

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

To: Planning and Works Committee
Meeting Date: June 6, 2023
Report Title: Minister's Decision on Regional Official Plan Amendment No. 6 (ROPA)

1. Recommendation

For Information.

2. Purpose / Issue:

The purpose of this report is to provide a high-level overview of the approval with modifications of Regional Official Plan Amendment 6 (ROPA 6). Future reports will outline implications the decision may have on growth management and infrastructure master planning.

3. Strategic Plan:

The approval of ROPA 6 will shape how and where the community will grow to the year 2051. It therefore addresses all Strategic Focus Areas, particularly: 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."

4. Report Highlights:

- The Region's Official Plan Amendment No. 6 (ROPA 6) has been approved by the Minister of Municipal Affairs and Housing with 12 modifications relating to policies and mapping
- The Urban Area/Township Urban Area boundaries have been expanded by approximately 2,700 hectares of land as well as an addition of 66 hectares of employment lands in the 97/401 Employment Area. Land use designations for lands added through the approval will be identified by Area Municipalities with consideration of applicable provincial policies and guidelines.

- The approval did not modify policies as adopted relating to the achievement of 15 minute neighbourhoods, integrating climate change considerations into planning and managing growth, and supporting a mix and range of housing options
- The decision included two site-specific policies:
 - 355 Farmers Market Road, Township of Woolwich (Smart Centres) to permit additional industrial/commercial uses, including self-storage uses.
 - 241 Queen Street West, City of Cambridge (Hespeler) to permit high density residential and institutional uses.
- The decision included a policy for the Elmira Township Urban Area to review and update the Township's phasing and staging of development policies for the purposes of expediting development applications for housing projects at the time of the next Woolwich Official Plan update.
- The decision modified ROPA 6 Policy 3.A.4 to permit up to three residential units in a detached house, semi-detached house or row house (or up to two residential units and an ancillary detached residential unit).
- The decision included a policy that clarifies the land use designation terminology for lands that are subject to Regional Official Plan Amendment No.2
- Two parcels of land were converted from Employment area - one in the City of Waterloo and one in the City of Cambridge.
- The decision modified the definition of 'Major Goods Movement Facilities and Corridors' in the Glossary of Terms to permit rail facilities.
- In a separate letter, the Minister approved the alternative density targets adopted by the Region for Laurier-Waterloo Park Station, Blockline Station and Delta Station.
- The implications of the modifications on the water supply master plan, wastewater treatment master plan, integrated mobility plan, 10 year capital plans and the development charge by-law are being evaluated
- The process to consolidate and incorporate the modifications into the Regional Official Plan has begun and is expected to be complete by August 1, 2023
- The area municipalities and the Region continue to collaborate to determine where and when new or expanded area municipal and regional infrastructure is needed first and how it can occur in the most cost effective manner. The amount of land added to the Urban Area and Township Urban Areas through the approval of ROPA 6 presents a major challenge for the Region and the area municipalities from an infrastructure planning, construction and financing perspective.

5. Background:

The ROP forms Regional Council's long-term strategy for guiding and integrating growth management, development, land use, infrastructure planning, together with financial and capital investment.

The Regional Official Plan Review began in late 2018 and culminated in the adoption of ROPA 6 by Regional Council on August 18, 2022. ROPA 6 was submitted to the Ministry of Municipal Affairs and Housing on September 2, 2022, and deemed complete on September 2, 2022.

On October 24, 2022, the Minister of Municipal Affairs and Housing suspended the 120-day review period for ROPA 6, as permitted under the Planning Act, until the Minister issued a decision.

On April 11, 2023, the Minister issued a Notice of Decision approving ROPA 6 with 12 modifications. The modifications comprise of amendments and additions to policies and Maps.

The Minister's decision on ROPA 6 is final and not subject to appeal.

The most significant modification to the decision on ROPA No. 6 is new policy 2.J.14:

For the lands added to the Urban Area or the Township Urban Area on Map , the Designated Greenfield Area on Map 2, and the Urban Area / Township Urban Area on Map 3, Area Municipalities shall identify appropriate land use designations, including the identification of employment lands, with consideration of applicable provincial policies and guidelines.

The intent of this policy is to implement Option 1 for community area and 15% intensification for employment area land needs as identified in the final Land Needs Assessment from staff report PDL-CPL-22- 20, considered by Regional Council on June 29, 2022.

Nothing in this policy precludes proponents from initiating planning applications or undertaking secondary planning in advance of the area municipalities' next official plan update.

The table below illustrates the inventory of existing Community Area land and existing employment land inventory, lands added by the Region through ROPA 6 and new Urban Area/Township Urban Area lands (Urban Expansion Lands) added by municipality through the decision on ROPA 6:

Area Municipality	Existing Community Area Land inventory (ha)	Existing Employment Land inventory (ha)	Community Area Added by the Region through ROPA 6 (ha)	Employment Land Added by the Region through ROPA 6 (ha)	Lands Added through Minister's decision on ROPA 6 (ha)
Cambridge	908	552	8	187	539
Kitchener	1,750	122	0	0	277
Waterloo	563	129	0	0	0
North Dumfries	156	36	38	78	127
Wellesley	48	0	17	0	74
Wilmot	200	81	35	15	249
Woolwich	508	152	52	176	1,514
Total	4,133	1,072	150	456	2,780

*The numbers represent gross land areas and do not consider constrained lands

**The numbers are net of airport lands

All lands between the Urban Area/Township Urban Area boundary and the Countryside Line as established through the 2015 ROP and ROP Amendments No. 1, 3, 4 are now designated as Urban Area/Township Urban Area. In one location, the Countryside Line was adjusted through the approval to include two parcels of land as Urban Area. These two parcels of land are not designated Protected Countryside in the ROP but are designated Regional Recharge Area (Appendix D). The ROP identifies a broad band of permanently protected environmental features and agricultural lands known as the Protected Countryside. This designation contains a unique concentration of farmlands, woodlands, watercourses, river valleys and wetlands. It also includes several significant Regional Recharge Areas, which sustain some of the richest sources of groundwater in the Grand River watershed and account for a significant share of the region's water supply.

In the coming years, the Region is expected to see an accelerated pace of growth. With a provincial forecast that nearly doubles the Region's population and employment to 923,000 residents and 470,000 jobs by 2051, growth pressures within the region require consistent policy guidance and coordination so that required Regional services, systems and infrastructure can be planned and delivered in an efficient, cost effective and predictable manner.

6. Communication and Engagement with Area Municipalities and the Public

Area Municipalities:

Regional staff have had a number of discussions with Area Municipal Planning Heads on the implications of the decision on ROPA 6. Those discussions have informed this report. In addition, discussions are ongoing regarding the implications and the process for implementation. These discussions will inform subsequent reports to Council on the approach for implementation and the transition of the ROP to the Area Municipalities following the proclamation of Bill 23.

Public:

ROPA 6 was posted for comments on the Environmental Registry of Ontario (ERO) for 30 days from December 5, 2022 to January 5, 2023. The decision to approve ROPA 6 with modifications and the approval of alternative density targets for the three MTSAs can be found here <https://ero.ontario.ca/notice/019-5952>.

7. Financial Implications:

Over the past several years, the Region has made significant investments, particularly in water, wastewater, transportation and public transit infrastructure to service the anticipated growth needs of the community. The urban expansion lands require new or expanded municipal infrastructure – both regional and area municipal. The area municipalities and the Region continue to collaborate to determine where and when new or expanded area municipal and regional infrastructure is needed first and how it can occur in the most cost effective manner. Results will be incorporated into upcoming updates to Regional infrastructure master plans, particularly for water, wastewater and transportation.

The amount of land added to the Urban Area and Township Urban Areas through the approval of ROPA 6 presents a major challenge for the Region and the area municipalities from an infrastructure planning, construction and financing perspective. Servicing all of the urban expansion lands concurrently would require significant levels of long-term debt (impacting future debt repayment limits) and combined with the impacts of Bill 23 would create a high risk scenario of having insufficient development charge revenue to fund the resulting debt servicing costs. Property taxes and user rates would be the fallback. In addition, the operation of new infrastructure at an inefficient level could further impact future operating budgets.

Additional financial analysis can be prepared for Council's consideration as the type, location, timing and scale of new development and its associated infrastructure needs becomes clearer.

8. Conclusion / Next Steps:

The proposed Provincial Planning Statement proposes an approach to implementation which includes, among other matters, continued use of the 2051 growth forecasts provided by the Province that were included in ROPA 6. Regional staff are currently analyzing the impact of the modifications to ROPA 6 and the proposed Provincial Planning Statement to determine what, if any, changes may need to be made to the ROP. Regional staff will report back to Council in August or September with a detailed analysis and implementation approach.

The approval of ROPA 6 may accelerate the need for coordinated infrastructure planning to support the Region's forecasted levels of growth while supporting the Region of Waterloo's seven area municipalities as they initiate local official plan updates and housing pledge goals.

Moving forward there will be continued collaboration between the Region and Area Municipalities to focus growth in areas with existing and planned water, wastewater and transportation capacity.

In addition, it is anticipated that a review of existing secondary plans for any needed amendments or new secondary planning exercises for the urban expansion lands may be necessary.

Attachments:

Appendix A: Map 1 Regional Structure

Appendix B: Map 2 Urban System

Appendix C: Map 3 Employment Area

Appendix D: Countryside Line Adjustment

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