

**Region of Waterloo****Planning, Development and Legislative Services****Community Planning**

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**To:** Regional Council

**Meeting Date:** December 15, 2021

**Report Title:** Regional Official Plan Review Update

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**1. Recommendation:**

That the Regional Municipality of Waterloo direct staff to:

- a) Develop a draft Land Needs Assessment using three modified growth scenarios as described in Report CPL-PDL-21-49 dated December 15, 2021.
- b) Consult on each of the three modified growth scenarios presented in this report with the area municipalities, Indigenous communities, key stakeholders, and the broader regional community once the draft Land Needs Assessment is available for review, and;
- c) Report back to Regional Council on the results of the community consultation, and recommend a preferred growth scenario for the final draft of the Land Needs Assessment.

**2. Regional Official Plan Background**

The Regional Official Plan (ROP) is a powerful planning tool that shapes and defines our community for future generations. It has guided decision making for profound transformation of this region including the addition of the ION light rail, protection of agricultural lands and the natural environment, and a high quality of life for residents.

As this community is set to grow to reach 923,000 people and 470,000 jobs by 2051, we are working to update the plan to accommodate projected growth.

This process was launched in October 2019 and has, to date, undergone consultation with stakeholders, area municipalities and residents.

With the amendment for growth due to the Province by July 1, 2022, Regional staff are currently drafting policies, and working towards a Land Needs Assessment (LNA) for public input.

To work towards meeting the Provincial deadline, staff recommend developing and consulting on a draft LNA based on a set of three growth scenarios that encompass

moderate Community Area expansion, no Community Area Expansion, and an Excess Lands scenario.

### **3. Purpose / Issue:**

This report provides a follow-up update to the growth scenarios presented at the November 9<sup>th</sup> Committee of the Whole meeting. It provides further clarification on the Provincial Land Needs Assessment (LNA) methodology, and seeks direction from Council for staff to develop and consult on a draft Regional LNA using three modified growth scenarios. This revised approach would provide more detailed information to better evaluate each growth scenario, and help address the concerns raised by the community with respect to the Region's potential future land needs. It also provides the best path forward for the Region to complete the municipal comprehensive review of the Regional Official Plan before the Province's July 1, 2022 deadline. The three modified growth scenarios are outlined in more detailed below.

### **4. Strategic Plan:**

This report relates to several strategic focus areas, including: Thriving Economy; Sustainable Transportation; Environment and Climate Action; and Health, Safe and Inclusive Communities. It also relates to Action 3.5.1, "Promote efficient urban land use through greenfield and intensification policies while conserving natural heritage and agricultural areas."

### **5. Key Considerations:**

#### **a) The Region must complete the growth component of the ROP Review before the Province's July 1, 2022 deadline.**

The Region is updating its Regional Official Plan (ROP) to conform to the Province's Growth Plan for the Greater Golden Horseshoe (Growth Plan). The Province's deadline for this work is July 1, 2022.

As part of this process, the Region must undertake an LNA in accordance with the Provincial methodology to ensure the Region has enough land to accommodate its forecasted growth to 2051, including the need for any potential urban boundary expansions. The LNA is an iterative, multi-phase process, and is being led by the Region's consulting team of Dillon Consulting and Watson & Associates Economists Ltd.

At the November 9<sup>th</sup> Committee of the Whole meeting, representatives of a few developers and landowners expressed concerns with the Region's general approach to completing the LNA. At the same time, several other delegations from the community contended that the Region requires a growth scenario that better addresses climate change and agricultural land preservation, among other important planning priorities.

In response to these concerns, Council passed two motions directing staff to not recommend any further growth scenarios to Council until the LNA is complete, and to prepare two additional growth scenarios with intensification rates of 65 percent and 70 percent.

After further reviewing Council's motions with our consulting team, staff have been advised that implementing the motions would result in considerable delays completing the ROP Review, which could potentially jeopardize the achievement of the July 1, 2022 Provincial conformity deadline.

**b) The Region is undertaking a land needs assessment in accordance with the Provincial Land Needs Assessment methodology to ensure it has enough land to accommodate its forecasted growth to 2051, including the need for any urban boundary expansions.**

Staff have met with Ministry staff several times over the past few months and no issues or concerns have been raised regarding the Region's approach to the LNA. It is important to note that not all components described in the Provincial methodology must be performed in the sequence indicated. Municipalities have the flexibility to use a different sequence as long as all components are completed at some point in the LNA process. As a result, there may be slight variations in how municipalities develop their respective LNAs across the Greater Golden Horseshoe.

In addition, the Provincial methodology itself reiterates that decision-makers should consider an intensification first approach when assessing their future land needs. Such an approach to city building optimizes the existing urban land supply and making better use of existing infrastructure and public service facilities. The Region's LNA approach is consistent with this fundamental principle.

Appendix A contains a series of slides outlining the key components the Region's LNA.

**c) Setting increasingly higher minimum intensification and greenfield density targets could result in the Region having to designate "excess lands" under the Growth Plan.**

A minimum intensification target above 60 percent and a greenfield density target above 60 people and jobs per hectare may result in a determination that the Region has "excess lands". The Growth Plan defines "excess lands" 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 2051 in the Growth Plan.

If such an excess land determination were to occur in Waterloo Region, the Region would then be required to delineate these lands in the ROP, and prohibit any development on the lands until 2051. These lands would not be anticipated to be

needed until the post-2051 period and would be subject to ongoing review upon subsequent Official Plan Reviews.

- d) **Setting any growth scenarios with intensification targets below 60 percent and greenfield density targets less than 60 people and jobs per hectare could result in a significant amount of new Community Area that does not meet Regional planning objectives to achieve compact, transit supportive communities, maximize opportunities for intensification, and mitigate and adapt to our changing climate.**
- e) **Staff recommend developing and consulting on a draft LNA based on a set of three modified growth scenarios.**

To address the concerns noted above, staff is proposing to develop and consult on a draft LNA using the following three modified scenarios:

**Scenario 1 (Moderate Community Area Expansion)** – a region-wide minimum intensification target of 60 percent and a minimum density target of 60 people and jobs per hectare in designated greenfield areas;

**Scenario 2 (No Community Area Expansion)** – A region-wide minimum intensification and designated greenfield density target to be determined that would result in no urban boundary expansion for Community Area; and

**Scenario 3 (Excess Lands Scenario)** - a region-wide minimum intensification target of 70 percent and a minimum density target of 70 people and jobs per hectare in designated greenfield areas;

During the work on the LNA, staff will look at opportunities to increase employment land densities and intensification of existing employment land.

- f) **Considerable technical work and consultation with the community has occurred to date.**

A significant amount of work has been completed in terms of technical briefs and community engagement. Extensive consultation with area municipalities, stakeholder organizations and the public has occurred to date and is presented in Appendix B. All technical briefs as well as other background information have been shared with the community via EngageWR.

## **6. Background:**

An Official Plan for the Region of Waterloo is required under the Planning Act. It functions as a legal document, guiding the growth and development of the community. Section 26 of the Act requires that official plans be reviewed at least every five years to ensure they conform to provincial plans, have regard to matters of provincial interest in

accordance with the Planning Act, and are consistent with provincial policy statements.

When the ROP was approved by the former Ontario Municipal Board in 2015, policies were included in the ROP that committed the Region to undertake a municipal comprehensive review as part of a ROP Review. In 2018, the Region initiated a review of the ROP to plan for forecasted growth to 2041 while maintaining existing protections such as the Countryside Line, the Protected Countryside, the Regional Recharge Area and the Environmentally Sensitive Landscapes.

On August 28, 2020, the Province approved Amendment 1 to the Growth Plan, and a new market-based LNA methodology. Amendment 1 included changes to Schedule 3 population and employment forecasts, and extended the planning horizon to 2051.

The Provincial changes to the 2051 planning horizon were generally anticipated, and the ROP Review work plan was structured to be as flexible as possible to accommodate the change. A number of technical briefs have been completed to evaluate how the additional growth forecasted can be best accommodated.

The ROP Review will be advanced as two amendments. The first amendment will be comprised of the required growth-related components of the Growth Plan including the LNA, Major Transit Station Areas policies, employment policies, policies to support inclusionary zoning in area municipalities and to support transit-supportive communities. Staff are also assessing the option to bring forward additional non-growth-related policies that could include topics such as natural heritage and cultural heritage. Non-growth related components for the second ROP amendment will be developed in the spring of 2022 and will include: a review of the Region's current mineral aggregate policies to ensure conformity with the policies of the Growth Plan and the Provincial Policy Statement; an update to the Source Water Protection policies and mapping to conform to the Grand River Source Protection Plan, which came into effect on October 1, 2020; and a review of the Region's agricultural policies to incorporate the new Provincial Agricultural Land Base mapping.

A climate action lens will be applied to all growth and non-growth-related policy work associated with the ROP review.

## **7. Area Municipality Communication and Public/Stakeholder Engagement:**

Consultation and engagement with the various Project Committees, including the Steering Committee, Stakeholder Committee, Technical Team and Area Municipal Working Group, as well as Indigenous engagement and public consultation is continuous throughout the ROP Review project. A summary of past and ongoing consultation and engagement work is provided in Appendix B.

## **8. Financial Implications:**

The Region's approved 2020 - 2029 Community Planning Capital Program includes a  
3891033

budget of \$1,000,000 in 2020 and \$3,050,000 in 2021-2029 for the Regional Official Plan Review (project 22007). The costs are to be funded from Development Charges (90%, \$3,645,000) and the Community Planning Capital Reserve (10%, \$405,000).

#### **9. Conclusion / Next Steps:**

If endorsed by Council, staff would proceed to develop a LNA using the three modified growth scenarios noted above. Staff and its consulting team anticipate completing this work in the first quarter of 2022. Following completion of the draft LNA, staff would consult on the assessment with the area municipalities, Indigenous communities, key stakeholders, and the broader regional community. Staff would then report back to Council with results of public consultation and present a recommended a preferred growth scenario for Council's consideration. During this period, staff will also consult with the community on certain key policy areas (e.g., Major Transit Station Areas, employment land, and other policies).

#### **10. Attachments / Links:**

**[Appendix A: LNA Methodology and Process \(DOCs# 3892354\)](#)**

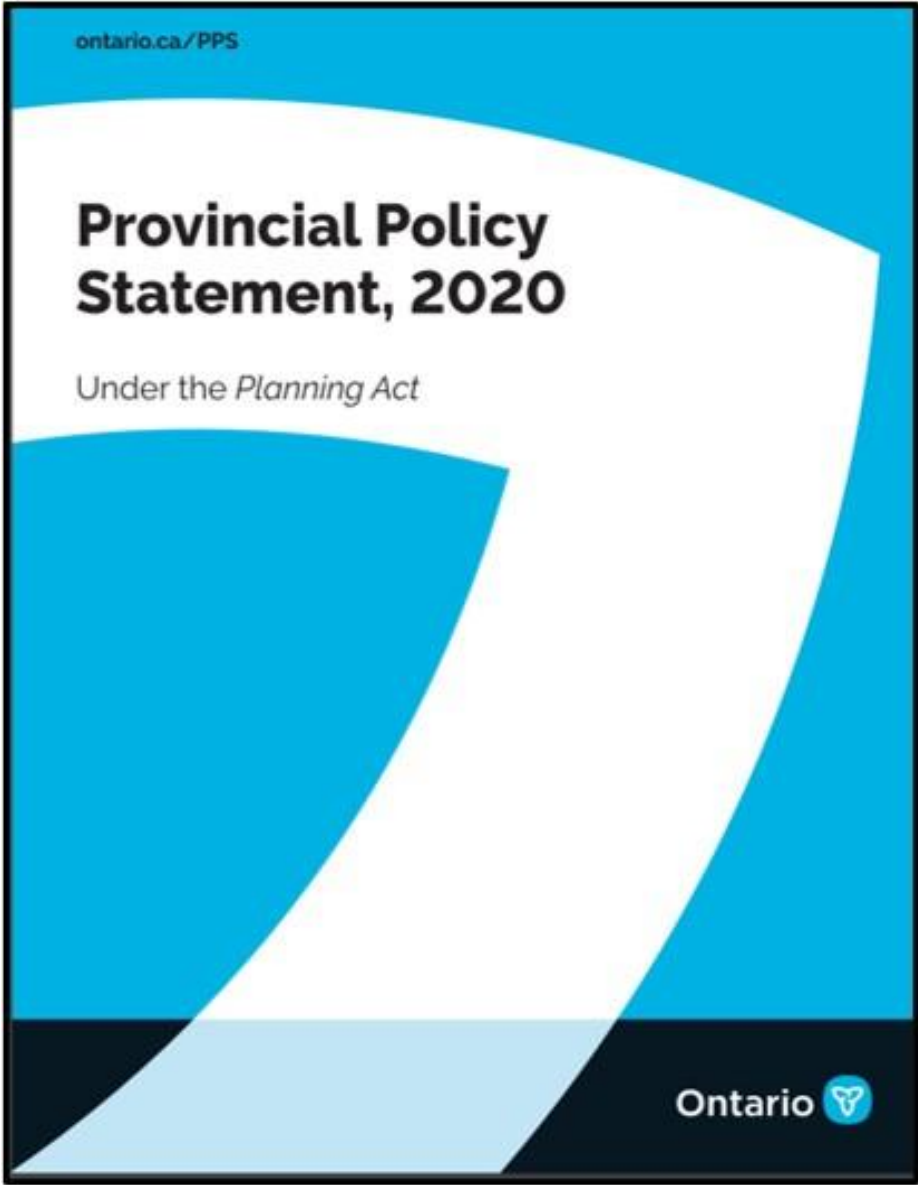
**[Appendix B: Consultation and engagement summary slide \(DOCs# 3892355\)](#)**

**Prepared By: Brenna MacKinnon**, Manager, Development Planning

**Reviewed By: Danielle De Fields**, Director, Community Planning

**Approved By: Rod Regier**, Commissioner, Planning, Development and Legislative Services

# Provincial Policy Context



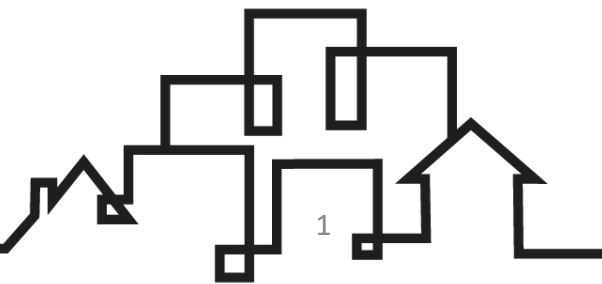
Provincial Policy Statement, 2020.  
Updated and effective as of May 2020.



A Place to Grow, Growth Plan, Office Consolidation 2020 (Amendment to Growth Plan, 2019).  
Updated and effective as of August 2020.



More Homes, More Choice: Ontario's Housing Supply Action Plan, 2019.  
Developed under Bill 108, More Homes, More Choice Act.



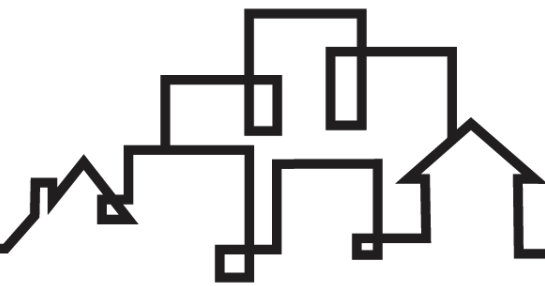


# Growth Forecast

Growth Plan, 2019

	Growth Plan, Schedule 3 Forecast	
Region of Waterloo	2051	
	Population	Employment
	923,000	470,000

## Region of Waterloo, 2016 to 2051

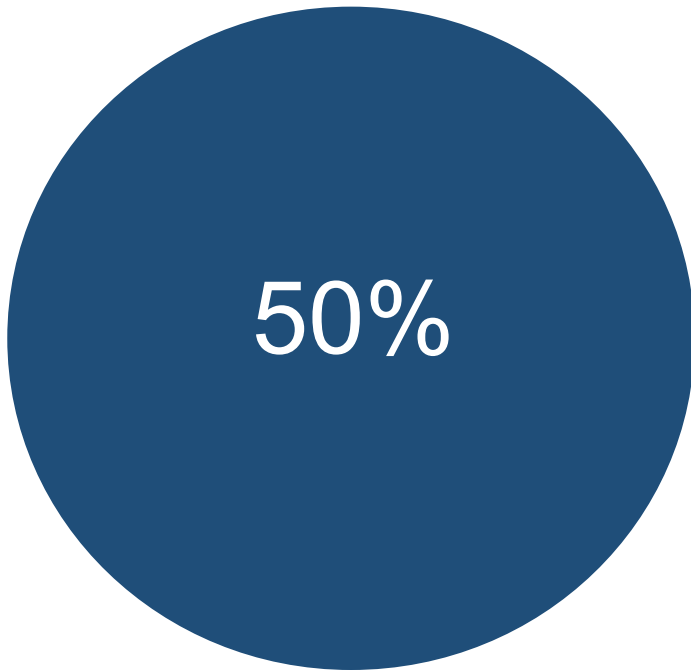




# Key Minimum Growth Targets

Growth Plan, 2019

**Intensification Target  
(Annual housing  
within Built-Up Area)**



- Intensification Strategy Brief
- Growth Scenario Evaluation Technical Brief

**Community Lands  
Greenfield Density  
Target**

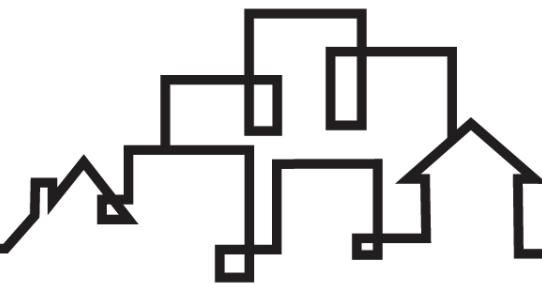


- Growth Scenario Evaluation Technical Brief
- Land Needs Technical Brief (in-progress)

**Employment Area  
Density Target**



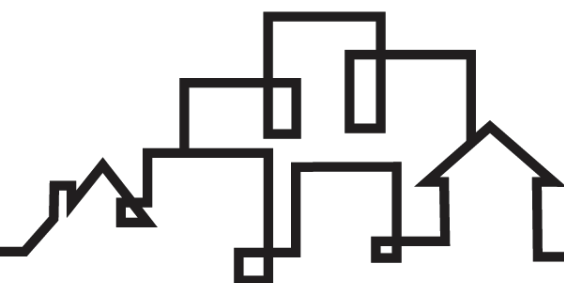
- Employment Lands Technical Brief Report



# Land Needs Assessment (LNA)



- Updated in August 2020 in accordance with Growth Plan, 2019 Amendment #1.
- Sets out the approach for assessing long-term urban land needs to GGH Municipalities to 2051.
- Provides less prescriptive approach and more outcome-based approach in comparison to the 2018 LNA Methodology.



# Hierarchy of Settlement Areas

- The Growth Plan identifies two types of settlement areas:

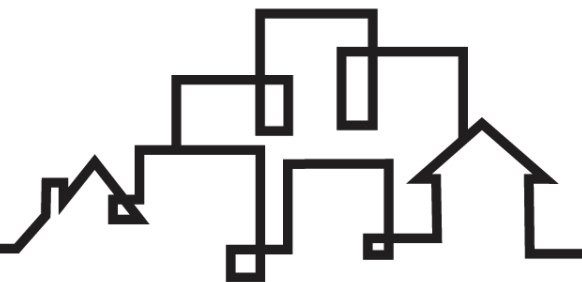
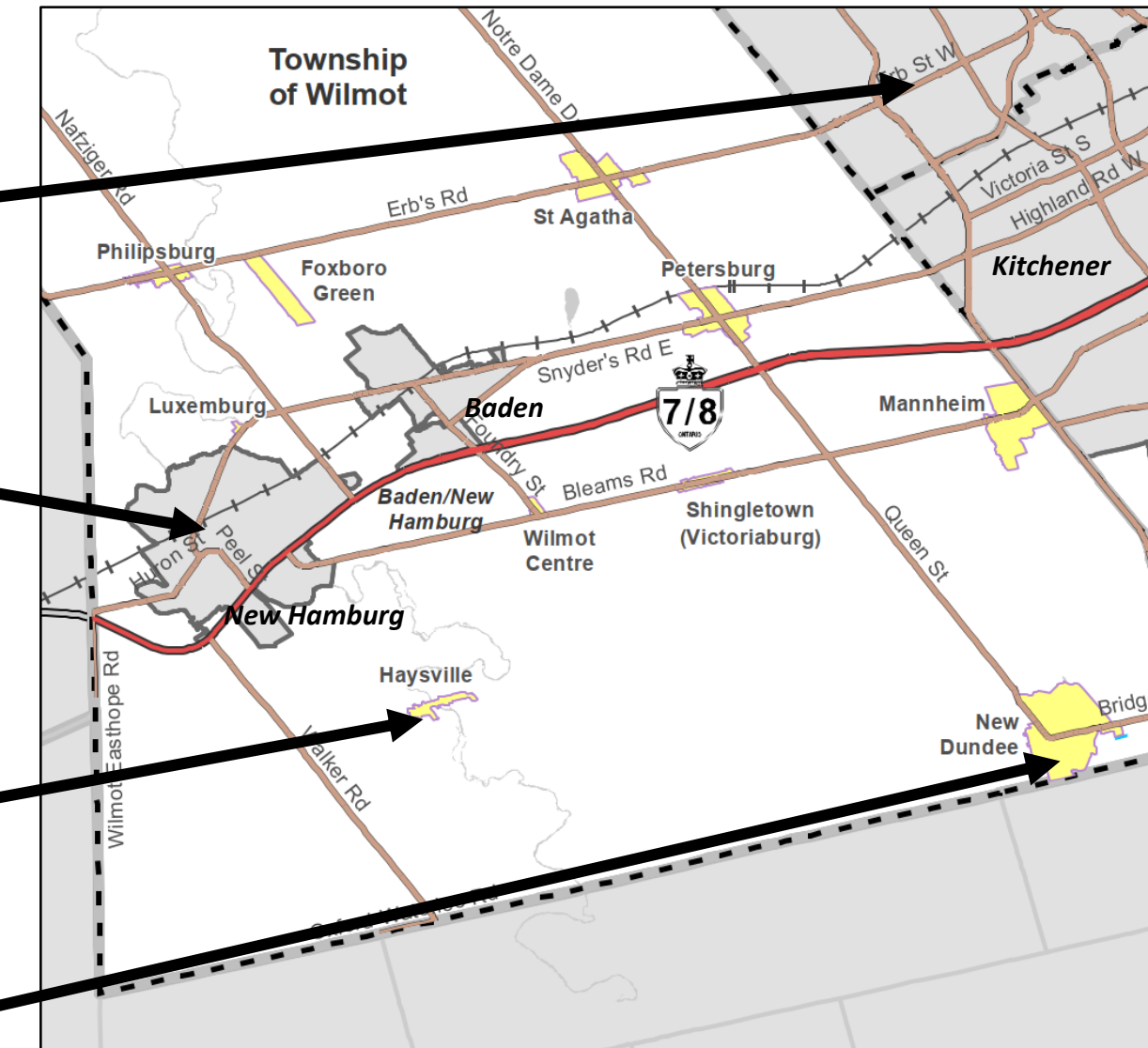
## Urban Settlement Area

- Urban areas are identified by the Province and include a delineated built-up area.
- Where most of the growth is allocated.

## Rural Settlement Area

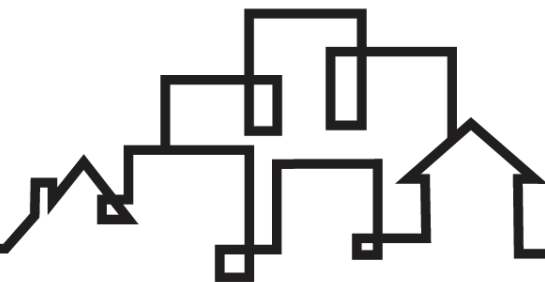
- Village or other small settlements identified in Official Plan and are generally serviced by individual private on-site water and/or private wastewater systems.

## Example



# Urban Settlement Areas

Area Municipality	Urban Settlement Areas
City of Kitchener	<ul style="list-style-type: none"><li>• Kitchener</li></ul>
City of Waterloo	<ul style="list-style-type: none"><li>• Waterloo</li></ul>
City of Cambridge	<ul style="list-style-type: none"><li>• Cambridge</li></ul>
Township of Woolwich	<ul style="list-style-type: none"><li>• St. Jacobs</li><li>• Elmira</li><li>• Breslau</li></ul>
Township of Wilmot	<ul style="list-style-type: none"><li>• New Hamburg</li><li>• Baden</li></ul>
Township of North Dumfries	<ul style="list-style-type: none"><li>• Ayr</li></ul>
Township of Wellesley	<ul style="list-style-type: none"><li>• Wellesley</li></ul>





# Urban Settlement Area Components

## Community Areas

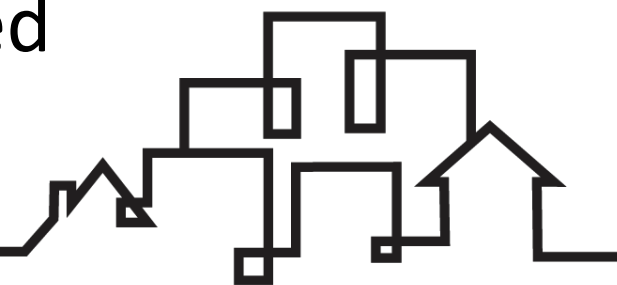


All forms of housing and most population-related jobs and office jobs

## Employment Areas

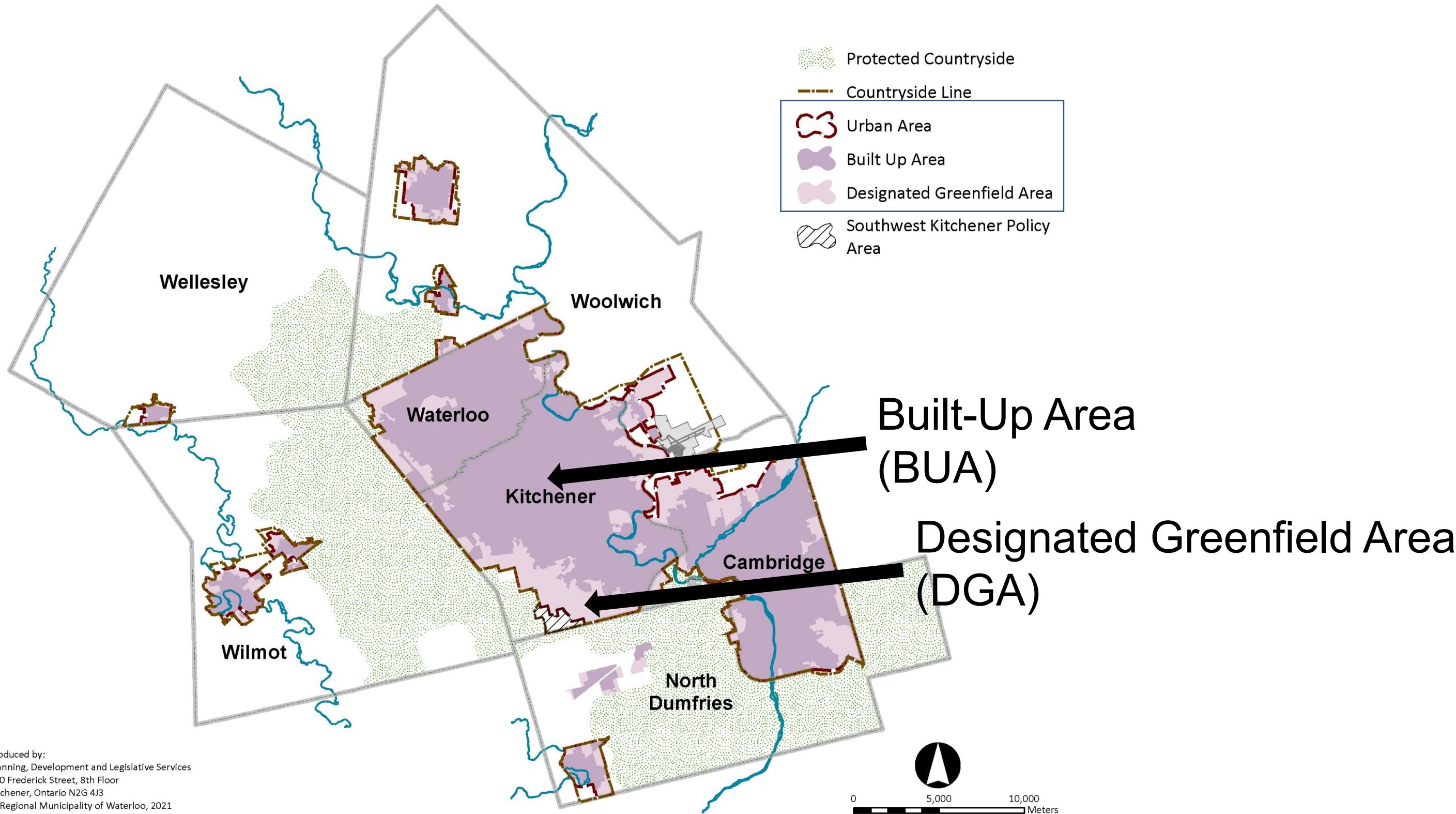


Employment in industrial-type buildings, some office jobs and population-related jobs.

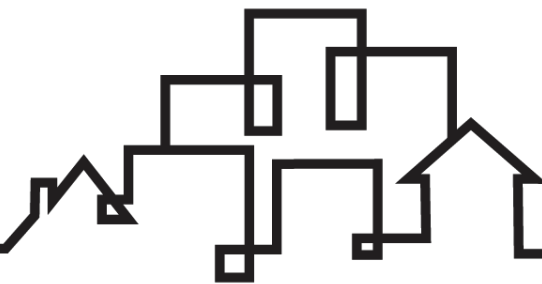




# Urban Settlement Area Components

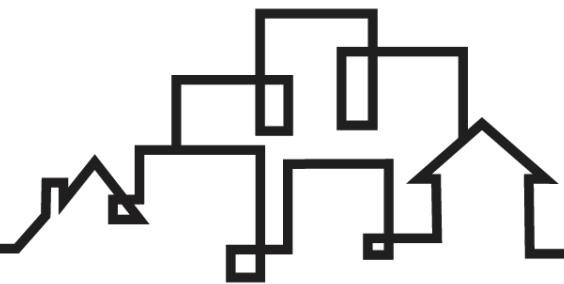


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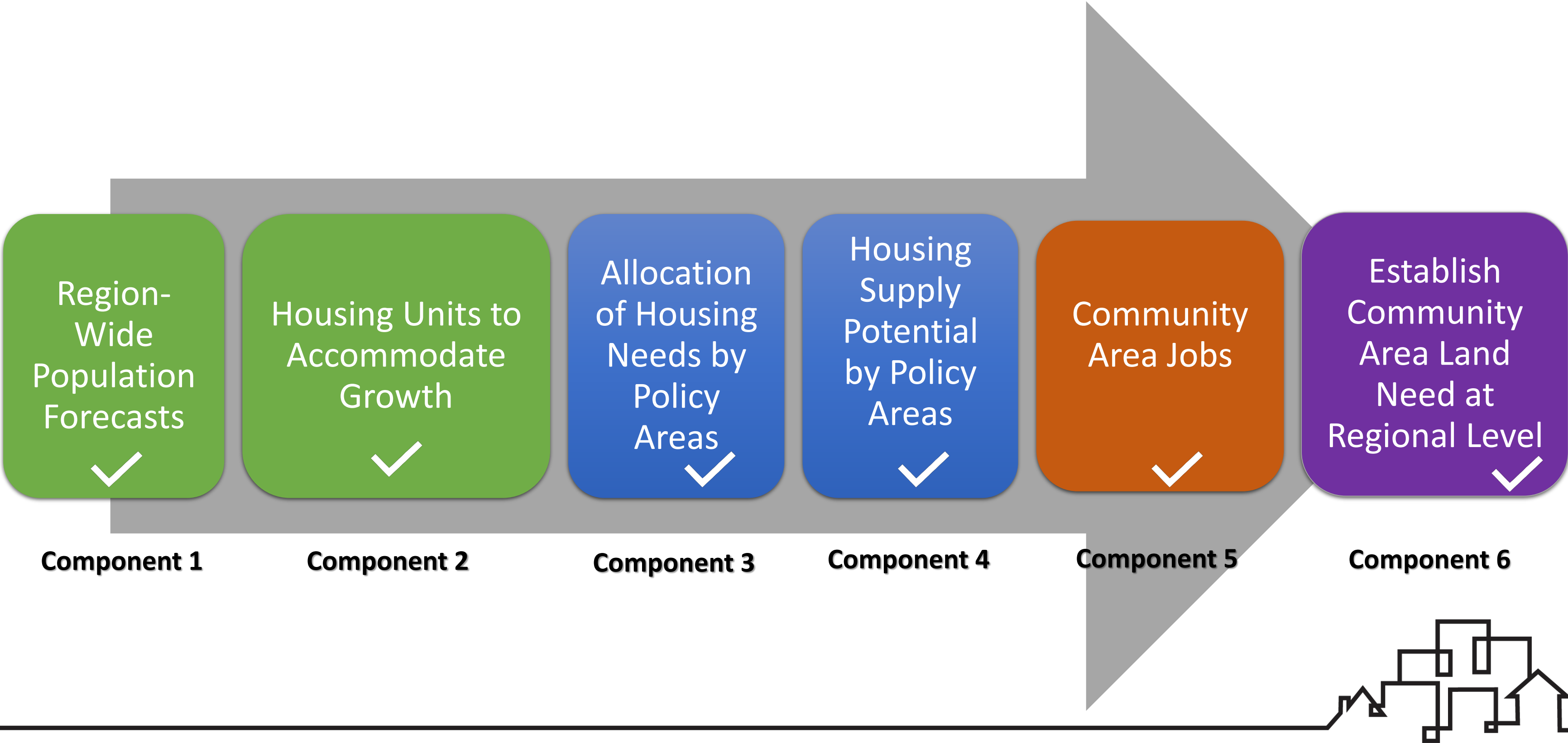
# Land Needs Assessment (LNA) Methodology

## - Technical Steps(Components)



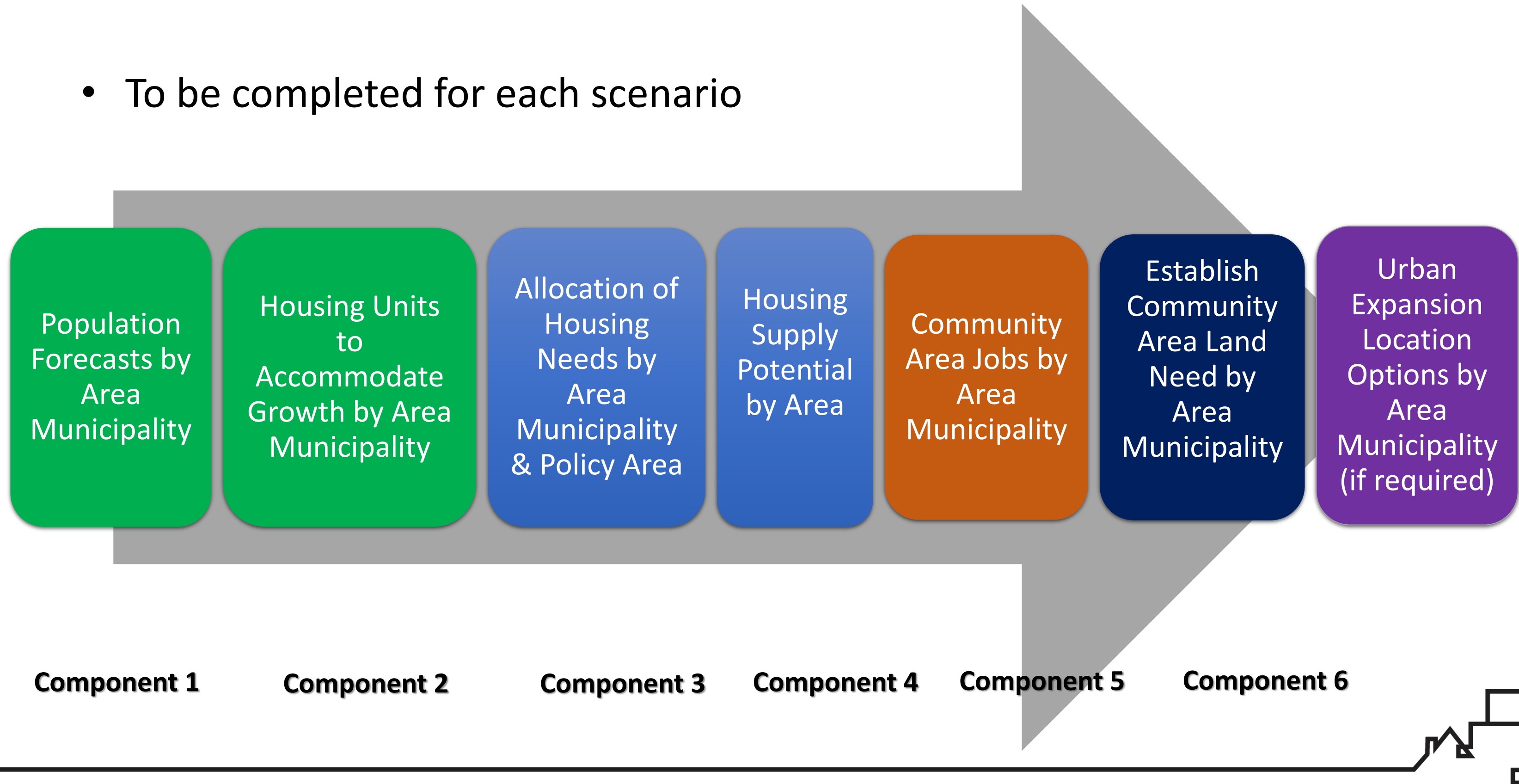


# Land Needs Methodology Approach – Region-Wide Community Area Land Needs Analysis

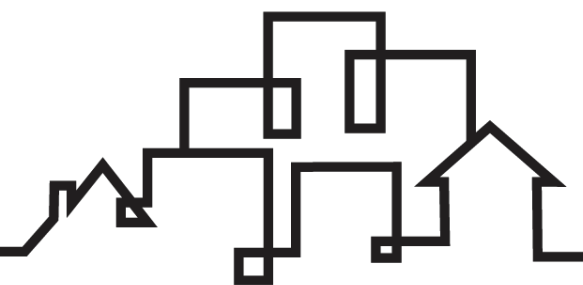
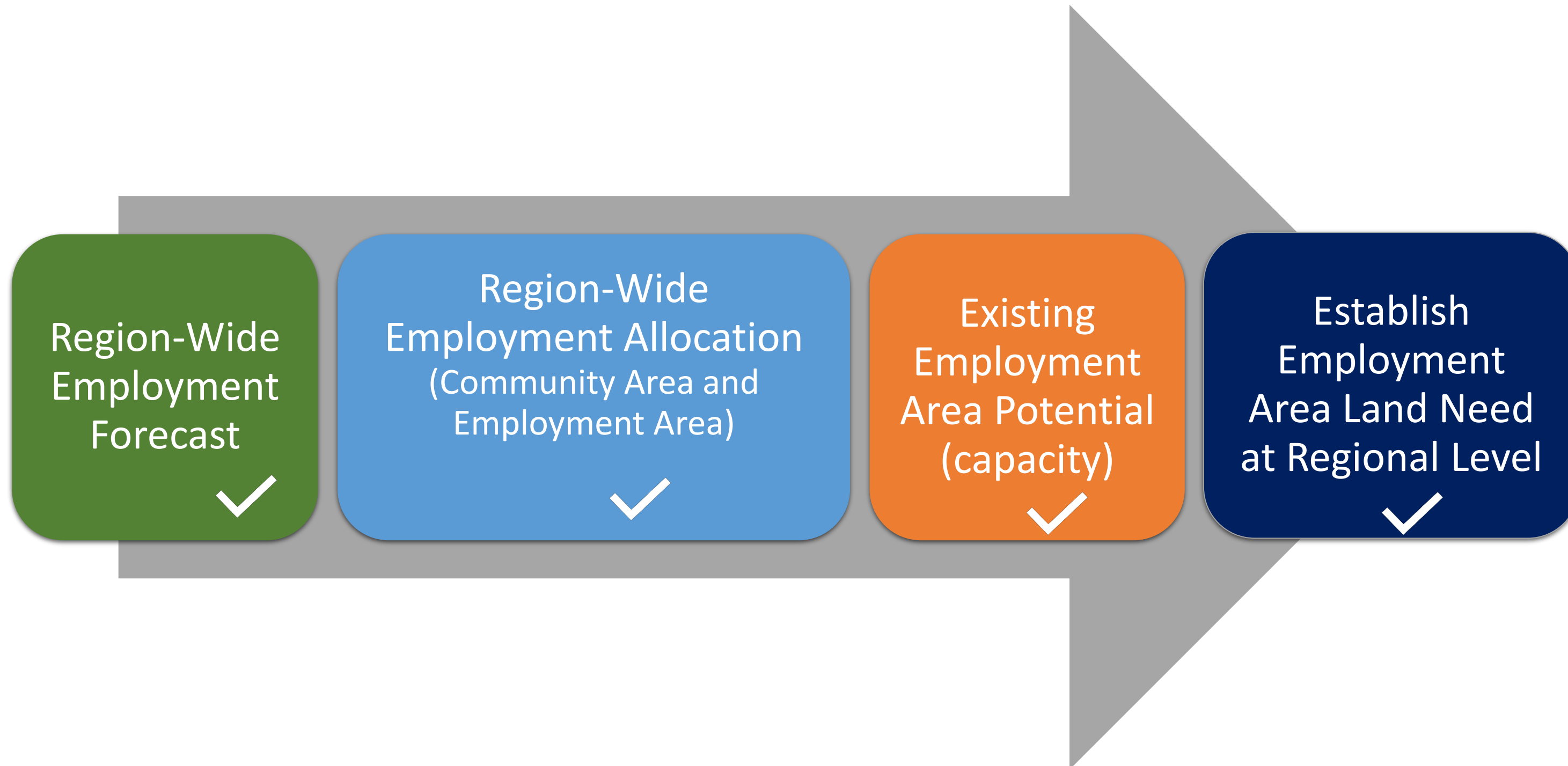


# Land Needs Methodology Approach – Local Municipal Community Area Land Needs Analysis

- To be completed for each scenario

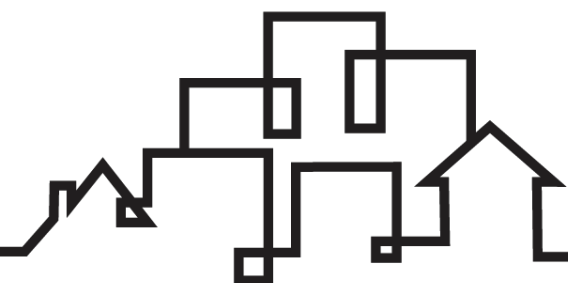
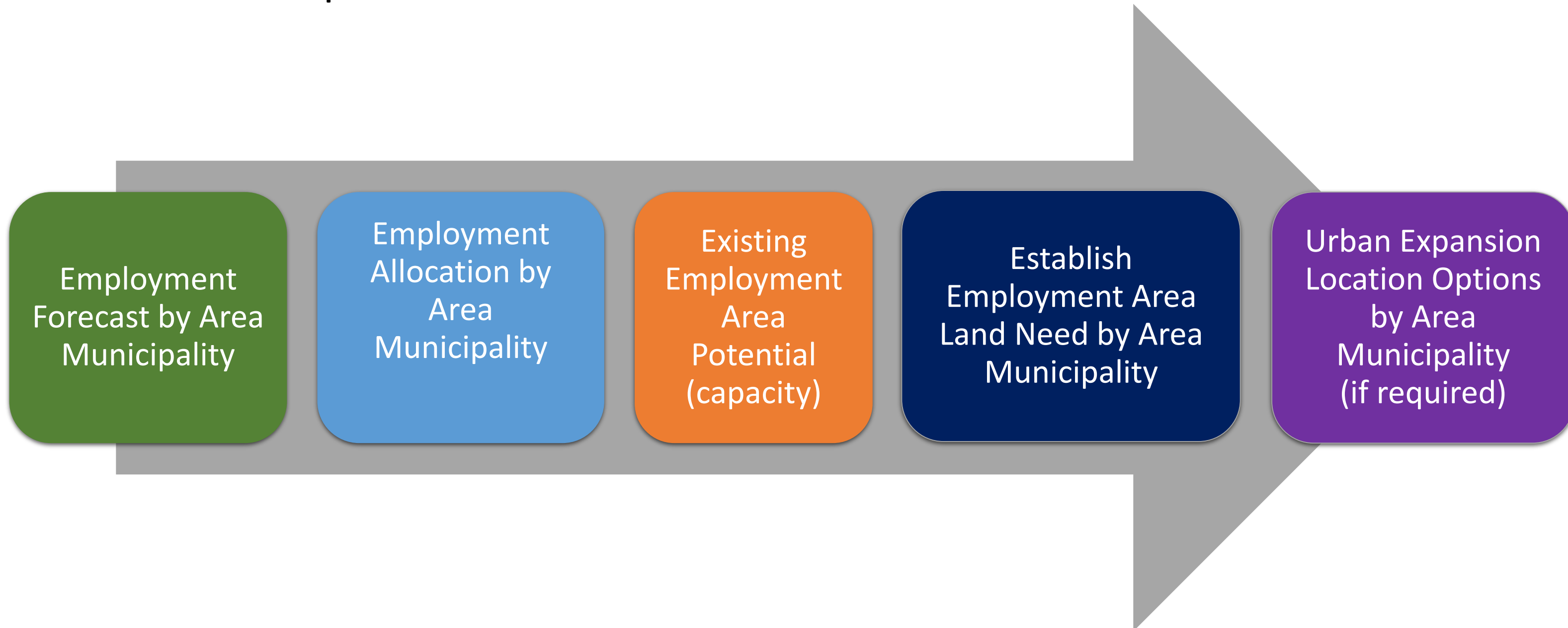


# Land Needs Methodology Approach – Region-Wide Level Employment Area Land Needs

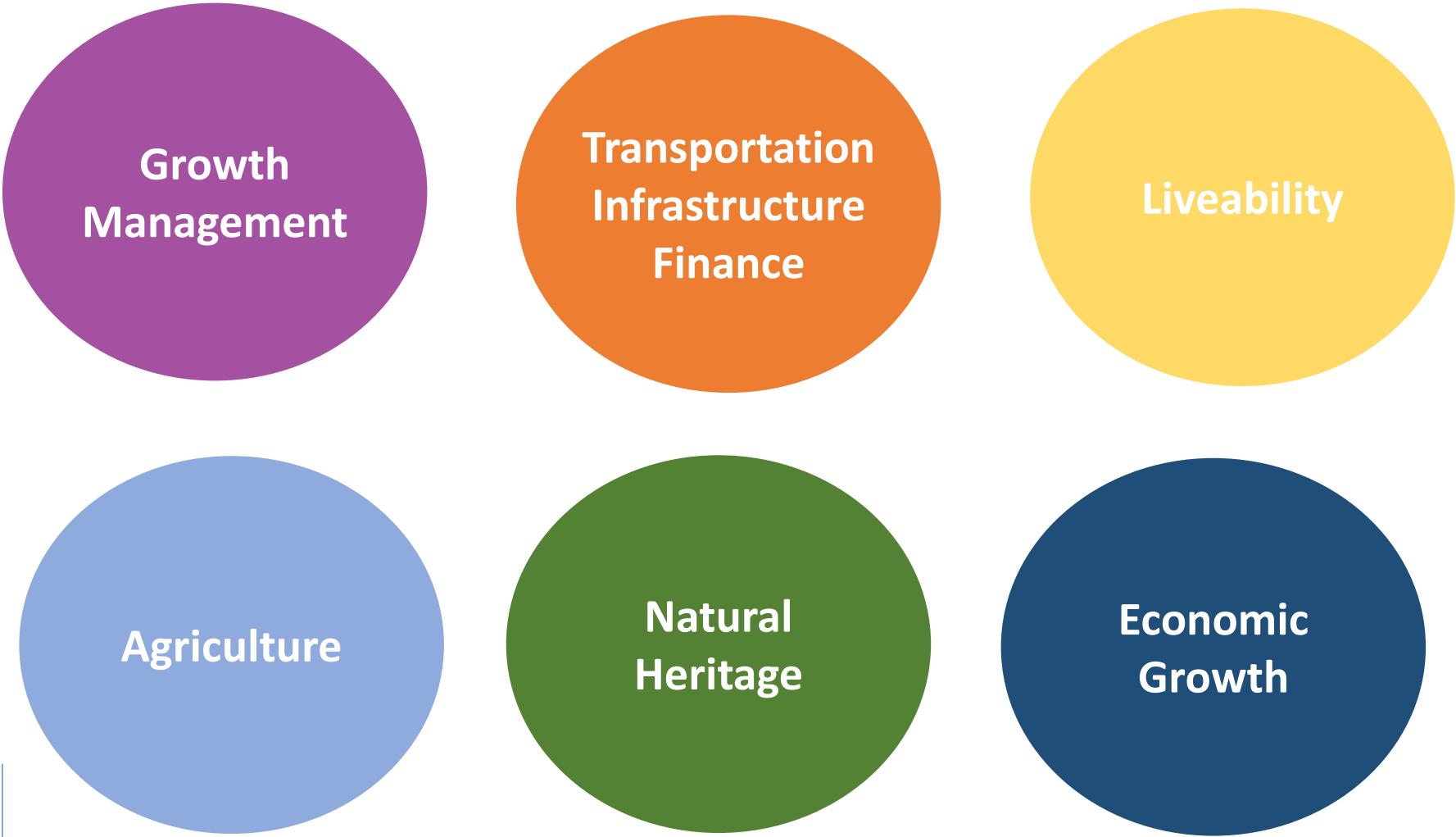


## Land Needs Methodology Approach – Local Municipal Employment Area Land Needs

- To be completed

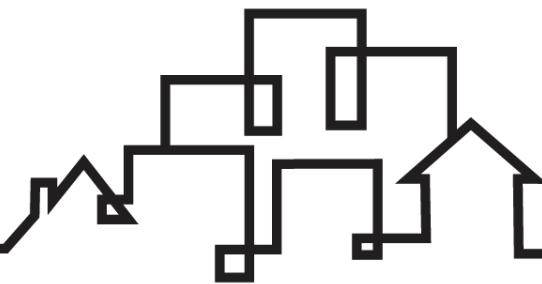


# Evaluation of the Scenarios



**Growth Scenario Evaluation  
Technical Brief**  
October 2021  
Dillon Consulting Limited | Watson & Associates

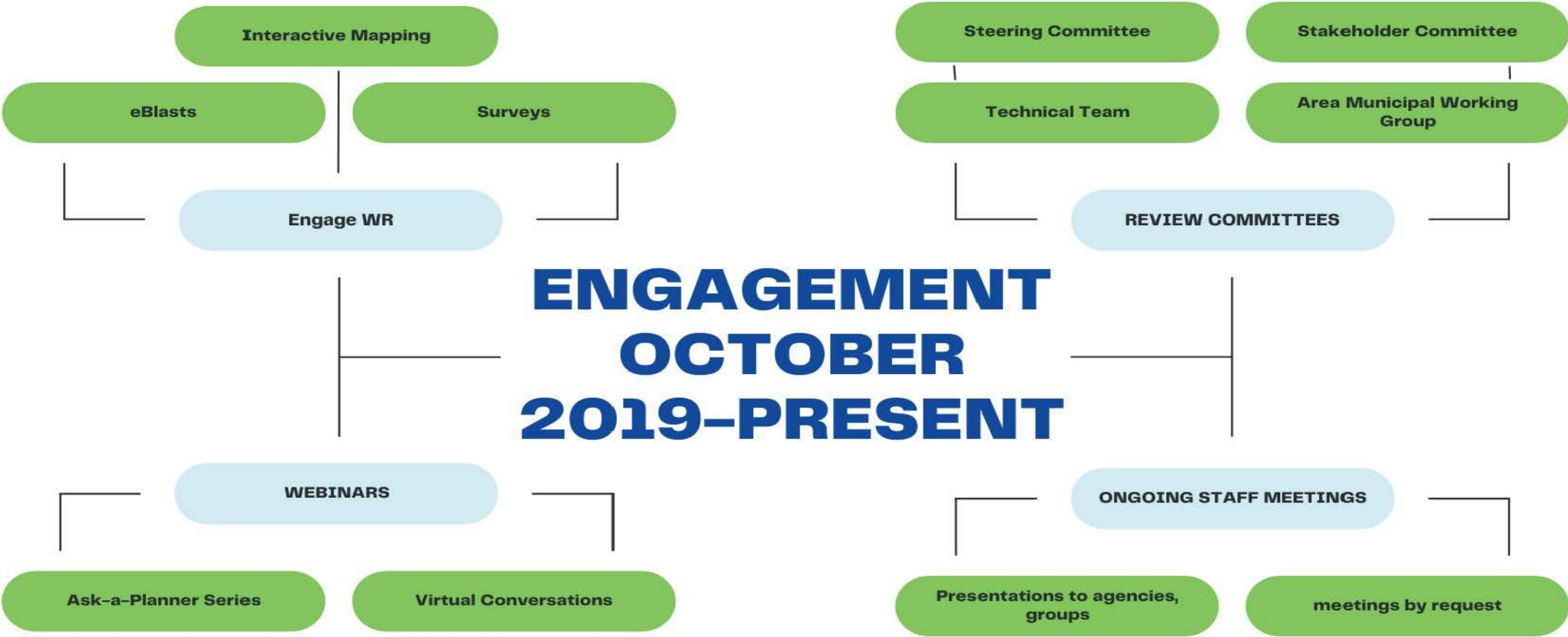
Climate Change lens

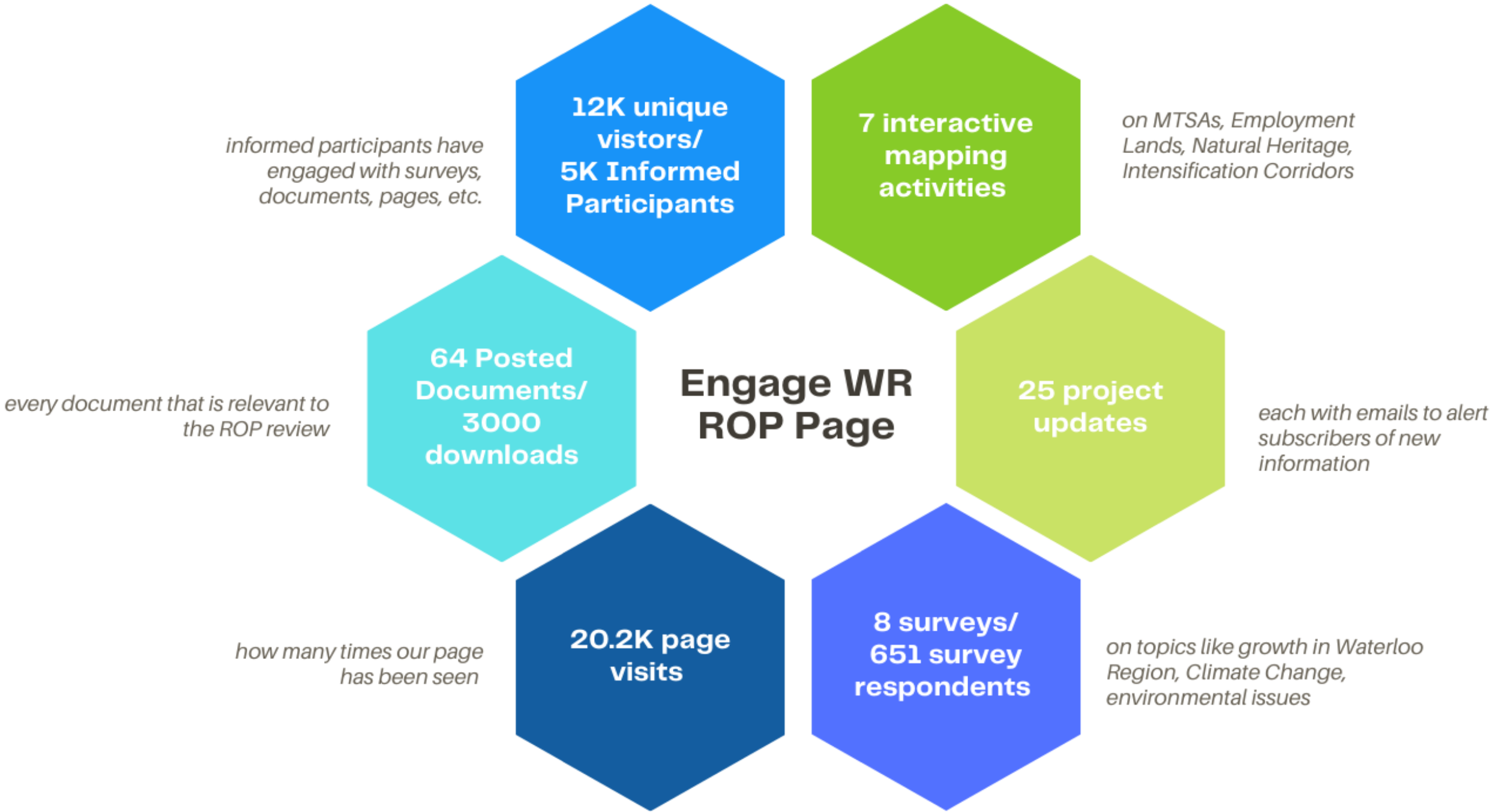




FOUNDATIONAL  
ENGAGEMENT MECHANISMS

Any successful ROP review process depends on consistent and clear community consultation on topics that are relevant to the update. We are not doing a complete re-write of the ROP right now as other municipalities are doing – we were ahead of the curve on this and our 2009 New ROP was an overhaul of previous ROPP in order to not only implement the Regional Growth Management Strategy, but also the-then new 2006 Growth Plan.

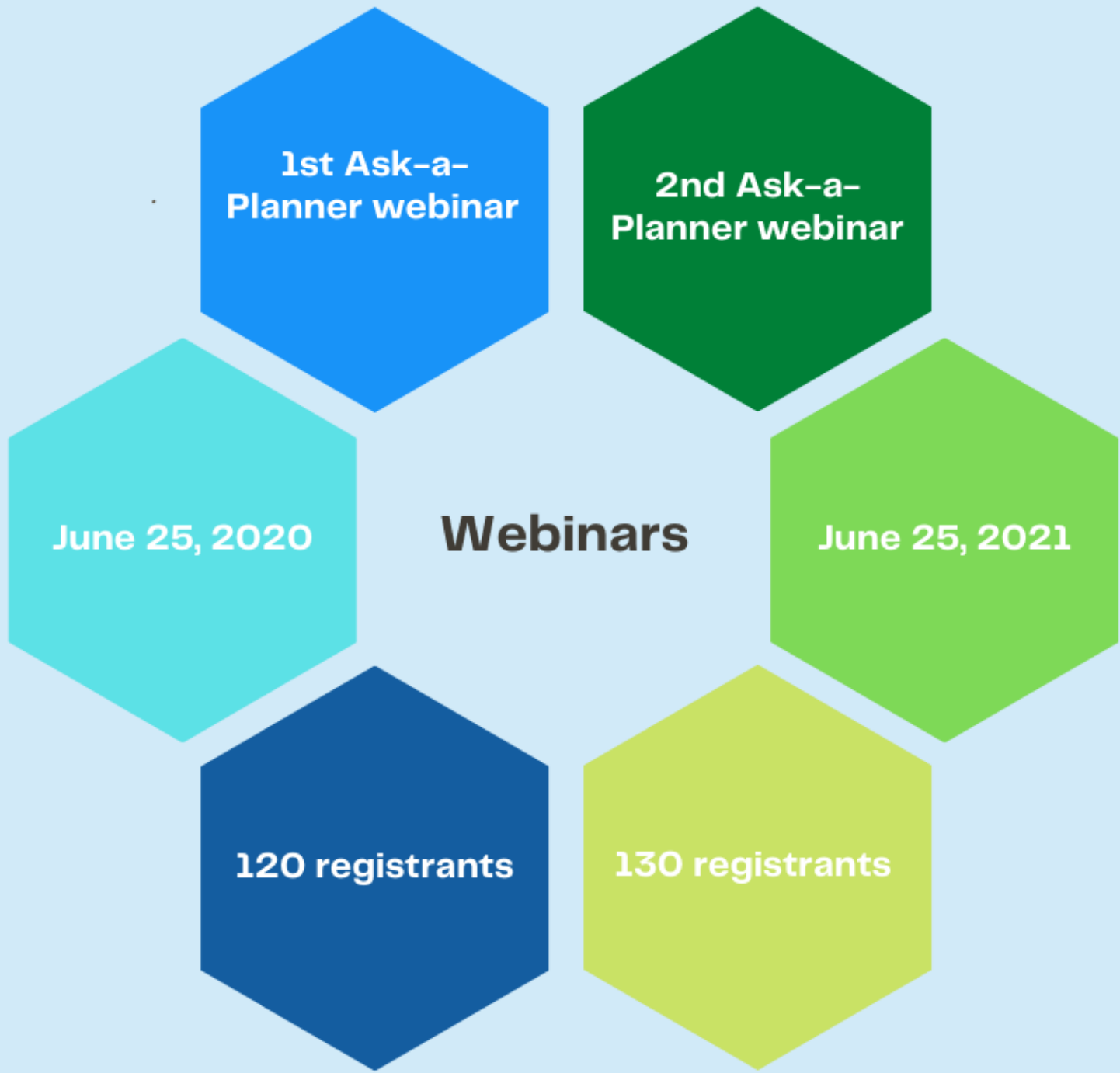




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