



Staff Report

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Report To:	Planning and Development Committee	
Date of Meeting:	April 25, 2022	Report Number: PDS-021-22
Submitted By:	Ryan Windle, Director of Planning and Development Services	
Reviewed By:	Mary-Anne Dempster, CAO	By-law Number:
File Number:	PLN 2.12	Resolution#:
Report Subject:	Envision Durham, Alternative Land Need Scenarios	

Recommendation:

1. That Report PDS-021-22 be received, including delegations and communications relating to this report;
2. That the Region of Durham be requested to release the population and employment forecasts, intensification targets, and designated greenfield area density targets allocated to each municipality prior to Regional Council selecting a Land Need Scenarios;
3. That the Region of Durham Planning and Economic Development Department and all lower tier municipalities in the Region be forwarded a copy of Report PDS-021-22 and Council's decision; and
4. That all interested parties listed in Report PDS-021-22 and any delegations be advised of Council's decision.

Report Overview

Envision Durham is the Municipal Comprehensive Review (MCR) of the Regional Official Plan (ROP). In March of this year, the Region released a report on Alternative Land Need Scenarios. This report outlines the five Scenarios that have been developed to accommodate the 2051 Growth Plan forecast of 1.3 million people and 460,000 jobs in Durham Region.

Each Land Need Scenario quantifies the amount of land that will be needed to meet the forecasts to 2051. The Land Need Scenarios presented are Region wide and not specific to Clarington.

The selection of a Land Need Scenario by the Region will shape the type of community the Region is to become by 2051. In the lowest density Scenario, which requires the greatest expansion to urban areas, singles, semis, and townhomes are predominant. On the other hand, the densest Scenario, focuses on higher density-built forms, mainly apartments and condominiums. However, without the accompanying population and employment forecasts, the implications of a given Scenario for Clarington is not possible to discern at this time.

Through community engagement and Council debates of the last Clarington Official Plan update culminating with Council adoption in 2016, the community set a path to provide a choice of housing types and densities in keeping with our values of protecting the environment as well as the unique character of our diverse community, from rural areas and hamlets to our vibrant urban centres. Higher density housing was focused in Priority Intensification Areas including Regional Centres, Corridors, Transportation Hubs (GO Station areas) and Waterfront Places.

This report will provide an overview of Staff's analysis and recommendations on the proposed Land Need Scenarios for Council consideration in keeping with the values mentioned above and with the understanding that once we receive the population and jobs forecasts for Clarington, as well as the proposed intensification and designated greenfield area density targets, Staff recommendations may be reaffirmed or modified through Council decisions.

1. Purpose of this Report

- 1.1 The purpose of this report is to present staff comments to Council regarding the Region of Durham's Alternative Land Need Scenarios.
- 1.2 This report and any additional Council resolutions will be forwarded to the Region to inform the Envision Durham process. The Region's Alternative Land Need Scenario Assessment Summary Report can be found at the following link: [Alternative Land Need Scenarios Assessment Summary Report March 2022 \(durham.ca\)](#).

2. Background

Envision Durham Growth Management Study Background to date

- 2.1 The Region is undertaking a Growth Management Study (GMS) as part of Envision Durham, the Municipal Comprehensive Review (MCR) of the Regional Official Plan (ROP). The first phase of the GMS is the preparation of a Land Need Assessment (LNA). The LNA will quantify the amount of urban land needed to accommodate future population and employment growth forecasted at 1,300,000 people and 460,000 jobs for the Region of Durham by 2051.
- 2.2 From July to October 2021, the Region released the following four (4) technical reports to comprise the LNA:
 - 1) [Region-Wide Growth Analysis: Report #2021-INFO 71.](#)
 - 2) [Housing Intensification Study: Report #2021-INFO 94.](#)
 - 3) [Employment Strategy: Region Report #2021-INFO 97.](#)
 - 4) [Community Area Urban Land Needs Report: Report #2021-INFO 100.](#)
- 2.3 Following receipt of public and Area Wide Municipal Working Group comments, Regional Planning and Economic Development Committee (on October 5, 2021) directed Regional staff to run a range of alternative land need scenarios.

3. Alternative Land Need Scenarios Assessment Summary Report

- 3.1 In March 2022, the Region released the [Alternative Land Need Scenarios Assessment Summary Report](#), Regional staff also held a virtual open house March 24th, 2022.
- 3.2 The report includes two alternative employment land area scenarios and five community land (residential) area scenarios. Each scenario results in a different quantity of land required to accommodate the forecasted growth. The results vary from no settlement area boundary expansions needed (in scenario 5) to approximately 5,400 hectares of land being needed (in scenario 1).
- 3.3 The report focuses only on the total land area required for the Region as a whole. Land needs for each municipality are not provided.

Employment Area Land Needs

- 3.4 The initial Employment Area Land Need (October 2021) was updated primarily to reflect additional Employment Area conversions endorsed by Regional Council, as well as the Region's recently updated draft Natural Heritage System mapping, and recent development applications. This review has resulted in the Region identifying an increased Employment Area land need. The Region's two (2) Employment Area Land Need Scenarios are summarized in **Table 1**.

Table 1: Employment Area Land Needs Scenarios – Overview		
	Scenario 1	Scenario 2
Vacant Employment Area Density Target	27 jobs per hectare	27 jobs per hectare
Employment Intensification Target	15%	20%
New Employment Area Land Need for the Region	1, 350 hectares (3,335 acres)	1, 170 hectares (2,891 acres)

- 3.5 Both of these scenarios will result in additional land needed for employment purposes. The density target of 27 jobs/hectare is quite aggressive as the current densities throughout the Region are approximately 14 jobs/hectare.
- 3.6 The Region is considering Scenario 2, which includes an Employment Intensification Target of 20% to reduce the overall Employment Area land need in Durham Region by 2051. A reduction in new land required to accommodate job growth would as a result, have a lesser impact on the Region’s agricultural lands and rural systems.

4. Community Area Land Needs Scenarios

- 4.1 The Region’s five (5) Community Area Land Need Scenarios range from the lowest density housing mix and highest land need to the highest density housing mix and lowest land need. The Community Area Land Need Scenarios are summarized in **Table 2**.

Table 2: Community Area Land Need Scenarios Overview

Scenario	Unit Mix			Secondary Units	Intensification Rate	Greenfield density target population + jobs (p+j)	New Community Land Area Need
	Low Density	Medium Density	High Density				
Scenario #1 Emphasis on low-density housing	56%	23%	19%	2%	35%	~ 50 p+j/ha	5,400 ha (13,344 acres)
Scenario #2 Primarily low-density housing	39%	26%	32%	3%	45%	~55 p+j/ha	2,600 ha (6,425 acres)
Scenario #3 Shifting the unit mix	34%	30%	33%	3%	50%	~57 p+j/ha	1,500 ha (3,707 acres)
Scenario #4 Balancing the unit mix	28%	28%	41%	3%	50%	~ 60 p+j/ha	950 ha (2,348 acres)
Scenario #5 Emphasis on higher densities	20%	31%	47%	3%	55%	~64 p+j/ha	0

- 4.2 All Scenarios have accounted for the projected population forecast of 1.3 million people as per the Growth Plan. However Scenarios #1 and #2 do not meet the Growth Plan's requirements for a minimum of 50% intensification within the built-up area (Region wide).
- a. **Scenario 1** implements the housing unit mix from the Growth Plan background technical report entitled: "[Greater Golden Horseshoe: Growth Forecasts to 2051](#)", prepared by Hemson Consulting (2020). Scenario 1 incorporates the highest proportion of low-density housing forms, which will result in the highest amount of additional Community Area land needed. However, scenario 1 does not meet the Growth Plan's required minimum intensification target of 50%.
 - b. **Scenario 2** increases the share of medium and high-density housing, but lower density housing continues to have the greatest proportion. Scenario 2 also does not meet the Growth Plan's required minimum intensification target of 50%.
 - c. **Scenario 3** shifts the share of low-density units, towards medium and high-density units, to reach the Growth Plan intensification target of 50%. The Region's report states that this scenario may limit the ability to achieve high density intensification in some Regional Centres and Corridors because a high number of low-density units would be required.
 - d. **Scenario 4** is the Region's consultants recommended scenario that is based on the four (4) Land Needs Assessment Technical Reports from the fall of 2021. The Region's report states that Scenario 4 reflects the estimated current pipeline development trend toward high-density housing in the Region, while accommodating a sufficient proportion of low- and medium-density forms to offer a range of market-based housing options.
 - e. **Scenario 5** applies an intensification rate of 55%, which exceeds the minimum Growth Plan target. This forecasted unit mix in the Designated Greenfield Area (DGA) is expected to accommodate the greatest share of high-density housing compared to the other scenarios. Additional Community Area land is not required.

5. Community Area Land Need Scenario Assessment Framework

- 5.1 To provide Regional Council, area municipalities, stakeholders, and members of the public with additional information and context, each scenario was measured against an assessment framework. This framework was prepared by the Region's MCR consultant.
- 5.2 The five principles and their related key questions are as follows:
- **Principle 1: Achieving Targets** - Does the scenario achieve the minimum targets of the Growth Plan, before advancing additional settlement area boundary expansion?

- **Principle 2:** Housing Market Choice - Does the scenario provide for the development of a fulsome range of housing types? How does the scenario respond to market demand?
- **Principle 3:** Setting up Strategic Growth Areas for Success - Does the scenario support the ability of Strategic Growth Areas (SGA), including Urban Growth Centres, MTSAs, Regional Centres, and Regional Corridors, to achieve their planned function as higher density, mixed-use, and transit supportive urban communities?
- **Principle 4:** Protecting the Rural System, preparing for Climate Change and achieving Sustainable Development - To what extent would the scenario negatively impact existing agricultural and rural areas; provide sustainable development, including transit-oriented development; and respond to Climate Change?
- **Principle 5:** Competitive Economic and Employment Conditions - To what extent does the scenario capitalize on the Region's economic and sector strengths, including providing for appropriate Employment Area land to ensure Durham remains economically attractive and competitive over the long term?

5.3 Although each Scenario was assessed following the framework provided, there were no conclusions presented as to which Scenario was considered best overall. And without the regional population and employment forecasts for each municipality, as mentioned before, staff cannot, at this time, assess how each scenario impacts Clarington.

Staff Comments

5.4 Generally, staff agree with the key principles of the Region's assessment framework. However, and as noted in [Whitby's comments](#) to the Region on the LNA, it is recommended that the Region consider other key principles, such as:

- Taking a balanced approach to growth and intensification, which considers unique local circumstances, not only across the Region, but also within, each area municipality;
- Consider different targets for each area municipality that consider unique local area municipal circumstances, while still achieving the overall Region-wide target as expressed in Principle 1; and,
- Acknowledging that a broad range of low, medium, and high-density housing forms under Principle 2, as well as the support for Strategic Growth Areas such as our two Major Transit Station Areas.

6. Clarington's Official Plan Review 2022 – The Community's Future to 2051

- 6.1 During the 2021 Clarington budget process, Council allocated resources for the review of the Clarington Official Plan. This review, as mandated by the Province, is to be completed by June 2023. Hemson Consulting was retained to update Clarington's Growth Forecasts to 2051. Unfortunately, this work cannot be completed until the Region allocates a population and employment forecast to Clarington; however, in May 2021 Hemson's preliminary findings were presented by staff to Council in report [CAO-003-21](#) as follows.

Community Land Needs Analysis – Accommodating Population Growth

- 6.2 Clarington is one of the fastest growing municipalities in the Greater Toronto Area. This growth has increased steadily over the last few years. Notably, the community experienced a major increase in residential building permits in 2020 - despite the pandemic (**Figure 1**). The early 2021 population estimates have Clarington at roughly 105,000 residents, a number that is projected to increase to 234,000 by 2051 according to Hemson's estimates.

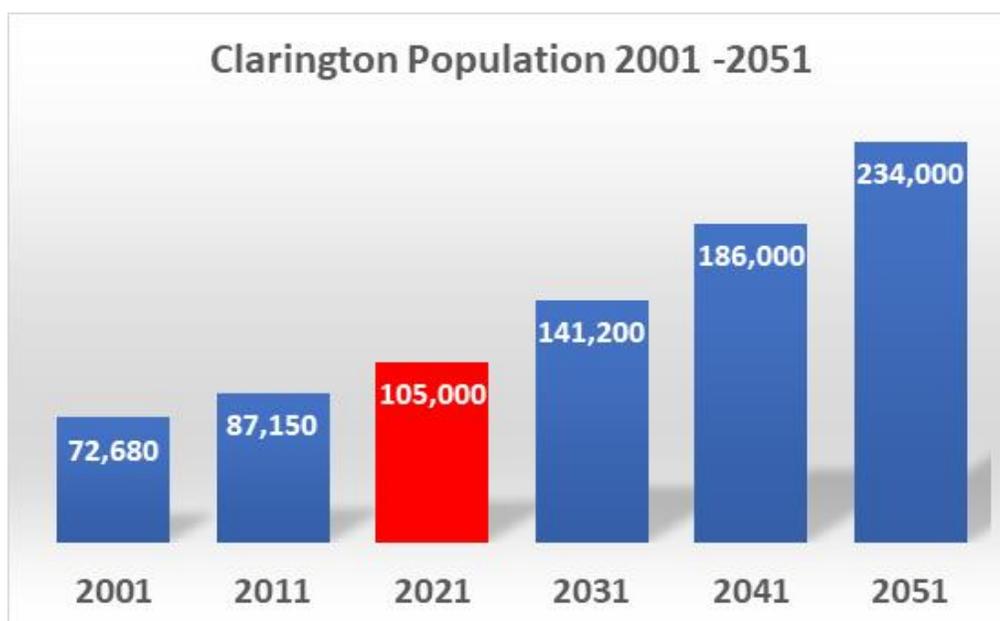


Figure 1: Clarington Population 2001-2051

- 6.3 Worth noting is that between 2011 and 2021, Clarington had draft approved 7237 residential units. To date, Clarington staff have only issued 42% of those building permits. At the end of last year, this meant that Clarington's developers could have potentially applied for building permits for the remaining 58% (4,200 units) of the draft approved units, thereby increasing the supply of units available to our community.

6.4 In addition to the units that have been draft approved (4,200 units), Clarington Council has adopted the following Secondary Plans which accounts for an additional 7900 units:

- Southeast Courtice – 5,000 units
- Southwest Courtice – 1,100 units
- Brookhill – 1,900 units

6.5 With the recent approval of 1,200 units at Camp 30, Clarington already has planning approvals for approximately 9,200 units. Add this to the 4,200 already in the pipeline for building permits, and the number increases to 13,400 units. The average units that have been built in Clarington in the last ten years is about 1,000; that results in approximately a 13-year supply of residential development (**Table 3**). Staff are in the process of completing nine other secondary plans, including two for the GO Transit Station Areas.

6.6 When staff commented to the Region on the original Land Need Scenarios (October 2021), staff pointed out that the Region’s projections were very different from the historical housing mix for the Region and not reflective of the unit mix seen historically in Clarington (**Figure 3**). Staff would like to note that the Region’s scenarios are based on percentages by building typologies like low density (singles, semis, townhouses), medium (stacked townhouses, low-rise apartments) and high density (multistorey apartment buildings).

Table 3: Historical Housing Mix 2011-2021 <i>(Provided by Hemson Consulting)</i>				
	Low	Medium	High	Total
Region				
2011-2016	65%	18%	17%	100%
2016-2021	49%	28%	22%	100%
Clarington				
2011-2016	80%	13%	7%	100%
2016-2021	58%	18%	24%	100%

6.7 The Region’s Land Need Scenario #2 as shown in **Table 4** below is the only scenario that reflects a housing mix that is similar to Clarington’s historical development patterns.

Table 4: Region of Durham Land Need Scenario #2				
Land Need Scenario #2	Low Density 39%	Medium Density 26%	High Density 32%	Intensification 45%

- 6.8 The Region’s Land Need Scenario 2, nevertheless, does not meet the annual Provincial Growth Plan target of 50% intensification (percentage of units to be constructed within the built boundary). Clarington’s intensification rate since 2015 has fluctuated between a low of 36% and a high of 77% in 2019, yet the average is closer to 47%. However, the 50% intensification target is to be measured across the Region as a whole. The Region, through ROP policy, could allocate higher levels of intensification to Ajax or Pickering (for example) while lowering the ratio in Clarington, which has been the case in the past. It is noted that Table E9 of the current Regional Official Plan establishes an intensification target of 32% for Clarington, lower than the Regional average of 40% as well as the targets for Ajax (54%), Whitby (45%), Pickering (40%), and Oshawa (39%).
- 6.9 It is imperative that moving forward the Region consider the unique circumstance for each lower tier municipality. Through OPA 107, Clarington’s conformity exercise to the Region of Durham Official Plan, Clarington implemented the Regional population and intensification targets differently for each one of our three lakeshore Urban Areas. More intensification units were allocated to Courtice and Bowmanville, than Newcastle because our residents wanted to maintain Newcastle’s low-density character and small town feel. This, “made in Clarington approach”, was supported by the Region and staff recommend that the Region again allow for a similar implementation approach.
- 6.10 Policy 5.2.3.2 of the Growth Plan requires that the Region, in consultation with lower-tier municipalities, and through the MCR, identify minimum intensification and DGA density targets for lower-tier municipalities and allocate the forecast growth to the lower-tier municipalities. The current Regional Official Plan already includes minimum intensification targets (Table E9) and forecast allocations (through policy 7.3.3) for Clarington. The Chapter 2 Housing Intensification Strategy released by the Region last fall states that this information will be provided. In order to fully evaluate the impact on Clarington of each of the 5 scenarios set out in the Alternative Land Need Scenarios Assessment Summary Report March 2022 staff feel it is important to understand the assumptions about intensification and density targets, as well as forecast allocations, at the local level.

Staff Comments:

- **Staff encourages the Region to release the population forecast, as well as unit mix and intensification and DGA density targets for Clarington and the other municipalities before selecting a land use scenario for the whole Region. This would allow the Municipality to appropriately assess the implications of the Scenario for our municipality.**
- **If the forecasts are not released before selecting a Scenario, staff supports existing Scenario #2 for Clarington. Staff support a modified Scenario #2 for the Region as a whole. Setting the intensification rate at 50% with the understanding that some of the lower tier municipalities like Clarington, could be assigned a lower level of intensification (35-40%) which is in line with existing Scenario 2.**
- **Staff also request that any land use scenario selected by the Region allow for flexible implementation at the local level. In the case of Clarington, once we have the final Regional forecast for the Municipality, local staff require the ability to distribute the population and employment forecasts among Courtice, Bowmanville, Newcastle, Orono, and the rural areas, a unique case in the Region.**
- **Staff recommend that specific urban boundary expansions, including a determination of the total land need, not be considered until after there is agreement between the municipalities and the Region on the population and employment forecasts, housing unit mix and the intensification ratio.**
- **The chosen Land Needs Scenario will also impact the Community Services Department. Thus, to best respond to the increase in expected population, Clarington's Community Services Department will seek funding approval for the completion of a comprehensive Community Services Strategic Plan as part of the 2023 Budget cycle. This Strategic Plan will take into consideration any new population growth/demographics, will update trends in recreation and leisure future needs, and will re-assess what additional indoor facilities will be needed, all with a planning view out to 2051.**

7. Employment Land Need - Staff Discussion

- 7.1 The population growth over the last few years helps illustrate that Clarington is a desirable place to live, which is a key ingredient in economic development – helping to both attract and retain jobs. It is imperative that as population growth continues, it is accompanied by job creation to ensure that we develop a community where residents can find viable employment and that we achieve our target of one job for every three residents.

- 7.2 The integration of labour markets and mobility within the Greater Toronto Area offers opportunities for Clarington. Our connectivity to the rest of the GTA has improved substantially with the completion of the Highway 407 East extension and the Highway 418 linkage. Clarington stands to gain again when the GO Train extension to Courtice and Bowmanville becomes a reality.
- 7.3 A large boost to our local economy will come with the relocation of the OPG headquarters to the Clarington Energy Business Park. By consolidating large parts of its operations in our community, OPG has positioned Clarington to be the centre of the nuclear industry in Ontario. The long-term economic opportunities associated with this move, as well as being a potential host to a small modular reactor demonstration site, will effectively create an energy cluster in South Courtice.
- 7.4 Long-term employment projections estimate an additional 38,000 jobs being added to our local economy in the next 30 years – more than doubling Clarington’s current employment base. Job creation is key to diversifying our local economy. See Figure 2.

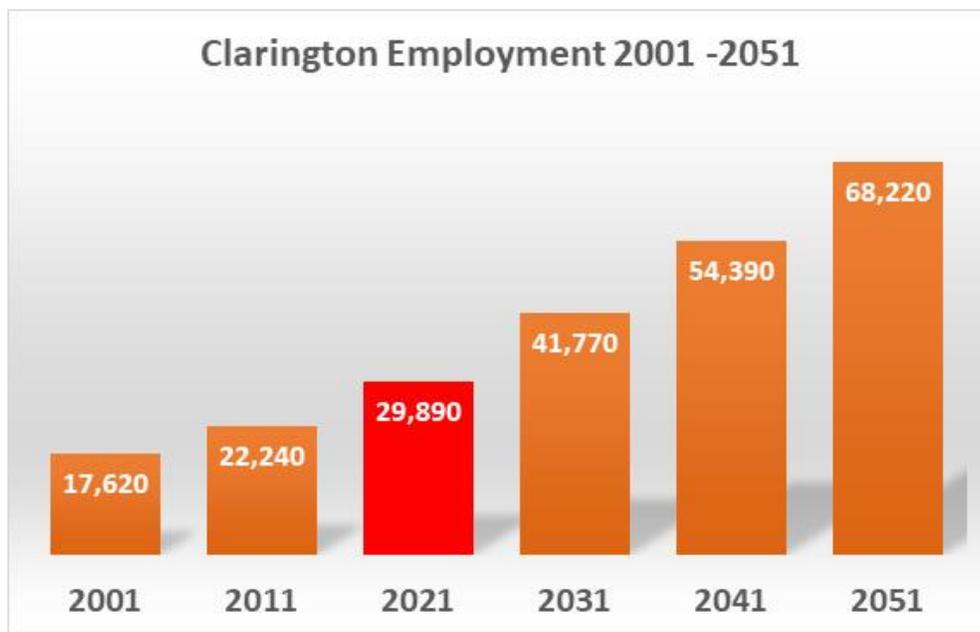


Figure 2: Clarington Employment 2001-2051

- 7.5 Our economic development efforts in job creation need to evolve beyond the tradition of focusing on industrial jobs. Job creation takes place mainly in four key areas: major office space (traditional office jobs), population related (correlated to increase in population - education, healthcare, retail, professional and business services), employment lands (manufacturing, as well as a range of construction and goods distribution activities), and rural jobs (agriculture based).

- 7.6 It is important to mention that the employment forecast includes both employment on employment lands and employment generated by population growth. Hemson's projections indicate that the largest increase of jobs will take place in the population related (service and retail) sector, transforming Clarington into a service economy. Jobs from the development of employment lands will also experience substantial growth, while employment in rural areas will gain at a slower pace, in keeping with historical trends.
- 7.7 Hemson's preliminary findings for Clarington indicate that an intensification rate of 15% in employment lands for Clarington is considered very high. In addition, Hemson's preliminary findings also illustrate the shortage of employment lands in Clarington for the long term. Hemson suggests that in addition to the urban boundary expansion in Courtice already requested by Council Clarington ([PSD-115-08](#), [PSD-031-09](#), [PSD-015-19](#), [PSD-027-19](#), and [PDS-009-21](#)), additional employment lands will be required to meet the 2051 employment forecasts.

Staff Comments:

- **Staff encourages the Region to release the employment forecast for Clarington and the other municipalities before selecting an employment land need scenario for the whole Region. This would allow the municipality to appropriately assess the implications for our municipality.**
- **Staff requests that any employment land scenario selected by the Region be accompanied by commitments by the Region to service those employment lands.**
- **Staff generally agree that employment intensification may be achieved on some existing sites in Clarington. Staff will continue to recommend that the Region:**
 - **Strategically locate employment lands in relation to the Goods Movement Corridors;**
 - **Protection of designated and serviced employment land for high employment density is needed; and**
 - **Consider the unique local circumstances of each area municipality when developing the ROPA policies related to employment intensification.**

8. Region of Durham Next Steps

- 8.1 A final recommendations package on the Alternative Land Need Scenarios will be presented to the Regional Planning and Economic Development Committee in May 2022. This package will contain recommendations on the Preferred Land Need Scenario, supporting technical figures and tables and other recommendations related to Phase 2 of the Growth Management Study. This presentation will represent the culmination of Phase One of the Envision Durham: Growth Management Study.
- 8.2 Following Regional Council's decision, the Region's MCR process will move into Phase 2 to determine land need allocations and preferred locations for Settlement Area Boundary Expansion(s) for the lower tier municipalities. It will also focus on determining the share and form of growth attributed to the Area Municipalities. Phase 2 will culminate with a Regional Official Plan and demonstration of Growth Plan conformity.

9. Concurrence

Not Applicable.

10. Conclusion

- 10.1 The staff comments and recommendations presented throughout this report for Council endorsement will need to be modified or reaffirmed once the Region releases the population and employment forecasts for each municipality.
- 10.2 The Municipality will continue to work with the Region to advance the MCR project and will bring to additional reports to Council for consideration.

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Attachments:

Not Applicable

Interested Parties:

List of Interested Parties available from Department.