



Development Services Staff Report

Report Number: DS30-2022
Report Title: The Region's recommended Land Needs Assessment, Urban boundary adjustment and draft Regional Official Plan policies to Chapters 1, 2 and 3 Draft Policies – Chapters 1, 2 and 3.
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Reviewed By: Jeremy Vink/Deanne Friess
Final Review: Senior Management Team

Recommendation:

That the Council of the Township of Woolwich in considering Report DS30-2022 respecting The Region's recommended Land Needs Assessment, Urban boundary adjustment and draft Regional Official Plan policies to Chapters 1, 2 and 3:

1. Receive as information the recommended growth approach contained in the Land Needs Assessment as approved, in principle, by Regional Council in their June 29, 2022 Council meeting;
2. Support the proposed urban expansion lands proposed within the Township of Woolwich as illustrated in Attachment 1 as the proposal satisfies a number of strategic land use and infrastructure priorities of the Township; and
3. Request the Region to address the comments/questions and incorporate the editorial changes to Chapters 1, 2 and 3 as summarized in Attachment 2, which forms Woolwich's formal response on the proposed amendment to the Regional Official Plan.

Background:

The Region has moved forward in their process to complete the Land Needs Assessment (LNA) with Regional Council's endorsement, in principle, of a recommended growth approach for the Region to the year 2051. As a result of this endorsement, Regional Staff has targeted certain Community and Employment Area lands to be included in the Urban Area, of which, some of the lands are located within Woolwich. Regional Staff

have also circulated a draft Regional Official Plan (ROP) amendment for further public consultation that includes the associated policies and mapping to implement the recommended growth approach in the LNA.

The completion of LNA is required as part of the Municipal Comprehensive Review (MCR) of the ROP to assess the existing urban land supply in the region relative to the Region’s population and employment projections to determine the need for urban expansion to accommodate the expected growth to the year 2051. Based on the Provincial Growth Plan, the Region must update the ROP to accommodate a forecasted population of 923,000 people and 470,000 jobs by the year 2051, which represents an increase of 306,000 people (50%) and 168,000 jobs (58%) from the year 2021.

Staff presented Report DS23-2022 to Council on June 6, 2022 to provide an overview of:

- the Region’s methodology in the preparation of the LNA,
- the three growth approaches that were being evaluated and considered by the Region at that time,
- the foundation themes and priorities the Region will be relying on in determining the appropriate growth approach (i.e., having climate change lens, intensification first, advancing indigenous relationship/reconciliation, protecting natural resources, and having an equitable and transit-supported complete communities), and
- Woolwich issues that need to be appropriately considered and implemented regardless of the growth approach that is ultimately approved by the Region.

The three growth approaches being considered at that time and the amount of additional Community Land (i.e., non-employment lands) required region-wide and within Woolwich for each of the approaches are summarized in the table below.

	Current/Historical	Approach 1	Approach 2	Approach 3
Intensification Rate	53% (2013-2019)	50%	60%	60%
Residents and Jobs Per Hectare in DGA		50	60	66
Housing Mix	Low Density – 25% Medium Density – 18% High Density 56% (2016-2021)	Low Density – 32% Medium Density – 18% High Density 49%	Low Density – 19% Medium Density – 26% High Density 55%	Low Density – 18% Medium Density – 26% High Density 56%
Total Community Area Land Need (ha.)	n/a	2,208	376	0

Woolwich land needs (ha.)		(842-426) 384	(603-426) 176	(426-426) 0
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Staff Report DS23-2022 recommended that Council support Approach 2 with respect to the Community Land Area needs because it provided the most balanced growth scenario with respect to the prescribed Designated Greenfield Area (DGA) and intensification targets. Council heard delegations that night from:

- the development industry advocating a hybrid approach between 1 and 2 that would result in a larger Community Area expansion to ensure a sufficient supply of ground-floor housing (i.e., singles, semis and street front townhouses); and
- community groups advocating a higher intensification rate resulting in no urban expansion to address climate change and affordable housing issues and to minimize the consumption of farmland (i.e. referred to by community representatives as Approach 4).

Township Council ultimately adopted a resolution that supported the principles of Approach 4 using a higher intensification rate as advocated by the community groups to minimize the impact/loss of agricultural lands and to preserve the Countryside Line. Township Council also directed Staff to continue to work with the Region to refine the growth approach and the expansion proposal in Woolwich.

Since the June 6, 2022 Council meeting, Regional Staff completed a refinement of the LNA and undertook further consultation with the community and area municipalities which resulted in the preparation of two Regional Staff Reports PDL-CPL -22-20 - LNA & Urban Expansion (Attachment No. 3) and PDL-CPI-22-21 - Draft ROP Amendment (Attachment No. 4) which :

- Recommended a preferred growth approach to complete the LNA which is a hybrid between Approaches 2 and 3 and resulted in a significant reduction of Community Area and Employment Area expansion;
- Identified the areas within the Region that are best suited to accommodate the recommended Community Area expansion that included lands within Woolwich; and
- Directed Staff to circulate and engage the community, stakeholders and area municipalities on the draft ROP amendment to implement the preferred growth approach.

On June 29, 2022 Regional Council supported the recommendations contained in the two Regional Staff reports after hearing a number of delegations from the development industry, various community groups and the public. The development industry continued to advocate for an approach that would provide a larger urban expansion, while many of the community groups, including the proponents for Approach 4, were generally supportive of the Region’s refined growth approach and the associated policies to

implement it. Subsequent to this Council meeting, the Region held a number of public consultation sessions on the draft ROP amendment including:

- July 6, 2022 – Virtual, or In-Person, Public Information Meeting
- July 13/14, 2022 – Virtual, or In-Person, Public Information Meeting
- July 19, 2022 – Virtual or In-Person, Public Information Meeting
- July 27, 2022 – Statutory Public Meeting

The adoption of the proposed ROP amendment is being considered by the Region's Planning and Works Committee on August 11, 2022 and Regional Council on August 18, 2022.

The purpose of this Report is to:

- provide an overview of the Region's approved LNA approach and its implications to Woolwich;
- identify the lands being considered for urban expansion within Woolwich and whether such expansion addresses the strategic priorities previously identified and supported by Township Council on April 20, 2021 (Report DS16-2021);
- provide a general summary of the draft policies contained in the proposed ROP amendment including highlights of key policy innovations that align with the Region's foundation themes and priorities;
- summarize Staff's suggested changes and comments of the draft policies and mapping to address Township issues, which will be Woolwich's formal response to the Region on proposed ROP amendment; and
- identify the next steps moving forward in the ROP review process and subsequent Township initiatives required to implement the approved LNA and ROP amendment that is ultimately approved by the Province.

Comments:

Approved Growth Approach and its Implication to Woolwich

As noted, Regional Council adopted a preferred growth approach to complete the LNA which is a hybrid of Approaches 2 and 3 and resulted in a significant reduction of Community Area and Employment Area urban expansion. The Region indicated that this refined approach:

- aligns with the Region's foundation themes and priorities (i.e., having climate change lens, advancing indigenous relationship/reconciliation, protecting natural resources, and having an equitable and transit-supported complete communities);
- reflects an intensification-first strategy to optimize development opportunities and existing infrastructure within the existing Built-Up Area (BUA) at a more compact built form;

- significantly reduces the amount designated Greenfield Areas that is generated with urban expansion in comparison to Approach 2;
- targets strategic lands for Community Area urban expansion in an affordable and energy-efficient manner that creates a 15-minute neighbourhood (to be discussed later in this report) with a full range of housing types and services; and
- limits employment area expansion by using a higher intensification rate.

The numerical details of this hybrid approach are summarized as follows:

Population Growth 2021 to 2051	306,000 people
Employment Growth 2021 to 2051	168,000 jobs
Community Area Intensification Rate	Minimum 61% of new housing to be located in the BUA, region-wide (2,453 units per year) City Average – 2,346 per year Township Average – 106/year
Community Area Designated Greenfield Area (DGA) Density	Minimum 59 residents and jobs per hectare, region-wide
Additional Community Area Urban Expansion	150 hectares
Employment Area Intensification Rate	Minimum 25%
Employment Area Density Target	Minimum 35 jobs per developable hectare, region-wide
Additional Employment Area Urban Expansion	456 hectares
Total Urban Area Expansion	606 hectares

This refined approach in comparison to Approach 2:

- increases the Community Area intensification rate from 60% to 61%,
- reduces the DGA density target from 60 to 59 residents and jobs per hectare,
- alters the housing mix between low, medium and high density, and
- increases the employment intensification rate from 15% to 25%.

These changes results in a lower Community Area expansion from 376 hectares to 150 hectares, Employment Area expansion from 659 hectares to 456 hectares and an overall urban area expansion of 1035 hectares to 606 hectares.

The approved growth approach has the following implications to Woolwich. Of the projected region-wide population growth of 306,000 people, Woolwich is being allocated 22,500 people. As result, Woolwich's population would increase from 28,700 people in 2021 to 51,200 people by 2051. Of the projected region-wide employment growth of 168,000 jobs, the Region is estimating that 17,800 new jobs would be created in Woolwich. That represents an increase in jobs in Woolwich from 17,300 jobs in 2021 to 35,100 jobs by 2051.

In order for Region to meet its overall growth projections and specifically for each area municipality to achieve there own respective 2051 projections, the Region has also assigned municipally-specific intensification and DGA targets. The combined total of these municipally-specific targets would average out to allow the Region to achieve an overall intensification target of 61% (i.e., growth to be directed in the BUA) and a minimum DGA density target of 59 residents and jobs per hectare.

Woolwich's area-specific intensification target is 20% which is significantly lower than the city average of 69%, is slightly less than the Townships average of 21.75% and much lower than what is being assigned to Wilmot Township at 35%. The 20% intensification target assigned to Woolwich is the current rate contained in the new Township Official Plan. Staff do not see any issue with the Township meeting or likely exceeding the 20% intensification target by 2051 given:

- the capacity and potential opportunities that exist in the Township's BUA of Elmira, St. Jacobs and Breslau, especially in and around the Elmira Core;
- the Township recently doubled its maximum net density requirement in the new Official Plan from 60 to 120 units per hectare;
- the Township has begun approving multi-unit developments beyond its traditional 3 storey building;
- the Township will be introducing a wider range of housing types for all residential zoning categories in the upcoming review of the Township Zoning By-law; and
- the new permissions of accessory dwelling units that are currently in place in the Zoning By-law which have steadily increased the Township's intensification totals over the past couple of years.

Woolwich's area-specific minimum DGA target is 53 residents and jobs per hectare which again is lower than the city average of 59.3 residents and jobs per hectare but slightly higher than the Township average of 48.75 residents and jobs per hectare. Staff have no concern with the Township meeting or exceeding this target given the density being achieved in the following current developments in Woolwich:

- *Southwood 4 (Elmira)* - Approximately 49 to 55.75 residents and jobs per ha,
- *Lunor (Elmira)* - Approximately 55 residents and jobs per ha,
- *Thomasfield Homes (Breslau)* - 57 residents and jobs per ha, and
- *Empire (Breslau)* - 58.41 residents and jobs per ha

Finally, the housing mix that is also projected in Woolwich to achieve this overall growth approach is the following:

Year	Population	Low Density Households	Medium Density Households	High Density Households	Total
2016	26,000	7,390	520	700	8,610
2021	28,700	8,015	695	810	9,520
2051	58,200	13,280	3,715	3,255	20,250
2021-2051	29,500	5,265 (49%)	3,020 (28%)	2,445 (23%)	10,730

Proposed Expansion Lands Woolwich

Originally, under Growth Approach 2, the Region proposed to allocate a Community Area expansion of 176 ha and Employment Area expansion of approximately 296 ha to Woolwich (total 472 ha). Based on these amounts, Township Staff recommended the preferred strategic areas in Woolwich to accommodate such expansion, which was illustrated in Staff Report DS23-2022 (see Attachment No. 5) and presented to Council and the community on June 6, 2022. As noted, Regional Council’s approved growth approach has significantly reduced the amount of urban area expansion region-wide, thereby reducing the amount of lands being allocated to Woolwich.

The Region is now proposing to allocate 52 ha of Community Area lands and 175 ha of Employment Area lands to Woolwich (total 227 ha). The Region collaborated with Staff concerning the lands to be targeted in Woolwich to accommodate this allocated share of the Community Area and Employment Area growth. Attachment 1 illustrates the lands in Woolwich that are proposed to be included in the urban area, which are primarily directed to Elmira and Breslau. Township Staff are supportive of these proposed lands because they satisfy the following strategic land use and infrastructure priorities of the Township, and they also align with Woolwich Council’s previous expansion request to the Region as contained in an April 20, 2021 resolution (see Attachment 1 for reference):

Breslau

- *CA-1, CA-2 and CA-3* – In association with the adjacent undeveloped commercial lands, the entire consolidated lands would accommodate a significantly dense, mixed used development and would begin to create and anchor a downtown commercial area for Breslau.

- *CA-4* – would facilitate the construction of the Dolman Street extension from Fountain Street to the future GO Station site within the Thomasfield Homes’ mixed use development, creating a vital vehicular, transit and active transportation connection between the two neighbourhoods.
- *EA-1, EA-2 and EA-3* - will provide future employment lands for Breslau and would help facilitate the first leg of the sanitary trunk sewer being extended into Woolwich from the City of Cambridge.
- *EA-4 and EA-5* - these lands interface with the existing South Breslau Industrial Area, provides short term ‘shovel-ready’ employment lands for heavy industrial uses, would permit the permanent establishment of two existing transportation depots (Anchor and Breadner) currently permitted by a Temporary Use By-law and would facilitate the further extension of the sanitary trunk sewer into Breslau from the City of Cambridge.
- *EA-6 to EA-10* - These lands would provide future employment lands for Breslau and commercially-related development for Breslau and the Airport. In addition, the Conestoga Meats Packer’s operation, which is a major employer within Woolwich (and region-wide), would be included in the urban area.

Elmira

- *CA-5* - this property would add to the residential inventory of Elmira and would facilitate the extension of Barnswallow Drive to Listowel Road directing traffic away from Arthur Street.
- *EA-11 and EA-12* - these lands would be in addition to other lands previously designated for future employment as part of Elmira’s rationalization process and may facilitate a future by-pass road currently being studied by the Region as part of an Environmental Assessment process in progress.

St. Jacobs

- *EA-13* - these lands may accommodate the future expansion of Home Hardware, which is another major employer within Woolwich and region-wide.

Proposed ROP Amendment and Woolwich’s Response

Regional Staff have also circulated a draft Regional Official Plan (ROP) amendment that includes the associated policies and mapping to implement the recommended growth approach in the LNA. The proposed amendment comprises of significant revisions to the first three chapters of the Plan.

Chapter 1 are introductory policies which provides:

- territorial acknowledgment,
- a region and community overview,
- the vision, foundational themes and guiding principles,
- the purpose and approach in preparing the Plan, and

- an overview of the Regional Planning Framework comprising of the urban and rural systems.

Chapter 2 are the detailed policies of the urban system comprising of Urban Areas, Urban Growth Centres, Regional Intensification Corridors, Township Urban Areas and Township Urban Growth Centres. This chapter also outlines how population and employment growth will be managed and prioritized to align with the vision, foundational themes and guiding principles detailed in Chapter 1, as well as implement the recommended growth approach and prescribed targets (Greenfield and Intensification) in the LNA.

Chapter 3 delves into the range and mix of housing units including the provision of affordable housing.

Regional Report PDL-CPI-22-21 - Draft ROP Amendment (Attachment No. 4) provided a detailed summary of key policy innovations proposed for Chapters 1, 2 and 3 to re-enforce their vision, foundational themes and guiding principles. Some of the highlights include:

- Adding policies recognizing the unique and enduring relationship that exist with the Indigenous peoples and their traditional territories and introducing objectives for respecting their values, history and culture.
- Adding objectives and direction to plan in a manner that respects social equality.
- Promoting an intensification-first approach and community building that will better utilize existing lands and infrastructure.
- Establishing new growth targets within the various areas of the urban system.
- Introducing a new Regional Intensification Corridor along the entire length of Ottawa Street in Kitchener to Fountain Street in Woolwich to provide future transit service to the East Side Employment Area and the Airport.
- Introducing a number of climate change policies and initiatives such as requiring the development of 15 minute neighbourhoods within cities and townships where residents can meet their daily needs for living through short trips of walking, cycling or rolling and longer trips with access to frequently run transit.
- Introducing policies and initiatives for the provision of affordable housing and the 'Missing Middle' housing (i.e., medium density housing types) by setting more aggressive targets, offering a diverse range of mid-rise housing types, providing the various implementing tools (e.g., inclusionary zoning, prioritizing the processing of applications that deliver affordable housing, etc.) and protecting the conversion of rental units.
- Establishing a new Regional Employment Area designation with associated policies for the long-term protection of employment lands with the region and within the area municipalities.

Township Staff has had significant input in shaping the policies and mapping related to Chapters 1 to 3 and are generally supportive of the proposed ROP Amendment to

implement the preferred Growth Approach. This version of the ROP Amendment has addressed many of the issues Staff have been advocating, including:

- Refining the focus of promoting ‘community-building’, which is inclusive for all areas within the region, rather than ‘city-building’ which was the terminology previously used.
- To carry forward the policies in the current ROP with respect to acknowledging that each of the Townships have ‘Township Urban Growth Centres’ that can accommodate a significant portion of the municipalities’ intensification growth at greater densities and building height, such as Elmira. Previous versions removed Township Urban Growth Centres as part of the Region’s urban system.
- The Servicing policies related to certain lands within the Stockyards Area clarifying that the negotiation of a Cross Border Servicing Agreement should be a technical exercise based on flow (as it relates to wastewater) and/or capacity of the collection system and not a means to determine the range of land uses within the municipality receiving the service extension.

Chapter 2 redefines the planning policy framework of a portion of the Urban Area containing the Stockyards Area within Woolwich for the purpose of allowing the subsequent approval of Official Plan Amendment (OPA) #38 to Woolwich’s Official Plan. OPA #38 are implementing policies from the Stockyards Secondary Plan that Council adopted in 2021. Chapter 2 no longer has special urban policies for the Stockyards Area to limit the scale of the power centre commercial development or limit the range of uses within the existing industrial/commercial area. Township Staff is not objecting to such deletion because it provides greater flexibility to implement the entire vision and proposed land use designations in OPA #38. It also appears on surface that the community area portion of the Stockyards Area (all lands not designated as Regional Employment Area) could develop with a range of uses similar to the city’s urban areas including residential. Although the Township may ultimately consider residential in this area if a higher order of transit was provided and certain land use compatibility issues were addressed (e.g., livestock exchange), such a use would not be consistent with the current vision of the Stockyards Area in OPA #38. Further implications of the Regional policy framework related to the Stockyards will be discussed later in this section.

The Region is also proposing two site-specific policy areas on lands within the Stockyards Area that are proposed to be designated as Regional Employment Lands, being the Geis lands at Weber Street/Benjamin Road and the Schlueter Holdings Inc. lands at 713/725 King Street, adjacent to the highway. The need for the site-specific policy area is to recognize that notwithstanding the Regional Employment Lands designation, the Geis and Schluter lands may permit other non-employment uses as outlined in the respective land use designations in OPA #38. However, such additional non-employment uses shall not be those deemed to be sensitive, such as residential or certain institutional type uses. Staff has worked with the Region and are satisfied with the list of uses that are considered sensitive and will be removed from OPA #38. With these changes to Chapter 1 to 3

affecting the Stockyards Area, and the inclusion of the two site-specific policy areas, the Region can now move forward to approving OPA #38, which will come into affect when the ROP amendment is approved by the Province.

Finally, Township Staff previously submitted a number of editorial comments and requested changes to specific policies summarized in Attachment 5 , which are generally minor in nature, but have not been incorporated or addressed in the Region’s latest version of the draft ROP amendment. Staff is recommending that Council endorse these comments and requested changes as Woolwich’s formal response on the draft ROP amendment.

Next Steps and Subsequent Township Initiatives

The adoption of the proposed ROP amendment that addresses the growth related matters in the Plan is being considered by the Region’s Planning and Works Committee of August 11, 2022 and Regional Council on August 18, 2022. Other non growth-related matters and policies in the remaining chapters of the ROP will tentatively be addressed in a subsequent amendment to the Plan in 2023. Once Regional Council has adopted this proposed ROP amendment, it will be forwarded to the Province for review and approval, which may be subject to further modifications. The policies and mapping related to growth and urban expansion as contained in the draft ROP Amendment cannot be appealed. However, the Minister could refer such matters to Ontario Land Tribunal.

Once the Province has approved this ROP amendment and the subsequent amendment dealing with non growth-related matters, the overall regional planning policy framework will be in place and will trigger the following Township initiatives to be completed in the coming years:

- Municipal servicing review of the Elmira, Breslau and St. Jacobs systems currently in progress.
- Undertaking a review of the Woolwich Official Plan (OP) to bring into conformity with the amended ROP and current Provincial policies (2022 to 2024) as well as addressing the following items:
 - Updating the growth strategy of Elmira and St. Jacobs that were approved in the 1990s and refining the Breslau Secondary Plan approved in 2017 to implement the established growth targets assigned to Woolwich as part of the OP review;
 - Developing an overall density and intensification strategy;
 - Developing a commercial land needs strategy and hierarchy;
 - Updating the Township’s Affordable Housing Strategy to utilize the tools provided in the amended ROP; and
 - Undertaking an Active Transportation Plan of which the Township has received Provincial funding.
- Updating the Township Zoning By-law to conform to the new Woolwich OP after completing the comprehensive review (2024/2025).

The exact timing and resources allocated to these initiatives will be vetted by Council through their annual budget approval process.

Interdepartmental Impacts:

None

Financial Impacts:

None

Strategic Plan Impacts:

- Planning for Growth and Exploring Economic Development Opportunities
- Healthy Communities
- Infrastructure Maintenance and Transportation Planning
- Fiscally Responsible and Sustainable Community
- Communication with the Public and the Marketing of Community Services
- Best Managed and Governed Municipality

Conclusion:

The Region has approved a Growth Approach and an LNA, which is a hybrid of Growth Approach 2 and 3, that proposes an intensification-first approach and a higher Designated Greenfield Area density target than what is currently prescribed in the Provincial Growth. This modified approach results in the Region proposing to allocate 52 ha of Community Area lands and 175 ha of Employment Area lands to Woolwich (total 227 ha). Township Staff are supportive of the proposed expansion lands within Woolwich as illustrated in Attachment 1 as they satisfy a number of strategic land use and infrastructure priorities of the Township.

Township Staff are generally supportive of the proposed ROP Amendment to implement the preferred Growth Approach. However, Staff is recommending that Council endorse the comments/questions and requested editorial changes to Chapters 1, 2 and 3 of the proposed ROP amendment as contained in Attachment 2, which will form Woolwich's formal response to the Region.

Attachments:

1. Region's Recommended Woolwich Expansion Proposal
2. Woolwich Response to Regional Official Plan Amendment
3. Regional Staff Reports PDL-CPL -22-20 - LNA & Urban Expansion
4. PDL-CPI-22-21 - Draft ROP Amendment
5. Previous Woolwich Expansion Proposal in Staff Report DS23-2022