



City of
Peterborough

To: **Members of the General Committee**

From: **Cynthia Fletcher**
Commissioner of Infrastructure and Planning Services

Meeting Date: **May 3, 2021**

Subject: **Report IPSPL21-016**
Official Plan and Land Needs Assessment Update

Purpose

A report on the status of the Official Plan update process, to introduce the results of the Land Needs Assessment and to recommend that the approach to finalizing the Official Plan focus land use designations within the municipal boundary.

Recommendation

That Council approve the recommendation outlined in Report IPSPL21-016 dated May 3, 2021, of the Commissioner of Infrastructure and Planning Services, as follows

That staff be directed to finalize the Official Plan documents, with the approach of focusing land use designations within the City's boundary (as outlined in Scenario 1).

Budget and Financial Implications

There are no budget and financial implications related to the recommendations in this report.

Background

The Official Plan Update has been a major project over the last several years, with the Plan development in its final stages. In 2020, the Official Plan document was submitted to the Provincial office in Kingston and the Land Needs Assessment analysis was submitted to the Growth Secretariat office in Toronto. While the pandemic caused the Province to re-prioritize work in 2020, preliminary comments on both bodies of work have been received.

As communicated previously, the consultant and project leads have been awaiting information from two Provincial Offices related to the Official Plan documents and the Land Needs Assessment. This report is intended to provide next steps for finalizing the Official Plan documents and the recommended approach to address the Land Needs and Excess Land designations for Peterborough.

Project Timelines and Tasks:

The Official Plan project is lead by a team of City staff and supported by The Planning Partnership and Beacon Environmental. Consultation feedback and draft documents have been reviewed by subject matter professionals who make up the Technical Advisory Team, throughout the project. Draft documents have then been reviewed by and with the project Working Group. This group is made up of City stakeholders, Development industry professionals, Indigenous groups, Council members and public sector partners.

Consultation to date

In addition to the Technical Advisory and Working Group sessions, a variety of different means have been implemented to reach as many people as possible with good success:

- Comprehensive Design Charrette
- Public open house meetings with over 100 participants
- Stakeholder meetings; examples below,
 - Treaty 20 First Nations
 - Peterborough Architectural Conservatory Advisory Committee
 - Peterborough Rotary Club
 - Housing and Homelessness Steering Committee
 - Peterborough Immigration Partnership – New Canadians Centre
 - Peterborough and Kawartha Economic Development
 - Chamber of Commerce
 - Downtown Business Improvement Area
 - Peterborough Homebuilders Association

- Arts, Culture and Heritage Advisory Committee
 - Peterborough Environmental Advisory Committee (introduction to update)
 - Natural Heritage Task Force
- Pop-up information booths at events
- On-line engagement sessions
- Over 130 distinct written submissions
- Numerous discussions with citizens and interest groups

The following tasks to finalize the new Official Plan include:

- A 7th draft official plan document will be reviewed by the Technical Advisory Team and then reviewed with the Working Group
- Public open houses – two sessions
- Preparation of a final draft
- A Working Group presentation and meeting.
- Planning Advisory Committee review
- Council receives the Draft Official Plan for information, at General Committee in a Council meeting cycle.
- Statutory public meeting will be scheduled in the following Council meeting cycle.
- Council adopts Official Plan at the next Council meeting within the second meeting cycle.

The target for completion of the final draft plan is fall 2021.

Land Needs Assessment

One of the requirements of the new Official Plan is the completion of a land needs assessment. A Place to Grow: Growth Plan for the Greater Golden Horseshoe (the “Growth Plan”) states that the Minister of Municipal Affairs and Housing will issue a standard methodology to assess land needs. Based on Schedule 3 of the Growth Plan, the City is required to plan and accommodate a minimum of 125,000 residents and 63,000 jobs by 2051. This represents an increase of approximately 42,000 residents and 18,000 jobs from 2016. The City must assess the quantity of land needed to accommodate the 2051 population and employment forecasts in accordance with the Provincial methodology and identify how it plans to meet the need.

From a pure “Best Planning Practice” perspective, the City’s current and past planning professionals would see employment growth occurring partially within the City’s boundary and to the southwest of the City. Employment growth as an extension of the Major Bennett industrial park and incorporating the Airport within the City’s boundary make the most sense from a planning perspective as it facilitates the expansion of an existing industrial park, does not impact existing residential areas, and brings the Airport into the City limits. The City has been in discussions and reviewing the potential for such a boundary adjustment for years. These discussions have not resulted in a successful local solution to date.

The provincial Land Needs Assessment process incorporates complex statistical analysis to determine current and future land needs. It is following this assessment process that the City must then determine the proposed location for land needs and any excess zoned lands from the calculation.

Although the City submitted the Official Plan and Land Needs documents to the appropriate provincial offices, the Land Needs Assessment file required revision following a change in the provincial methodology utilized to determine land needs to 2051.

A new land needs methodology came into effect in August 2020, replacing the previous initial provincial methodology from May 2018. The new provincial methodology uses two categories to describe land needs:

- a) **Community Areas:** Lands which primarily accommodates residential development and population-related jobs, as well as some office jobs and some employment land jobs. Population-related jobs represent employment that primarily serves the resident population such as, retail, education, health care, government and work-at-home employment. Community areas include both the delineated built-up area and designated greenfield areas but do not include employment areas.
- b) **Employment Areas:** These areas represent lands designated in an official plan for clusters of business and economic activities including, but not limited to, manufacturing, warehousing, offices, and associated retail and ancillary facilities. These are typically industrial areas and business parks where most employment land jobs (i.e., employment in industrial-type buildings) are accommodated, as well as some office jobs and some population-related jobs, particularly those providing services to the employment area. Employment areas may include both delineated built-up areas and designated greenfield areas.

Through the completion of the Land Needs Assessment, municipalities will either determine the need for additional land through a settlement area boundary expansion or determine there are excess lands. Based on the policies of the Growth Plan, development on excess lands is prohibited to the plan horizon of 2051.

The City's completion of a land needs assessment is shown in Chart 1

Chart 1 – Analysis of Land Needs and Excess Land

	Community Areas (Hectares)	Employment Areas (Hectares)	Net Excess Land
Land Available	590	0	
Land Needed	290	130	
Excess Land	300	-130	170

Note: 300 hectares = 741.3 acres (1:2.471)

As per Chart 1, 170 hectares of land may be considered excess if new employment areas are accommodated within the existing city limits. There is currently 300 hectares of excess lands designated for community area use and a deficit of 130 hectares of lands designated for employment use. The excess lands could not proceed with residential development until at least 2051.

If new employment areas are accommodated beyond the City limits and the 130 Hectares is not used within the City's excess community areas, the amount of excess land within the City increases to 300 hectares.

The new Official Plan is required, by policy, to delineate settlement area boundaries and designate all lands required to 2051 for community areas and employment areas in accordance with the results of the Land Needs Assessment. Further, the Official Plan is a foundational document that will inform critical planning documents and associated infrastructure improvements. Ongoing studies, including the City's North End Municipal Class Environmental Assessment, Transportation Master Plan, Transit Route Review, Transit Growth Strategy, East Side Transportation Study and Cycling Master Plan, require the land use information, location of specific land designations and growth projections from the Official Plan to finalize their work.

The location of the land use designations (community versus employment) will be reviewed and approved by Council as part of the adoption of the Official Plan. The final Land Needs Assessment results and detailed report will be made available concurrently with the presentation of the Official Plan.

Scenarios and Implications

The next steps and implications associated with seeking lands for new employment areas within the municipal boundary (Scenario 1) or a settlement area boundary expansion (Scenario 2) are discussed herein:

Scenario 1: Lands within Current Municipal Boundary

The City has sufficient land within the current City limit to accommodate the projected population and employment growth to 2051, however, there would be a need for the conversion of lands from community area (mostly residential and other non-employment uses) to employment.

Traditionally, the City has owned and developed industrial parks. The City does not have any remaining inventory of serviced industrial land and the majority of lands within the designated greenfield area are privately-owned. To date the City has not received any expressed interest from landowners in the designated greenfield area in developing their lands for an employment area.

Outside of existing employment areas, development interests for lands within the designated greenfield area have generally pertained to residential and neighbourhood supportive uses. Based on the inventory of lands in the designated greenfield area and their consideration in planning area-specific development charges studies, it is the

opinion of staff that the Growth Plan population forecasts and community area land needs may be accommodated wholly within the municipal boundary without the need for a settlement area boundary expansion.

However, the City's ability to plan and accommodate the Growth Plan employment forecasts requires an increase in the supply of employment area. This will require the redesignation of lands presently planned for residential purposes from a residential or similar non-employment designation to employment area. If the employment area land need is accommodated within the current municipal boundary, the City will need to proceed with one or more of the following options:

a) Re-designation of Private Property

This option is contingent upon the willingness of the private development community to develop employment areas based on market demand. If there are sufficient and appropriate lands available from willing property owners to re-designate their properties for the purposes of employment area, the City will work with willing property owners to facilitate the timely development of a privately-owned industrial park.

b) Acquisition of Private Property

If the development of a privately-owned industrial park is not feasible, the City can offer to purchase lands on a mutually agreeable basis. Market value as determined by an accredited appraiser would be offered to the seller. The seller may either accept the offer, provide a counter-offer or reject the offer altogether. This is the traditional model that the City has followed where the City has acquired land and developed it for the purposes of employment area.

c) Expropriation Pursuant to Section 6 of the Municipal Act

If the other options are exhausted, the City could pursue expropriation in accordance with the Expropriations Act, R.S.O 1990.

Implications:

This scenario allows for staff to complete the Official Plan and provide necessary information to support the completion of major strategic projects such as:

North End Municipal Class Environmental Assessment, Transportation Master Plan, Transit Route Review, Transit Growth Strategy, East Side Transportation Study and Cycling Master Plan.

These major bodies of work can assume the employment lands will be accommodated within the City's boundary. If the location of major employment lands changes, the City can conduct a "refresh" of the plan based on the new information.

Scenario 2: Annexation and Settlement Area Boundary Expansion

The City has been seeking additional lands to be designated for employment, including considering lands beyond the current municipal boundary. If the City completes the OP stating it will meet its employment lands need through a settlement area boundary expansion, the City will need to designate 300 hectares of land as excess rather than 170 hectares under Scenario 1. As such, there will be an additional 130 hectares of land restricted from development until 2051 that may otherwise be designated for growth and development under Scenario 1. There is also potential for some annexed lands to be identified as excess if the quantity of land exceeds what is required to accommodate new employment area land need to 2051. Until the annexed lands are brought into the settlement area boundary, these lands are considered either agricultural land base, rural lands and/or excess lands. These designations do not permit further growth and development for the purpose of urban uses.

In an annexation scenario, the boundary adjustment is only one step in the process. To assemble required lands for the City's land use purposes, the steps outlined in scenario 1 may need to occur; re-designation of private lands, acquisition of private lands or expropriation of lands.

If the annexed lands do not have municipal services (water, sanitary, stormwater) or other utility services (hydro, broadband etc.), the City will need to address the absence of these services to ensure the ability to support employment industries.

Implications:

If this scenario chosen, the following impacts will be realized:

- 1) The process to finalize the Official Plan will need to pause until the certainty of location and quantity of lands beyond the City's border is known.
- 2) In pausing the finalizing and adoption of the City's Official plan, the major projects out lined in the implications of Scenario 1 will need to pause until location and quantity of additional lands is known.
- 3) If the Official Plan is paused, the secondary planning and associated policy development (e.g. Comprehensive Zoning By-Law Update) would be on hold until the land needs/excess land negotiations are finalized. There are other specific policy updates that have been accommodated within the overall Official Plan document and it would be unfortunate to pause subsequent work in these areas.

The location of any new employment areas will need to consider access to servicing, highway visibility and access, proximity to major goods movement facilities and corridors, size and range of sites to meet market choice, and proximity to sensitive uses. If privately led development of employment areas is not possible, the City will need to consider the costs associated with developing employment areas including land acquisition and installation of services and infrastructure.

Public consultation, particularly with landowners in the designated greenfield area, is needed for both Scenarios 1 and 2 to determine the final locations of new community areas, employment areas and excess lands. Staff will seek further direction from Council on the matter of public consultation regarding the locations of new community areas, employment areas and excess lands.

Excess Lands Selection Criteria

The Growth Plan states that excess lands will be identified based on the hierarchy of settlement areas considering full life cycle costs of infrastructure and public service facilities, optimization of infrastructure, achievement of complete communities and environmental and agricultural objectives. In addition to prohibiting development on excess lands to 2051, the Growth Plan encourages the use of additional tools to reduce the land that is available for development through the consideration of lapsing provisions for draft plans of subdivision and deeming draft plans of subdivision not to be a registered plan after eight or more years if they remain unbuilt and do not meet the growth management objectives of the Growth Plan.

Considering the requirements of the Growth Plan, the following criteria would be utilized in identifying the locations of excess lands:

a) Development Potential

- Lands which should be preserved and/or present physical constraints in terms of development potential:
 - Natural heritage features and associated minimum vegetation protection zones
 - Floodplains
 - Protected corridors
 - Rights-of-way for infrastructure,
 - Challenging topography or design/layout of the lands
 - Development presents adverse impact to the environment
- Lands which present servicing/infrastructure constraints:
 - The provision of infrastructure does not represent the logical and optimal extension of existing and planned transportation and servicing infrastructure (e.g., sewer, water, hydro, broadband)

b) Settlement Area Hierarchy and Urban Structure

- The development of the lands would not support and achieve the desired urban structure. There is low potential to support the achievement of minimum Growth Plan target densities and complete communities, considering proximity to goods, services, existing and planned transportation and community infrastructure;
- The development of the lands would not support a range of transportation options, including active transportation and public transit;
- The development of the lands may result in a land use conflict with sensitive uses such as residences, long-term care facilities, schools, day care facilities, hospitals, places of worship and other similar institutional uses, or campgrounds per the Province's Guideline on Compatibility.

c) Legal and Procedural Fairness

- The lands are not subject to an application which has been deemed complete in accordance with the Planning Act, R.S.O 1990; and
- Condition and status of the lands are consistent with the Growth Plan definition of excess land as "vacant, unbuilt but developable lands within settlement areas but outside of delineated built-up areas that have been designated in an official plan for development but are in excess of what is needed to accommodate forecasted growth to the horizon of this Plan".

d) Other

- Additional criterion/criteria established by Council; and
- Other considerations as a result of public consultation.

Direction Sought

To finalize the Official Plan, and by extension major works such as North End Municipal Class Environmental Assessment, Transportation Master Plan, Transit Route Review, Transit Growth Strategy, East Side Transportation Study and Cycling Master Plan, staff are seeking Council direction to finalize these works using the approach of focusing land use designations within the City's boundary (Scenario 1). While either scenario will require time to work through discussion/negotiations/logistics related to land use designations, the City's major strategic planning bodies of work can be finalized using the assumption as outlined in Scenario 1.

The City can still pursue the "best planning" scenario of an expansion of the Major Bennett industrial park. However, given the Lands Needs Assessment information now known, it is recommended that employment land needs be first explored within the City's

boundary. Should a process related to Scenario 2 produce successful results at some point in the future, the Official Plan and other major strategic planning works can be refreshed using the new land use/excess lands scenario.

Pursuit of Scenario 2 on its own, however, results in a need to “pause” the Official Plan and other major bodies of work because the details of the annexation/boundary expansion are required to finalize the document (e.g. size of the additional area, current zoning, development potential) If the pause is too long, the current work progress on the major planning works may need to be reproduced.

Summary

The New Official Plan is a foundational document that will guide the long-term growth and development of the city. The City’s land needs assessment completed in accordance with the Provincial methodology has determined the quantity of land required for community areas and employment areas and has also determined that there are lands in excess of what is required to 2051. Based on the Land Needs Assessment, staff is recommending the Official Plan documents be finalized, using the approach of focusing land use designations within the City’s boundary.

Submitted by,

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