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Greenbelt Council
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July 31, 2020

Honourable Steve Clark
Minister of Municipal Affairs and Housing
777 Bay Street, 17th Floor
Toronto, ON M5G 2E5

Re: Population & Employment Forecasts, Minister's Zoning Orders and other matters

Dear Minister Clark,

It is my pleasure to send you the Greenbelt Council's 12th progress report in consideration of the matters before Council at our June 25, 2020 meeting.

I would also bring to your attention Council's continuing support of the diverse and important roles played by Conservation Authorities, recognizing their importance in enabling watershed management and monitoring, and their provision of expertise to communities across the Greater Golden Horseshoe. Council's recommendations in this regard are detailed in several previous letters. I would respectfully ask for an update on the status of the regulation and the government's directions in respect of Council's advice.

Sincerely,

David Crombie
Chair, Greenbelt Council

Copies to:
Kate Manson-Smith, Deputy Minister
Greenbelt Council members
Ed McDonnell, CEO, Greenbelt Foundation
Greater Golden Horseshoe stakeholders

Greenbelt Council for the Greater Golden Horseshoe
Report #12 (August 2020)

The Greenbelt Council is pleased to share its 12th report. It resumes Council's practice of communicating its consideration of matters of public interest with respect to Ontario's Greenbelt and the implementation of *A Place to Grow: Growth Plan for the Greater Golden Horseshoe.*

At its online meeting June 25, 2020, Council considered the following matters:

1. Updated Population and Employment Forecasts and the Land Needs Assessment for the Greater Golden Horseshoe (GGH)
2. Minister's Zoning Orders (MZO)
3. Aggregate extraction in the Natural Heritage System (NHS)
4. Changes to Building Code to address housing flexibility.

1. Proposed Population and Employment Forecasts for A Place to Grow

Given the uncertainty that the world continues to experience due to the health and economic crisis brought about by the Corona virus, forecasting the quantity and distribution of growth in the region comes with many challenges. Among them is the very real potential to significantly change future employment and travel patterns and associated locational choice for existing and future GGH residents. It also may impact the overall population projections (e.g., migration / immigration levels), the form of housing eventually built and the degree to which future transit ridership rebounds post pandemic. Given this level of uncertainty, now seems like an inopportune time to be considering an extension to the planning horizon to 2051, especially when the proposed new forecasts are to be considered minimums that can be exceeded by municipalities. Council recommends the Province reconsider making such a significant change in the absence of evidence-based research and a clearer focus on the many changes to our society that may come in a post-COVID future.

Council recommends:

1. *To ensure the Hemson report provides an appropriate context within which to better understand and assess the various risks associated with the forecasts proposed, Figure 2 should be revised to reflect actual growth-to-date versus forecast growth as opposed to comparing actual and forecast total populations.*

2. *Given that the Schedule 3 forecasts lay the very foundation for planning and investment across the GGH, they need to be grounded in stronger evidence based on a range of critical is factors. Additional research and analysis is required and the forecasts should be*

reviewed and adjusted as necessary before being adopted into policy. In particular, the forecasts and allocations should integrate consideration of the following elements:

- *The forecasts should be based on a substantive analysis of the potential implications of Covid, both short and long term, on the amount and distribution of growth, development patterns, travel patterns, and infrastructure demands.*
- *To ensure the distribution of growth based on population and employment forecasts to municipalities implements the policy intent of the Growth Plan, any housing by type forecast developed (and used along with the criteria below) to determine such distribution needs to likewise reflect implementation of the Growth Plan policies.*
- *To address the fact that employment forecasts still are not grounded in substantive analysis regarding the drivers and nature of structural change in the regional economy and likely overestimate employment growth in most parts of the GGH while underestimating growth in Toronto and a lesser extent Peel, and to ensure the employment distributions support Growth Plan objectives but are also achievable/realistic, the Province should conduct further substantive analysis including research on the changing nature of the regional economy and implications for the distribution of employment within the GGH. This should include peer reviews of the assumptions and distributions.*
- *The Province should ensure allocations of forecast employment and population growth to municipalities consider critical regional planning criteria including allocating growth to:*
  - Areas with existing or lowest cost servicing capacity
  - Locations with minimal environmental impacts
  - Align with existing and planned transit investments
  - Minimize regional auto travel demand
  - Leverage critical concentrations of economic activity
  - Shore up areas experiencing job loss now or in the future.

3. *To help municipalities effectively plan for employment growth and change, the Province should:*
   - Undertake *and provide detailed research and analysis on the changing nature of the economy and economic activity in the region, and implications for land use planning, including regarding the types of urban environments that need to be planned.*
   - Provide *information on strategies, policies and tools to deal with uncertainty around employment growth and change, including flexible land use planning.*
   - *Provide information and strategies on effective approaches to attracting* employment-*related land uses, integrating land use planning, economic development and transportation infrastructure investments.*

4. *To ensure that there is a coherent and substantive framework for assessing Municipal Comprehensive Reviews (MCRs) and Land Needs Assessments (LNAs) by the Province, and that the sum of the MCRs adds up to a coherent regional approach to land use planning, the Province should elaborate a substantive framework and criteria, based on analysis and understanding of the changing nature of the GGH economy, land use*

patterns and demographics, which the Province will use to assess the credibility of MCRs and LNAs.

5. *The Province should not permit municipalities to exceed the population and employment forecasts provided in Schedule 3 in planning for growth within the 2051 planning horizon.*

6. *To ensure that the Growth Plan and local plans are grounded in evidence, the Province should create a unit within Ontario Growth Secretariat that partners with stakeholders to conduct the needed research and analysis as outlined above, as well as other functions:*
   - *Data collection and analysis on the real-world variations in planning factors to inform the allocation of growth across the GGH.*
   - *Ongoing monitoring function, including monitoring land use across the GGH over time regarding density, intensification, land supply, boundary expansions, etc.*
   - *Economic change across the region to inform planning for employment uses and related investments, including coordinating an annual GGH employment survey, to inform the forecasts and policies to attract employment outside of the City of Toronto and to a lesser extent Peel Region*
   - *Research that comprehensively identifies all the major obstacles to development of missing middle housing form and in Major Transit Station Areas (MTSA), including planning, zoning, finance, legal, costs, building code, etc.*

7. *Reconsider such a significant change as extending the planning horizon to 2051 under the Growth Plan in the absence of evidence-based research and a clearer focus on what a post-COVID future will look like with respect to GGH planning for population and employment.*

8. *The Province should retain official plan planning horizons at 2046 to facilitate some flexibility later in the planning horizon to respond to changing circumstances should they arise.*

9. *To ensure LNAs account for changes in population and employment levels in existing urban areas as they evolve over time, the Province should require a land inventory for employment areas including an assessment of development potential in already-urbanized areas.*

Council has received a presentation from Growth Secretariat staff and reviewed the Hemson report[1] outlining the forecasts and methodology and proposed new population and employment forecasts recently released by the Ministry of Municipal Affairs. These forecasts are intended to replace existing forecasts in Schedule 3 of A Place to Grow (Growth Plan) that were last reviewed in 2012 with resulting changes to the forecasts implemented through

[1] Greater Golden Horseshoe: Growth Forecasts to 2051. Hemson. June 16, 2020.

Amendment No. 1 to the 2006 Growth Plan in 2013 ("the 2012 forecasts"). Council offers the following comments and advice.

Given the role the Growth Plan forecasts play as a foundation for land use planning, infrastructure investments and municipal finance, it is critically important that the population and employment forecasts reflect the scale and distribution of growth throughout the GGH. Forecasts that are not accurate come with high risks for municipalities and indeed the Province. These risks include:

- Potential over-designation of land as part of the LNAs and MCR processes, prematurely constraining or consuming agricultural land and putting pressure on the Natural Heritage System.
- Failure to attract expected employment and businesses to areas outside Toronto, thereby significantly changing anticipated travel demands and locational choice for existing and future GGH residents.
- Over-investment, under-investment or mis-investment in critical infrastructure, such as in transportation, transit, water, or community infrastructure.
- Under-collection of anticipated growth-related revenues such as development charges.
- The inability of Peel Region (Peel) and the City of Toronto (Toronto) to properly plan for what could be significantly higher growth than foreseen in the Growth Plan forecasts.

<u>The 2012 forecasts are not "largely on track" to 2019</u>

The Hemson report claims that the 2012 forecasts were largely on track up to 2019: that the forecast 2019 population is within 1 per cent of the estimated 2019 population, and estimated forecast employment is within 2 per cent of the forecast. However, that assessment compares estimated total population and employment levels in 2019 to what they were in 2012, rather than isolating the growth that occurred between 2012 and 2019. When focusing on growth only, which is the subject of the forecasts, it is apparent that the forecasts were off by significant amounts.

For the GGH as a whole, the 2012 forecasts assumed 13 per cent more population growth from 2011 to the end of 2019 than was estimated to have occurred. The forecasts for the same time period were off by 20 per cent for employment. But the more critical issue with the forecasts lies in the distribution of population and employment within the GGH.

The forecasts underestimated population growth in the Toronto and Peel, and overestimated growth elsewhere. Estimated population growth from 2011 to 2019 in both Toronto and Peel exceeded forecasted growth by 13 per cent (as compared to the 1 per cent and 2 percent exceedances in total population reported by Hemson). By 2019, Toronto and Peel together were estimated to have attracted over 60,000 more new residents than anticipated by the 2012 Growth Plan forecasts. Meanwhile, in the regions of York, Durham and Halton, over 150,000 new residents expected by 2019 did not materialize.

For employment, the forecasts were even further off. Job growth in Toronto exceeded forecasts by some 129,000 jobs (65 per cent), a significant number considering it represents just a seven year forecast period. Partly as a result of the shift in jobs to Toronto, other municipalities in the Greater Toronto Area and Hamilton (GTAH) uniformly experienced job growth at much lower levels than were forecast. Over 190,000 new jobs forecast for the GTAH outside of Toronto failed to materialize.

SCHEDULE 3 GROWTH PLAN FORECAST GROWTH FOR 2012-2019 VERSUS ACTUAL GROWTH 2012-2019

	Estimated Growth 2011 - 2019 (000s)	SCHEDULE 3 Forecast Growth 2011 - 2019 (000s)	Variance (Estimated - forecast) (000s pop)	Variance (% of estimated growth)	Variance as Reported by Hemson (% of total population / employment)
POPULATION					
Toronto	261	226	35	13%	1%
York	115	210	-95	-83%	-8%
Durham	70	110	-40	-57%	-6%
Halton	79	99	-20	-25%	-3%
Peel	203	177	26	13%	2%
Hamilton	39	53	-14	-36%	-2%
GTAH	769	877	-108	-14%	-1%
OUTER RING	249	273	-24	-10%	-1%
GGH	1018	1150	-132	-13%	-1%
EMPLOYMENT					
Toronto	200	71	129	65%	7%
York	108	170	-62	-57%	-10%
Durham	27	75	-48	-178%	-20%
Halton	49	80	-31	-63%	-11%
Peel	101	128	-27	-21%	-4%
Hamilton	24	48	-24	-100%	-10%
GTAH	508	570	-62	-12%	-2%
OUTER RING	95	152	-57	-60%	-5%
GGH	603	722	-119	-20%	-2%

Source: Copied / derived from Hemson: Greater Golden Horseshoe: Growth Forecasts to 2051 (June 16, 2020), Figure 2 – 2012 Forecast Population in 2019 vs. 2019 Estimates (page 4), Distribution of Population in the Greater Golden Horseshoe 1986 – 2051 - Reference Forecast (page 37), Distribution of Employment in the Greater Golden Horseshoe 1986 – 2051 - Reference Forecast (page 37)
Hemson: Greater Golden Horseshoe - Growth Forecasts to 2041 - Technical Report Addendum (June 2013) - Distribution of Population and Employment for the Greater Golden Horseshoe 2001 - 2041 Reference Scenario (Page 62)

The new provincial forecasts are predicated on claims that the 2012 forecasts were largely accurate. As shown on the figure above, this is clearly not the case, particularly as it relates to the distribution of growth across the GGH. A more rigorous review of the changing economy of the region and the associated distribution of both population and employment is needed.

On the employment side, previous forecasts did not reflect an adequate understanding of how the GGH economy is restructuring—new business location drivers—and what this means for the distribution of jobs across the region. In particular the forecasts failed to capture the significant shift of jobs to downtown Toronto that is associated with the growth of emerging sectors, and the correspondingly slow job growth in other municipalities.

On the population side, the proposed mix of housing and how it factors into the allocation of population needs to be examined in some detail.

<u>Proposed new 2051 growth forecasts</u>

The new forecasts do modestly address what appear to be misallocations of growth inherent in the previous forecasts. The "Reference Scenario" reduces overall GGH population growth to 2041 by 170,000 residents compared to the 2012 forecast. The amount of population growth expected in the regions of York, Durham and Halton, and the City of Hamilton is decreased in the new forecasts, and expected growth in Peel and Toronto is increased.

Similarly, the GGH employment growth forecast for 2041 is reduced by 35,000 jobs. The forecast for Toronto is increased by 175,000 jobs, while every other GGH municipality, except Northumberland County, now has lower forecast job growth compared with current Schedule 3 forecasts. The employment forecast for 2041 for Northumberland County remains the same as in the 2012 forecasts.

Despite these modifications, the proposed new allocation of growth forecast to municipalities is likely still off base.

The distribution of jobs under the proposed new Growth Plan forecasts assumes that the recent trend of hyper-concentration of job growth, particularly in Toronto, and to some extent Peel, will continue for a while, then shift back to a more balanced urban / suburban distribution once transit investments are made outside Toronto. Significant numbers of jobs remain allocated outside Toronto and Peel.

There may well be a policy rationale for trying to direct growth to areas outside Toronto and Peel to create more evenly distributed economic development opportunities, more local jobs / housing balance and reduce commuting pressures. However, assuming that this shift will come about as a result of transit investments, if indeed they do occur, is an oversimplification of the drivers of employment location in a complex and changing economy. In the absence of more detailed analysis, and robust and integrated transportation planning, infrastructure investment, planning and economic development strategies, shifting many jobs away from Toronto and Peel is unlikely.

On the population side, the Ministry of Finance (MoF) prepares projections that are trends-based, integrating demographic, immigration and migration data. The MoF projections currently have a horizon year of 2046. While the Growth Plan forecasts are based on the same data, they are adjusted to reflect assumptions regarding growth management policies, infrastructure availability and municipal preferences for the distribution of growth.

Given the relatively modest adjustments proposed in the new Growth Plan forecasts, there remain significant divergences between the 2019 MoF projections and the proposed Growth Plan forecasts. In particular, the proposed new Growth Plan forecasts assume significantly less growth in Toronto and Peel to 2046 than the MoF projections: 715,000 fewer new residents in Toronto and 333,000 fewer new residents in Peel. Correspondingly the proposed forecasts assume significantly higher growth than the MoF projections in the regions of Durham, York and Halton—over 600,000 more new residents—and in the "Outer Ring"—279,000 more new residents.

To achieve the redistribution of growth of the magnitude proposed, one precondition is significant provincial and municipal investment in transportation and other infrastructure to make the “Outer Ring” municipalities and the regions of Durham, York and Halton more attractive to potential residents and businesses. For municipalities, the level of investment required comes at great risk, as there is no guarantee that the development-related revenues required to recoup such investments will actually occur.

<u>Misalignment of proposed mix of housing</u>

The proposed mix of housing used to help determine the distribution of population to municipalities is not in alignment with either recent rends or the policy framework.

The process Hemson used to distribute the forecast population among municipalities is based on a three-step process. This process, as described in Section 3-B of the report, “HOUSEHOLD AND HOUSING GROWTH ARE THE PRIMARY DETERMINANTS OF POPULATION DISTRIBUTION WITHIN GTAH AND IN LARGE MEASURE WITHIN OUTER RING,” is as follows:

- A forecast of households is developed based on household formation rates.
- A forecast of housing by type is established based on consideration of “recent market housing trends” and “the effect of planning policies—primarily A Place to Grow policies that seek to encourage higher density housing forms and intensification.”
- The forecast of housing by type is then “distributed to the upper- and single-tier municipalities within the GGH based on observed market trends, age-specific occupancy patterns, the effects of planning policies, the land available to support development, and the capacity (environmental and infrastructure) of each municipality to accommodate the forecast growth.”

The following chart compares the mix of new housing constructed from 2011 to 2021 (estimate) and 2021 to 2051 (as forecast by Hemson):

HOUSING BY TYPE 2011 TO 2021 ESTIMATE VERSUS 2021 TO 2051 FORECAST				
	2011 to 2021		2021 to 2051	
	Ground-Related	Apartments	Ground-Related	Apartments
GGH	55.3%	44.7%	65.6%	34.4%
GGH minus Toronto	75.1%	24.9%	77.0%	23.0%
GTAH	46.7%	53.3%	60.0%	40.0%
GTAH minus Toronto	73.0%	27.0%	75.8%	24.2%
Outer Ring	78.5%	21.5%	79.3%	20.7%

Source: Derived from Hemson: Greater Golden Horseshoe: Growth Forecasts to 2051 (June 16, 2020), Appendix B – Detailed Forecast Results

In reviewing Hemson's proposed forecast of housing by type from 2021 to 2051 it is unclear how the mix as proposed meets either of the criteria described by Hemson.

First, in consideration of "recent market housing trends," the proposed shift to ground-related units represents a significant deviation from market trends.

As noted in the figure above, in every instance, regardless of geography reviewed, the percentage of ground-related housing increases in the 2021 to 2051 time period over that estimated to have occurred in the previous 10 years, a time period that can reasonably be considered to represent the "recent market housing trends."

Overall, the percentage of ground-related units forecast to be built in the GGH between 2021 and 2051 (65.6%) is 10.3 per cent higher than the percentage of ground-related units estimated to have been built between 2011 to 2021 (55.3%). Looking just at the GTAH, the percentage of ground-related housing forecast to be built between 2021 and 2051 is 13.3 per cent higher than what is estimated to have occurred in the previous 10 years. This would appear to directly conflict with the "recent market housing trends."

This also appears to conflict with the future impact of the aging Baby Boom generation on the housing market. The over-sized Boomer generation represents a significant percentage of single-detached home ownership, almost all of which will be recycled into the marketplace between now and 2051 when the youngest Boomer will be 86 years of age. For example, as of

2016, just under half of all single-detached units (48.1%) in the Region of Waterloo were owned by Boomers.

Second, with respect to the effect of planning policies, the Growth Plan seeks to encourage higher density housing forms and intensification, yet the proposed housing mix from 2021 to 2051 is actually moving in the direction of lower density forms of housing.

When the Province last updated the Growth Plan population forecasts in 2013, the Growth Plan required a minimum of 40 per cent intensification be achieved annually beginning in 2015. Today, the 2019 Growth Plan requires as part of the next comprehensive review of official plans (anticipated 2022 deadline) that each municipality provide for 50 per cent intensification, except where an alternate target is permitted by the Minister of Municipal Affairs and Housing. It is unclear how reducing the percentage of apartments reflects the need for municipalities to achieve the increased intensification targets or encourages “higher density forms” of housing. As a result, it would appear that the forecast by type used to distribute growth to municipalities throughout the GGH by Hemson does not meet either of the criteria to be used in its preparation.

In fact, the distribution of population is based on a forecast of housing by type that Hemson acknowledges (page 26) likely does not conform to the provisions of the Growth Plan:

> “The housing forecast does not, however, replicate or predict the housing mix that would be determined through each municipality’s A Place to Grow conformity work. In some cases, the housing forecast may include more ground-related housing than would likely be required to meet A Place to Grow intensification and density policies. In all instances, planned housing mixes will continue to be decided by municipalities through their local planning processes.”

It is unclear how the distribution of growth to municipalities using a forecast of housing by type that doesn’t conform to the Growth Plan, can result in a population forecast that conforms to the Growth Plan. The forecast of housing by type used in the distribution of growth to municipalities throughout the GGH should be required to reflect the policy requirements of the Growth Plan.

<u>Allowing municipalities to exceed Growth Plan forecasts is problematic</u>

The proposed change to the Growth Plan to allow municipalities to plan for population and employment growth levels higher than those included in the proposed Schedule 3 forecasts is problematic. Given the planning horizon for municipal official plans is already proposed to be extended by 10 years to 2051, this measure seems unnecessary at best, and will enable the potential over-designation of land leading to infrastructure inefficiencies, potential mis-investments, over-consumption of agricultural land and pressure on the natural heritage system, at worst.

A primary goal of the 2006 Growth Plan was to reduce sprawl facilitated by the premature re-designation of agricultural land based on higher than realistic municipally prepared growth forecasts that collectively *far exceeded* growth forecast for the GGH as a whole. One of the reasons of the provincially prepared forecasts contained in Schedule 3 of the Growth Plan was to stop this practice and to ensure coordination with broader provincial infrastructure studies such as the Transportation Plan for the GGH. Allowing municipalities to plan beyond Schedule 3 forecasts seems unnecessary from a quantum perspective given the planning horizon for municipal official plans is already proposed to be extended by 10 years to 2051 (or five years to 2046 as recommended by this letter). Permitting municipalities to individually prepare and implement growth forecasts which exceed those in Schedule 3 represents a step backwards in efforts to control sprawl and should not be permitted.

<u>Don't extend municipal official plan planning horizons to 2051</u>

The extension of the growth forecast to 2051 is predicated on three assumptions: (1) planning horizons for official plans need to align with provincial infrastructure master plans; (2) planning for growth specific to the land on which it is to occur needs to begin almost 30 years before such growth is forecast to happen; and (3) we have some idea what form growth will take in 2051. None of these assumptions is necessarily true.

While there needs to be alignment between infrastructure master plans and associated land use plans in the near to medium term, longer term infrastructure decisions do not have to be aligned with specific lands as, in part, doing so reduces the flexibility to revise long-term master plans in response to changing macro circumstances such as immigration / migration patterns, social and economic conditions and new technologies. While including a 2051 forecast in the Growth Plan that aligns with infrastructure plans, such as the provincial Transportation Plan for the Greater Golden Horseshoe, may help coordinate longer term investments, maintaining official plan planning horizons at 2046 would retain some flexibility later in the planning horizon to respond to changing circumstances should they arise.

As demonstrated by the variations in both the quantum and distribution of growth between the 2012 forecast and the 2021 estimates provided in the Hemson report, it is obviously difficult to forecast growth even a decade out, let alone 30 years. It is even more difficult to determine what form growth will take in the future, particularly as the Baby Boom generation, the key driver of planning for the past 70 years passes on, and the on-going impacts of the COVID pandemic and requirements for climate change mitigation remain undetermined. While a long-term strategic outlook is desirable, planning to 2051 could result in unnecessary urban boundary expansions. Safeguards need to be established to ensure that municipal planning continues to be consistent with Growth Plan objectives, and to meet density and intensification targets. One possible safeguard is the creation of a coherent provincial framework for assessing MCRs and LNAs that ensures the sum of the MCRs adds up to a coherent regional approach to land use planning. The Province should create a substantive framework and criteria, based on analysis and understanding of the changing nature of the GGH economy, land use patterns and demographics, which it then uses to assess the credibility of MCRs and LNAs.

Proposed changes to Land Needs Assessments

The proposed new LNA methodology allows greater leeway than the more prescribed previous methodology. This raises resource issues regarding the Province's role in LNAs and how the potentially diverse range of LNAs, as well as related MCRs, will now be assessed by provincial staff. Consistent criteria, guidance, research and analysis needs to be employed to ensure that the LNAs are based on comprehensive, sound evidence and good planning.

Prescribed methods are needed that ensure LNAs account for changes in population and employment levels in existing urban areas as they evolve over time. While a land inventory is required for community areas, it also should be required for employment areas and should include an assessment of development potential in already-urbanized areas.

The Province needs to ensure that individual municipal LNAs, when considered together, create a coherent development scenario for the GGH region as a whole, and do not, for example, result in large-scale over-designation of land.

Need for GGH research and monitoring capacity

It is the allocation of growth within the proposed GGH forecasts that is the main issue, as it was for the previous forecasts. One of the key oversights of the forecast methodology is that it focuses more on demand, while ignoring the physical urban landscape in which growth occurs and critical planning factors that should guide the allocation and will determine the success of the Growth Plan. These critical planning factors include:

- Variations in water and wastewater servicing capacity and costs across the GGH.
- Variations in environmental constraints to accommodate growth and the consequential environmental impacts associated with directing growth to locations that have significant environmental constraints.
- Alignment with existing and planned transit investments.
- Variations in impacts on travel demand associated with different allocations.
- Where growth can be directed to leverage critical concentrations of economic activity.
- Where growth can be directed to shore-up areas experiencing job loss now or in the future.

This reveals the bigger issue that underlies the discussion and planning the GGH in general: a lack of evidence and research upon which to ground planning policy in the region. Given the significant contribution that the GGH makes to the gross domestic product (GDP) of Ontario and Canada, an investment in on-going data collection and research on the impact of global drivers of growth and change must be made.

While individual municipalities may undertake research at the local level, this does not necessarily add up to a coherent regional picture, nor provide a solid basis upon which to create planning policy, and thus direct investment and economic development at the GGH level.

In order to address this gap, Council recommends a GGH-based research unit be created, which could reside within the Growth Secretariat and partner with stakeholders conducting similar and relevant research. It could carry out and facilitate essential research to ensure better, more informed and evidence-based inputs to the planning process, LNAs, MCRs and more. At a minimum, this should include:

- Data collection and analysis on the real-world variations in planning factors that should inform the allocation of growth across the GGH.
- Ongoing monitoring function, including monitoring land use across the GGH over time regarding density, intensification, land supply, boundary expansions, etc.
- Economic change across the region to inform planning for employment uses and related investments, including coordinating an annual GGH employment survey, to inform the forecasts and policies to attract employment outside Toronto and Peel.
- Research that identifies all the major obstacles to missing middle housing and MTSA development, including planning, zoning, finance, legal, costs, building code, etc.

2. Concerns with Ministerial Zoning Orders

Council recommends the Province should:

10. *Use Ministerial Zoning Orders (MZOs) sparingly and only in exceptional cases.*

11. *Prohibit swapping Greenbelt lands for non-Greenbelt lands as part of an MZO.*

12. *Ensure that Information about an MZO is publicly accessible and explicit. It should include a detailed and specific rationale, and provide details of the development, the site size and location. and this information should be highlighted on the ministry's website and the Environmental Registry.*

13. *Ensure that the public is formally consulted prior to the issuance of an MZO.*

14. *Prohibit the use of an MZO where development proposal is currently before the Local Planning Appeal Tribunal (including the pre-hearing stage).*

Council has heard stakeholders' concerns about the current use of MZOs under the *Planning Act*. The expectation is that they be used sparingly and only in exceptional cases, since their use limits the *Planning Act*'s well-established and highly regarded land use planning process. Unlike the act's usual planning process, the MZO process lacks clear rules for public participation and transparent municipal decision-making. There is concern that there may be a growing understanding / expectation by individual developers and municipalities that MZOs are becoming a regular planning process, which is not the intent in the *Planning Act*.

Where an MZO may be deemed necessary, greater transparency would be achieved by providing a detailed and specific rationale, including an explanation of the urgency, size and nature of the proposal and map of the location with its issuance. It would be helpful if all MZOs with the above information were listed on the ministry website and Environmental Registry.

In addition, MZOs should not be considered for speculative proposals by individual developers as a means of skipping the standard planning process and allowing a proposal to move directly to site plan control and building permit stages. Council notes that the recent Bill 197 enhances the Minister's MZO authorities to include site plan approval in "specified areas," but stipulates that these specified areas cannot include Greenbelt.

While MZOs are permitted under the *Planning* Act at the Minister's discretion, it is important that an MZO proposal is urgent and essential, that the process of MZO approval is subject to public consultation, and that it is fair and transparent. MZOs are being increasingly used, if this reflects a systemic issue with the planning process Council suggests the Province would be better served if it addressed the issue directly.

3. Aggregate extraction in the Natural Heritage System

15. Council recommends the Province continue to prohibit aggregate extraction in threatened and endangered species habitat in the Natural Heritage System.

Council supports the comments submitted by 85 Greenbelt stakeholders in July which speaks eloquently to the critical need to continue the prohibition on aggregate extraction within the habitat of threatened and endangered species throughout the region's Natural Heritage System.

Specifically, Council recommends retention of policy 4.2.8.2a)ii – that new aggregate operations and new wayside pits and quarries are not be permitted in the habitats of endangered and threatened species. Council notes that the government had proposed a similar amendment for the 2020 Provincial Policy Statement (PPS) under the *Planning Act* but did not proceed with that amendment due to significant concerns from environmental organizations and the public. Council takes the position that in this instance, the Growth Plan should be consistent with the PPS and not reduce environmental protections.

Additionally, the Province should consider the consequences for the health and growth of GGH communities of other matters under the *Aggregate Resources Act.* For example, license timelines, regulation of hours of operation and truck routes, and exemptions for aggregate sites within the Oak Ridges Moraine are long-standing matters raised by many municipalities which Council would encourage the Government to address.

4. Changes to the Building Code to address housing affordability

16. *To facilitate affordable housing and a greater housing mix, particularly with respect to wood buildings, Council recommends the Province update the Ontario Building Code.*

Other obstacles also need to be removed to support a shift in the housing marketplace and increase affordability. For example, to facilitate an increased supply of mid-rise and infill, buildings changes are needed to the *Ontario Building Code*. For example, Ontario has a wood industry that could benefit from an increase in demand that would use new technologies in Cross Laminated Timber (CLT) and GluLam materials for lighter and more environmentally sustainable (carbon beneficial) wood structures. CLT is a now recognized worldwide as a sustainable building material but remains an unapproved building material in the *Ontario Building Code* though it is approved for use in the *National Building Code* and in the Province of British Columbia.