/greenbelt/pages/1167/attachments/original/1426519521/Agriculture\\_by\\_the\\_Numbers-Corrected.pdf?1426519521](https://d3n8a8pro7vnm.cloudfront.net/greenbelt/pages/1167/attachments/original/1426519521/Agriculture_by_the_Numbers-Corrected.pdf?1426519521)

3 Statistics Canada (2012). Ontario Farm Data, Census of Agriculture. Available at: <http://www.omafr.gov.on.ca/english/stats/census/summary.htm>

undeveloped land, much of it farmland, for homes and roads.

As the Province nears the completion of its 10-year review<sup>4</sup> of the Greenbelt Plan and Growth Plan frameworks, we look to the pending amendments to set limits on urban expansion and get growth right within the boundaries of urban development.

### Keeping it Green

Introduced a decade ago, Ontario's award-winning Greenbelt Plan<sup>5</sup> embraces nearly 2 million acres of farmland, natural habitat and headwaters that form the basis of our drinking water. It is the largest protected greenbelt in the world, with 93% of Ontarians supporting the Greenbelt and 75% wanting to see it expand<sup>6</sup>.

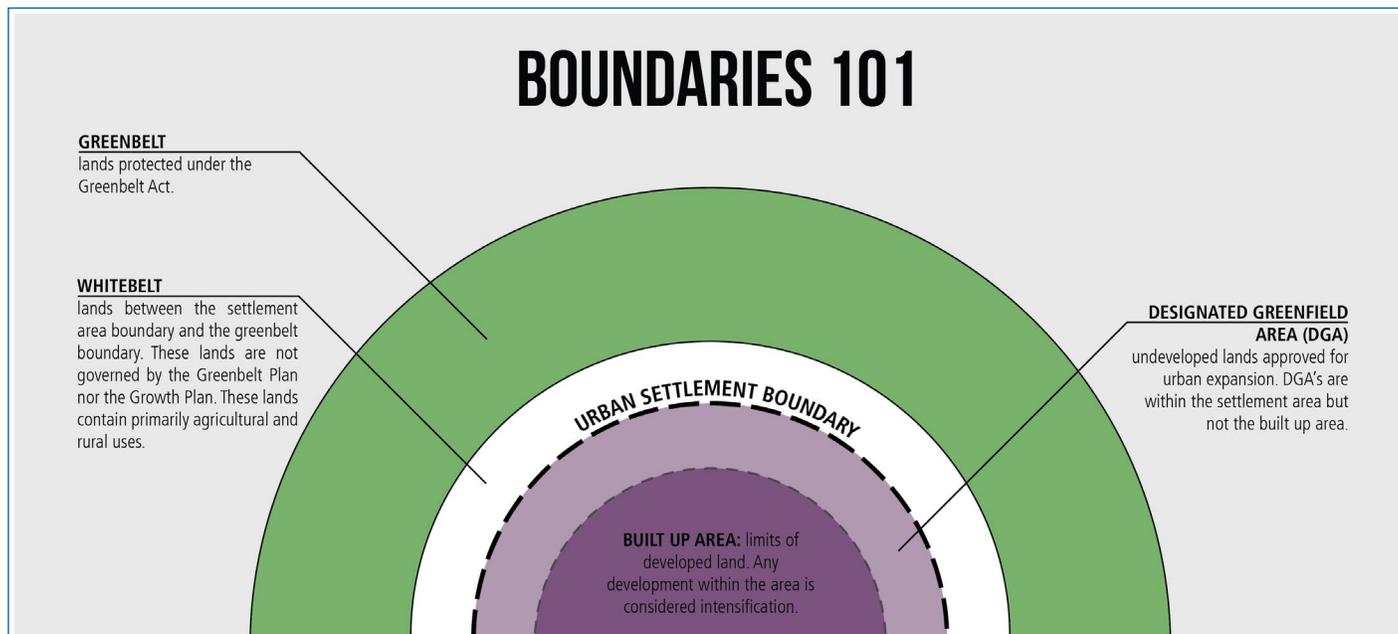
But not all of the region's productive farmland is protected by the Greenbelt Plan. Prime agricultural

4 Ontario Ministry of Municipal Affairs. Co-ordinated Land Use Planning Review. Available at: <http://www.mah.gov.on.ca/Page10882.aspx>

5 Ontario Ministry of Municipal Affairs. Greenbelt Wins "Environmental Planning" National Award. Available at: <http://www.mah.gov.on.ca/Page4651.aspx>

6 Environmental Defence (2016).

# BOUNDARIES 101



immediate development. The fate of the

lands also exist within Designated Greenfield Areas and the Whitebelt. Designated Greenfield Areas are undeveloped lands within municipalities' urban settlement boundaries that are earmarked for growth, according to the rules of the provincial Growth Plan<sup>7</sup>, a legislated framework introduced alongside the Greenbelt Plan, to limit urban sprawl and manage how growth happens outside the Greenbelt.

The "Whitebelt" comprises undeveloped lands on the outer edge of the urban settlement boundaries, but before the Greenbelt. The Whitebelt is currently not subject to the policies of the Growth Plan or the Greenbelt, which means the future of these lands is uncertain. More than 82% of land within the Whitebelt is agricultural land cover<sup>8</sup>.

Some stakeholders see the Whitebelt as an urban land reserve for development in the near future, while others are calling for some of these lands to be absorbed into the Greenbelt and/or held back from

<sup>7</sup> Ontario Ministry of Municipal Affairs (2013). Growth Plan for the Greater Golden Horseshoe 2006. Available at: <https://www.places-togrow.ca/content/ggh/2013-06-10-Growth-Plan-for-the-GGH-EN.pdf>

<sup>8</sup> Wilson, Sara (2013). Nature on the Edge: Natural capital and Ontario's growing golden horseshoe. Available at: [http://www.davidsuzuki.org/publications/downloads/2012/DSF\\_whitebelt\\_2013\\_web\\_edit-ed\\_version.pdf](http://www.davidsuzuki.org/publications/downloads/2012/DSF_whitebelt_2013_web_edit-ed_version.pdf)

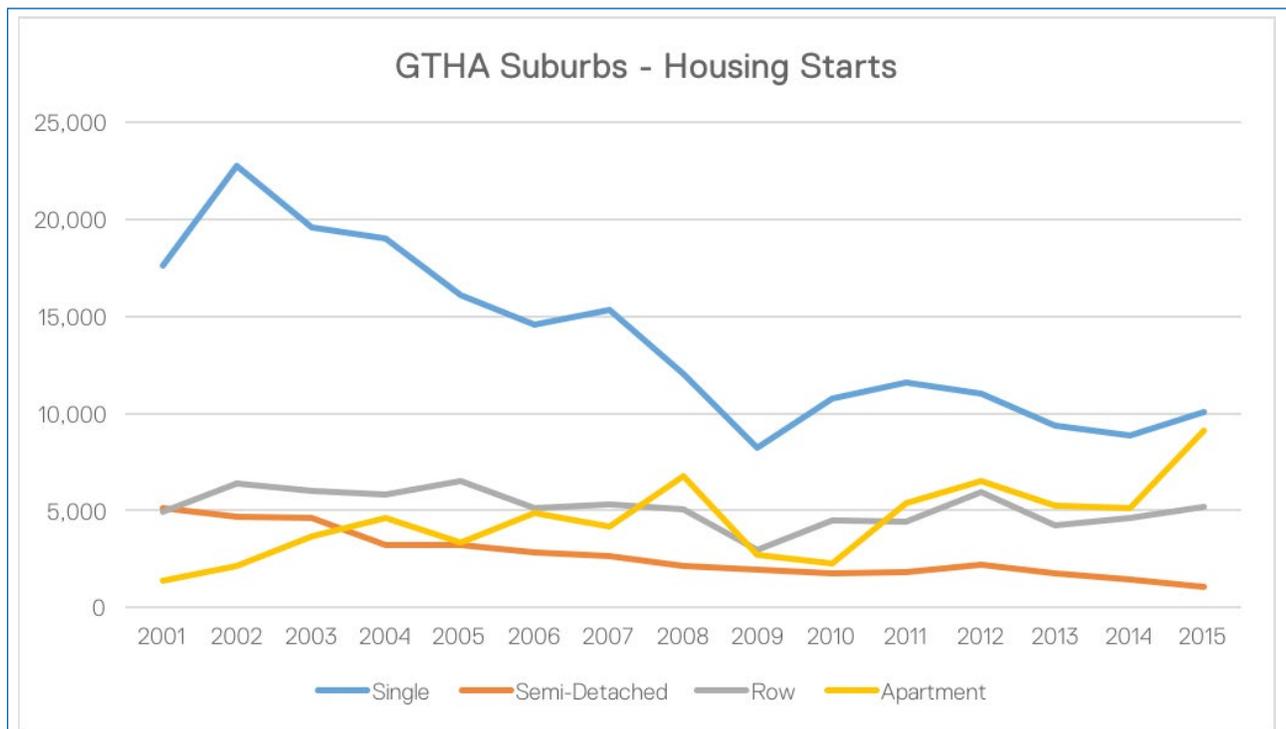
Whitebelt is largely in the hands of municipalities (with oversight by the Province). The development of these lands is based largely on how the Province forecasts population growth and how municipalities accommodate this population within their urban boundaries.

## Extended forecast

A few years ago the Province amended its forecast for population growth<sup>9</sup> for the Greater Golden Horseshoe, extending it to 2041 from its original 2031 and, consequently, changing how growth would be managed to accommodate population change. A longer forecast assumes that more land will be needed to accommodate the extra population that an additional 10 years will bring (through a process called land budgeting), and thus is prompting some municipalities to seek approval to expand their development boundaries.

The Growth Plan provides targets to achieve greater

<sup>9</sup> Ontario Ministry of Municipal Affairs (2013). Amendment 2 to the Update and Extend the Population and Employment Forecasts. Available at: [https://www.places-togrow.ca/index.php?option=com\\_content&task=view&id=318&Itemid=14](https://www.places-togrow.ca/index.php?option=com_content&task=view&id=318&Itemid=14)



intensification, effectively growing in and up instead of out. The plan dictates that a municipality must accommodate 40% of its growth within the already urbanized lands of its “built-up area”, and

the remaining 60% can occur within designated greenfield areas of undeveloped land within the municipality’s urban settlement area. The 40% number is called the “intensification target”.

Boundary expansion occurs if a municipality can demonstrate that it is not possible to accommodate its forecasted growth through either intensification or greenfield development within the urban settlement boundary. Of the 21 municipalities governed by the Growth Plan, only 11 currently have met, and four have exceeded, the intensification target<sup>10</sup>. However, others have not yet met these targets and some are using the longer forecast to apply for boundary expansion to continue to build on greenfield developments.

### Preferences, Prices and Places to Grow

Growth forecasts inform the land budgeting process, an exercise that allocates land to accommodate

10 The Neptis Foundation. Minimum as Maximum. Available at: [http://www.neptis.org/sites/default/files/styles/580w/public/gp\\_primer/gpprimer\\_image11x-01\\_web.png?itok=C4wfFzrG](http://www.neptis.org/sites/default/files/styles/580w/public/gp_primer/gpprimer_image11x-01_web.png?itok=C4wfFzrG)

population and employment estimates. Through this process, municipalities make assumptions about what type of housing will be required to

accommodate the incoming population. For example, if a municipality assumes people will want to live in compact communities they will need less land to accommodate population growth, but if a municipality assumes that there will be a high demand for single-detached homes, they will need more land and this requires more greenfield development.

A challenge with the housing and market demand studies that inform these land budgets is their assumption that the conditions that resulted in a high demand for single-detached homes will continue. However, what is being built and what is being bought can change over a 30-year projection period, and has already been changing rapidly due to factors such as home prices and affordability<sup>11</sup>, homebuyer trends to live closer to work and transit<sup>12</sup>, intensification policies in the growth plan,

11 Ervin, Michael (2015). Addordability looms large in the GTA housing market. Available at: <https://www.reminetwork.com/articles/affordability-looms-large-in-gta-housing-market/>

12 Burda, Cherise (2014). 2014 Home Location Preference Survey.

and related regulatory land supply constraints<sup>13</sup> that all – in different ways – result in greater multi-unit inventory, not just in Toronto, but the GTA.

Since 2001 the GTHA suburbs (calculated as the GTHA minus the City of Toronto) have seen a steady decrease in the development of single-detached homes and an increase in the development of multi-unit apartments.

Through a combination of growth plan policies and market shifts, growth patterns in the region have been changing for over a decade and a half and the rate of urban sprawl is actually decreasing, according to Neptis. Between 1991 and 2001, the population of the GTHA grew 19%, while the urban area expanded by 26%. Yet, in the next decade, growth increased while the rate of expansion decreased: between 2001 and 2011, the population of the GTHA grew by 18%, but the urban area expanded by only 10%<sup>14</sup>.

In response to higher prices and limited space, the trend is toward much higher density for residential areas: one acre of suburban development that once used to hold three or four units now holds as many as 11<sup>15</sup>.

### Regional divide: The case of York Region

Markham is one of the GTA's leading municipalities when it comes to compact, transit-oriented development. It is achieving a 55% intensification rate, building mid-rise communities along its bus rapid transit network and a new mixed-use downtown -- a challenging effort in the face of land costs, zoning restrictions, and parkland policies that

Available at: [http://www.rbc.com/community-sustainability/\\_assets-custom/pdf/RBC-Pembina-Home-Location-Preference-Survey.pdf](http://www.rbc.com/community-sustainability/_assets-custom/pdf/RBC-Pembina-Home-Location-Preference-Survey.pdf)

13 Clayton, Frank (2015). Why There is a Shortage of New Ground-Related Housing in the GTA. Available at: [http://www.ryerson.ca/content/dam/cur/images/CUR\\_PC%234\\_Shortage\\_New\\_Ground-Related\\_Housing\\_June1%2C%202015.pdf](http://www.ryerson.ca/content/dam/cur/images/CUR_PC%234_Shortage_New_Ground-Related_Housing_June1%2C%202015.pdf)

14 Neptis Foundation (2015). How Long Will Designated Lands Last? Available at: <http://www.neptis.org/publications/understanding-fundamentals-growth-plan/chapters/how-long-will-designated-lands-last>

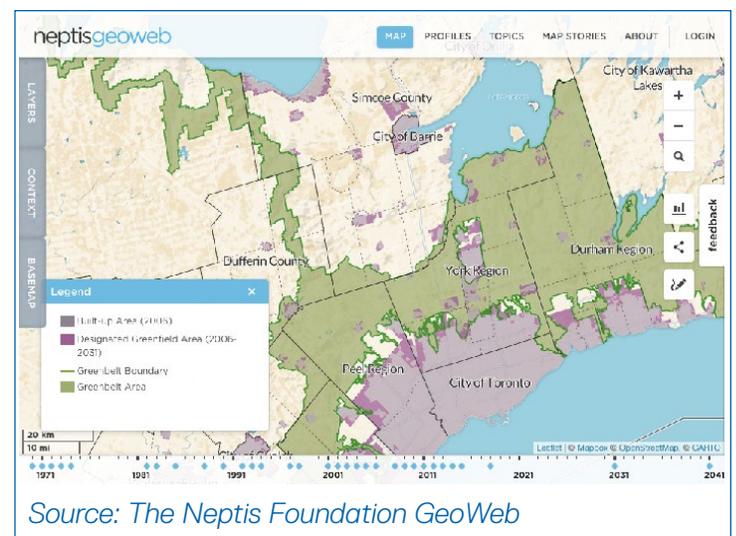
15 Haider, M and Miller, E (2003). Modeling Location Choice of Housing Builders in the Greater Toronto Area. Available at: [http://milute.mcgill.ca/Research/Senior/Housing\\_TRB\\_2004.pdf](http://milute.mcgill.ca/Research/Senior/Housing_TRB_2004.pdf)



Markham Viva Transit: Source Metrolinx

often favour low-rise greenfield development.

Yet these efforts may be undermined by the planning decisions of York Region, the larger governance body that includes Markham. In 2015, York Region explored three scenarios for how the region would grow to 2041: a 40%, 50% and 65% intensification target. A recent decision by council approved the lowest growth scenario -- a 40% intensification target -- a decision that would result in expansion into 17% of the Whitebelt lands. If the "Crombie Report"<sup>16</sup> results in the province adopting amendments to the Growth Plan for higher



Source: The Neptis Foundation GeoWeb

16 Crombie Report (2015). Available at: <http://www.mah.gov.on.ca/Asset11110.aspx?method=1>

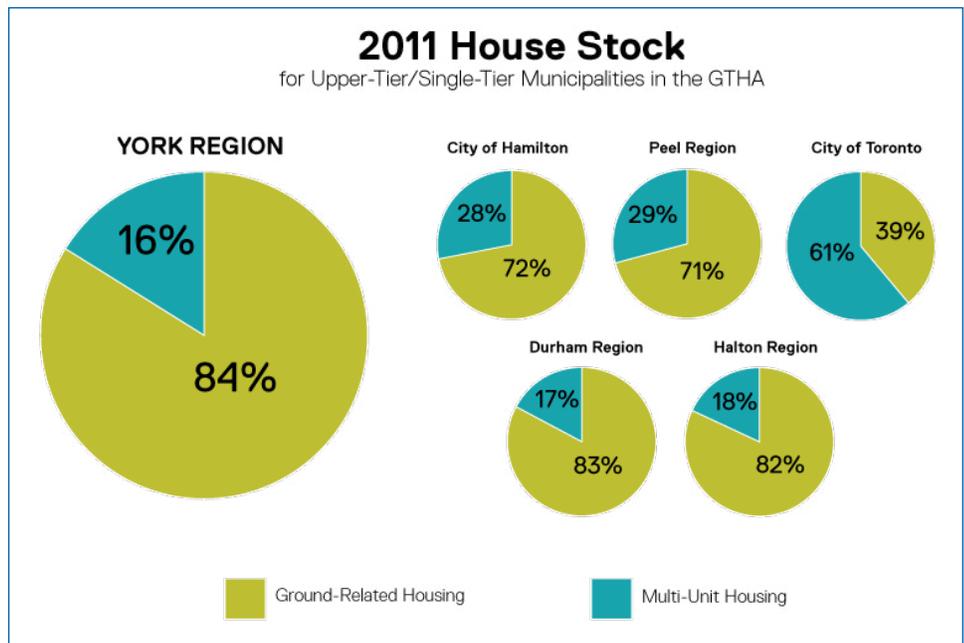
intensification targets, York Region is bending in the wrong direction.

## York Region

The consultant report that informed the council decision pointed toward a concern that a 65% intensification scenario focused too aggressively on the development of apartments. Yet, under the 40% intensification scenario, the percentage of multi-unit housing stock projected for York Region for 2041 is lower than the average current percentage of multi-unit housing stock for 2011 for all municipalities in the GTHA.

Alternatively, a 65% growth scenario with a strong focus on duplex, mid-rise and high-rise buildings would provide York Region with a more diverse housing mix in 2041 and more housing options for a range of family sizes and budgets while reducing the degree to which the region would need to expand into agricultural lands. It would also bring more ridership to the region's BRT network and reduce both congestion and commute times — all objectives of the Province's Growth Plan<sup>17</sup>, Metrolinx Big Move transit plan<sup>18</sup> and climate plan<sup>19</sup> frameworks - to change our pattern of growth to vibrant, compact settlements<sup>20</sup>.

**Pie Charts:** York Region Council recently approved a



40% intensification target until 2041. This growth scenario means that in 25 years York Region's total housing units will consist of 79% ground-related and 21% multi-unit homes. This projected

housing mix means that in 2041 York Region will have a higher proportion of single-detached homes than the majority of GTHA region had in 2011, 30-years prior. A 65% growth scenario creates a housing mix for the York Region that is in line with the rest of the GTHA, now and in the future. While this growth scenario focuses more aggressively on the development of multi-unit homes, it's not unprecedented. For example, the Waterloo Region forecasted an increased demand of multi-unit homes for its land budget, predicting the majority of the demand for ground-related housing could be met by the existing housing supply, made available over time as their owners age and homes are vacated<sup>21</sup>.

With a council-approved 40% intensification target, York Region intends to expand its urban boundary into the Whitebelt, but where remains unclear. A

17 Ontario Ministry of Municipal Affairs (2013). Growth Plan for the Greater Golden Horseshoe 2006. Available at: <https://www.places-togrow.ca/content/ggh/2013-06-10-Growth-Plan-for-the-GGH-EN.pdf>

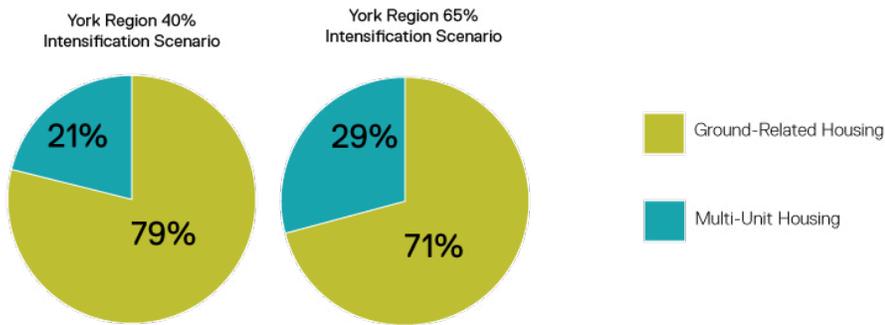
18 Metrolinx (2014). The Big Move. Available at: [http://www.metrolinx.com/en/regionalplanning/bigmove/big\\_move.aspx](http://www.metrolinx.com/en/regionalplanning/bigmove/big_move.aspx)

19 Government of Ontario (2015). Ontario's Climate Change Strategy. Available at: <https://dr6j45jk9xcmk.cloudfront.net/documents/4928/climate-change-strategy-en.pdf>

20 Ontario Ministry of Municipal Affairs (2013). Growth Plan for the Greater Golden Horseshoe 2006. Available at: <https://www.places-togrow.ca/content/ggh/2013-06-10-Growth-Plan-for-the-GGH-EN.pdf>

21 The Neptis Foundation (2015). The Land Budgeting Dilemma. Available at: <http://www.neptis.org/publications/understanding-fundamentals-growth-plan/chapters/land-budgeting-dilemma>

## 2041 Growth Scenarios



York Region report<sup>22</sup> identifies urban expansion into the Whitebelt, yet at the same time, in 2015, the Region submitted to the Province 51 requests by 40 landowners to have lands taken out of the Greenbelt and made available for development<sup>23</sup>. York Region says it is not taking a position on these requests and is looking to the Province for clarity.

### Growing up Instead of out

Increasing and strengthening intensification targets -- building up instead of out -- reduces pressure to develop beyond current urban settlement boundaries, but many rules and policies<sup>24</sup> need to be remedied to level the development playing field and make intensification cost-effective. Toronto, for example, has no greenfield lands at all and must accommodate all of its growth through 100%

22 York Region (2015). York Region 2041 Preferred Growth Scenario. Available at: <https://www.york.ca/wps/wcm/connect/yorkpublic/e2c99ca1-f7d1-44ff-bec9-4e3249602fb3/nov+5+preferred+ex.pdf?MOD=AJPERES>

23 Javed, Noor (2015). York Region feeling pressure from developers on Greenbelt. Available at: <https://www.thestar.com/news/gta/2015/05/27/york-region-feeling-pressure-from-developers-on-greenbelt.html>

24 Burda, C and Collins-Williams, M (2015). Make way for Mid-Rise: How to build more homes in walkable, transit-connected neighbourhoods. Available at: <http://www.pembina.org/pub/make-way-for-mid-rise>

intensification on just over 60,000 hectares of land<sup>25</sup>.

As Neptis points out, with discretionary land budgeting<sup>26</sup> and greenfield density “take outs”<sup>27</sup>, municipalities can make the case for low-density development and yet still conform to the Growth Plan policies. Recently, the Province’s advisory panel, led by former Toronto mayor David Crombie, released a report recommending changes to

Ontario’s land use planning framework as part of the 10-year review. Recommendation 18 of the Crombie Report calls for the Province to develop a uniform and transparent method for municipalities when undertaking the land budgeting exercise, including modelling for a no-expansion scenario.

It is critical this recommendation makes it into the Growth Plan amendments to ensure that each municipality can plan for compact, walkable, transit-oriented, mixed-use communities in the region while still accommodating population growth within our urban boundaries. But it will take innovative solutions, strategic thinking and smart decision making when it comes to current and future development. Other cities are starting to get creative. For example, Seattle just introduced

25 Ontario Ministry of Municipal Affairs (2013). Growth Plan for the Greater Golden Horseshoe 2006. Available at: <https://www.places-togrow.ca/content/ggh/2013-06-10-Growth-Plan-for-the-GGH-EN.pdf>

26 The Neptis Foundation (2015). The Land Budgeting Dilemma. Available at: <http://www.neptis.org/publications/understanding-fundamentals-growth-plan/chapters/land-budgeting-dilemma>

27 The Neptis Foundation (2015). Calculating designated greenfield area densities. Available at: <http://www.neptis.org/publications/how-will-growth-be-accommodated/chapters/calculating-designated-greenfield-area>