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CITY OF BELLEVILLE

Stephen Ashton, Manager of Policy Planning
Engineering and Development Services Department
Report No. PP-2019-32
May 6, 2019

To: Belleville Planning Advisory Committee

Subject: **Draft Report,** Municipal Comprehensive Review of Urban Serviced Area, Official Plan Update

File: B-50-5-A

Recommendation:

THAT Report No. PP-2019-32 dated May 6, 2019 regarding Draft Report, Municipal Comprehensive Review of Urban Serviced Area, Official Plan Update be received as information; AND

THAT Staff commence with the notification of public, city departments, and other agencies and sources as outlined in this report to advise them of an upcoming Public Information Centre and Public Meeting on June 3, 2019; AND

THAT Staff report back at such time as input from the public, commenting agencies, municipal departments and the approval authority has been received, assessed, and addressed to the satisfaction of the Engineering and Development Services Department.

Key Facts:

1. The City is currently undertaking an Official Plan Update as required by the Planning Act. This update consists of four phases: review and analysis of land requirements, policy recommendations, policy development, and implementation through an Official Plan Amendment.
2. The City has received the final draft of the Municipal Comprehensive Review Report dated April 11, 2019 from Watson & Associates Economists Limited in association with Dillon Consulting. This is the first report required as part of the City's Official Plan update process and addresses the first two phases of the official plan update process.
3. The analysis undertaken by Watson & Associates Economists Ltd. has determined that the City has sufficient residential, commercial, community facility, and employment lands for the next 20 years within its

urban boundary.

4. There is no requirement to change the urban boundary of the City with the exception of the proposed land swap of the majority of lands located in the Cannifton East Industrial Area for the expropriated lands adjacent to the North East Industrial Park.
5. Upon approval of this report through Council, Staff will commence with the notification of public, city departments, and other agencies and sources to advise them of an upcoming Public Information Centre and Public Meeting on June 3, 2019.
6. Staff has initiated a request with the consulting group to expand the Terms of Reference for the Official Plan update as a result of Council's priorities identified through the City Housing Summit including modernizing housing policies, intensification policies and mixed use policies in order to increase the supply of lands available for medium and high density residential development along with mixed use development (ground floor commercial with residential above) which will ultimately increase the supply of rental units in the city of Belleville.
7. After the Public Information Centre and Public Meeting, Staff will report back at such time as input from the public, commenting agencies, municipal departments and the approval authority has been received, assessed, and addressed to the satisfaction of the Engineering and Development Services Department.

Strategic Plan Alignment:

The City of Belleville's Strategic Plan identifies nine strategic themes. This report aligns with each of the City's nine strategic themes and the City's mission statement by providing innovative and efficient services in support of our community's vision.

Background:

The City has received the final draft of the Municipal Comprehensive Review Report dated April 11, 2019 from Watson & Associates Economists Limited in association with Dillon Consulting. This is the first report required as part of the City's Official Plan update process.

The current Official Plan was adopted by City Council on June 18, 2001 and approved by the Ministry of Municipal Affairs and Housing on January 7, 2002. Since 2002, a significant number of new and updated policies and legislation has occurred at the provincial level. The City will have to comply with the province's new legislation, regulations, and policies when updating the Official Plan. Through Section 26 of the Planning Act, a municipality is required to ensure their official plan conforms with provincial

plans or does not conflict with them, has regard to matters of provincial interest and is consistent with provincial policy statements. Generally speaking, the Planning Act requires that official plans be revised in ten years if there is a new official plan or every five years if the official plan is an updated plan.

To address this requirement, the City of Belleville retained Watson & Associates Economists Ltd. (Watson), in association with Dillon Consulting Ltd., in the fall of 2017 to undertake an Official Plan Update.

This process was intended to build upon an earlier undertaking of the City whereby a Municipal Comprehensive Review was done in 2011 and draft policies were prepared by City Staff. Through this process, the draft policies underwent an Inter-Ministry review coordinated through the Ministry of Municipal Affairs and Housing. A number of comments were received by the City through this process. Because five years passed since the 2011 Municipal Comprehensive Review, the process was reinitiated. The comments received by the City through the Inter-Ministry review formed part of the background information for the current Official Plan Update process.

Watson & Associates Economists identify themselves as “a dynamic team of specialists, made up of municipal economists, urban planners and accountants with a diverse set of skills.” They have expertise developing solutions in municipal finance, education and land economics – including asset management, ward boundary studies, development charge policies, demographic forecasting studies and economic assessments.” They also state on their webpage that they “work to protect the economic assets and interests of every client we serve. Our ability to collect, distill and interpret the right data allows us to develop key insights and strategic solutions that make a difference.”

Four-Phase Requirement of the Official Plan Update Process

The four phases of the Official Plan Update process are as follows:

Phase 1:

This phase assesses the current boundary of the Urban Serviced Area and whether there is a sufficient amount of designated land available in greenfield and intensification areas to accommodate future residential and non-residential employment growth over a 20-year planning horizon. Detailed technical planning and economic analysis has been prepared to comprehensively assess the City’s long-term urban land needs for this purpose. Through this analysis, the current Official Plan, the draft Official Plan prepared as part of the 2011 process along with Inter-Ministry

comments, and key Official Plan amendments such as the Loyalist Secondary Plan were also reviewed.

Finally, an examination of the potential for the exchange of lands that are currently within the Urban Serviced Area (majority of lands located in the Cannifton East Industrial Area) for lands outside the Urban Serviced Area that have been recently expropriated by the City of Belleville (adjacent to the North East Industrial Park) for the purpose of future industrial development was undertaken.

Phase 2:

This phase provides detailed policy direction and recommendations that are required.

Phase 3:

This phase includes preparation and update of Official Plan policies incorporating recommendations and policy changes identified in Phase 2 work which will form a draft Official Plan Amendment (O.P.A).

Phase 4:

This phase provides for the finalization of the Official Plan Amendment.

Municipal Comprehensive Review Report

The final draft of the Municipal Comprehensive Review Report was submitted to the City April 11, 2019. This report is the first report required as part of the Official Plan Update process. This report is for the purpose of addressing Phase 1 and Phase 2 of the City's four-phase process.

A comprehensive review is required through the Provincial Policy Statement. It is also defined through the PPS as meaning an official plan review or amendment initiated by a planning authority which:

1. is based on a review of population and growth projections and which reflect projections and allocations by upper-tier municipalities and provincial plans, where applicable; considers alternative directions for growth; and determines how best to accommodate this growth while protecting provincial interests;
2. utilizes opportunities to accommodate projected growth through intensification and redevelopment;
3. confirms that the lands to be developed do not comprise specialty crop

areas;

4. is integrated with planning for infrastructure and public service facilities; and
5. considers cross-jurisdictional issues.

In plainer language, an M.C.R. is defined in the consultant's report as establishing "a long-term vision and planning framework for a municipality that fosters a sustainable approach to future residential growth and economic development. Typically, an M.C.R. examines future population and employment growth potential and corresponding urban land needs over a long-term planning horizon (up to 20 years)."

As identified through the reports introduction "the primary objective of this assignment is to provide a long-term assessment of future urban growth and associated urban land needs to inform and support the City's new Official Plan (O.P.) which includes long-term growth assessment based on population, housing and employment forecasts to 2041 and the associated residential and non-residential land needs to 2038. This study represents a critical background document regarding the City of Belleville's five-year O.P. review."

The report addresses the following key deliverables identified through the City's terms of reference for this project:

- A long-term demographic analysis and growth forecast which will project long-term population, housing and employment growth for the City from 2016 to 2041;
- A residential intensification assessment which identifies where intensification is projected to occur within the City's built boundary;
- A detailed allocation of population, housing and employment growth between the built-up area and designated/future greenfield area;
- An assessment of long-term (i.e. 2038) residential and commercial/institutional land needs in accordance with subsections 1.1.3.8 and 1.3.2 of the 2014 P.P.S.; and
- Policy recommendations regarding residential, commercial/institutional and employment lands development, complete with phasing policies to ensure that future population and employment growth is sequentially planned, serviced and developed in a manner that promotes the development of a complete, economically competitive and sustainable City.

The MCR Report contains an executive summary and ten sections that

include:

- Introduction
- Overview of Macro-Economic Outlook and Regional Employment Trends
- Demographic and Housing Trends within the City of Belleville and the Surrounding Market Area
- Policy Context
- City of Belleville Residential and Non-Residential Land Supply
- Population, Housing and Employment Forecast, 2016 to 2041
- Residential Land Needs
- Employment Land Needs
- Policy Recommendations

The report also contains seven appendixes including an analysis of removal of prime agricultural area which addresses the technical requirements of the Provincial Policy Statement for the proposed land exchange that would include municipally-owned lands on the east side of the City, adjacent to the North East Industrial Park to be included within the urban boundary as industrial lands while removing the majority of lands located in the Cannifton East Industrial Area from the urban boundary and designated for agricultural use. This is referred to as a “land exchange” which would result in protecting “the City’s supply of agricultural lands, and avoid exacerbating the City’s existing surplus of employment lands.”

Additionally, through Section 9.9, the consultants reviewed employment lands to determine potential conversions to non-employment uses and whether they are appropriate and justified from a planning and economic perspective. Six sites were designated Industrial in the Official Plan and located in the Bayshore Planning Area that were older and isolated industrial lands surrounded by residential areas were evaluated through the framework of a Municipal Comprehensive Review (M.C.R.) as directed by provincial policies under the 2014 P.P.S. with the recommendation that an amendment to the Official Plan to re-designate these sites to non-industrial uses proceed.

Conclusions of the MCR

The following conclusions for urban land needs have been provided by the consultants:

1. The City of Belleville has sufficient residential supply opportunities to accommodate residential growth through 2038.
2. The City of Belleville has sufficient designated vacant commercial land to accommodate forecast demand.

3. The City of Belleville has sufficient designated Community Facility lands to accommodate forecast demand over the 2018 to 2038 period.
4. The City has a surplus of employment land to accommodate growth to 2038.
5. The City completes a land exchange to strengthen its competitive position and economic development potential. The first step is to remove 276 gross hectares of employment land located north of Highway 401 and east of Highway 37 from the City's urban boundary which is currently unserviced and not considered serviceable within the forecast period. The next step is to include 166 gross hectares of expropriated lands adjacent to the east of the north East Industrial Area and bring these lands into the Urban Serviced Area as employment land. This will assist the City by reducing its employment land surplus to 337 gross hectares.
6. The City proceed with the conversion of six parcels of employment land within two mature industrial areas within the Sidney Street Industrial Area and the Waterfront Industrial Area as these sites are considered isolated and fragmented parcels that are surrounded by residential uses.

There is no requirement to change the urban boundary of the City with the exception of the proposed land swap of the majority of lands located in the Cannifton East Industrial Area for the expropriated lands adjacent to the North East Industrial Park.

Approval Authority and Ongoing Ministerial Consultation

The Approval Authority for the Official Plan Update is the Ministry of Municipal Affairs and Housing. The Ministry will be reviewing both the Municipal Comprehensive Review along with the updated policies in the next phases to ensure conformity with the Ontario Planning Act and Provincial Policy Statement. They will also co-ordinate any necessary review by other Ministries including the Ontario Ministry of Agriculture, Food, and Rural Affairs (OMAFRA).

To date, City Staff and the Consultants have had ongoing meetings with the Ministry to determine additional information required for the Municipal Comprehensive Review Update. The report has been updated based upon Ministry comments. The final draft report was circulated to the Ministry on April 23, 2019. Subsequently, the Ministry has notified City Staff that the report will also be circulated to the Ontario Ministry of Agriculture, Food, and Rural Affairs (OMAFRA) because of the recommendations to include agricultural lands within the urban boundary as part of the industrial land swap that is being proposed. It is estimated that comments will be provided the second week of June, 2019. Based upon these comments, the final draft

report may have to be updated.

Current City Initiatives and Considerations

i. Initiatives to Increase Housing Construction (Greenfield Development)

One of the discussions that has occurred through Council is the opportunity to build more homes through the attraction of skilled tradespeople to the area. Specifically, these new tradespeople would be able to construct more single-detached, semi-detached and townhome dwelling units in new plans of subdivision which would keep up with market demand of the marketplace.

The implications of this would be that current land supply would have to be increased to provide the supply for a doubling of new lower density housing for the marketplace.

The analysis undertaken by Watson & Associates Economists Ltd. reviews historical data along with projected trends based upon various factors including demographic trends of the future. This methodology is an approved and accepted methodology recognized by the Ministry who is the City of Belleville's Approval Authority.

It is important to note that the Municipal Comprehensive Review has concluded that the City has sufficient residential supply opportunities to accommodate residential growth through 2038. This means that with current trends and population projections, there is no justification to expand the urban boundary.

It should be recognized that the City is required to update its Official plan every five years. If the City is successful in attracting additional skilled tradespeople to the area resulting in greater numbers of lower density housing being built, it is possible that the City may run out of residential lands before the 20 year period.

However, any adjustment to the urban boundary would need to be done during future Official Plan Reviews once existing housing construction has increased. Until this occurs, the City must utilize current statistics and trends.

Finally, it is important to recognize that even with a doubling of low-density housing construction that could occur in the near future, there will be adequate supply of residential lands within the existing boundaries while the next five-year review will address a potential requirement for boundary expansion.

ii. Expanded Terms of Reference for Official Plan Review - Initiatives from the Housing Summit

During the City's Housing Summit of March 18 to 19, 2019, Council directed Staff through Resolution to "expand the Terms of Reference for the current Official Plan Update to include modernizing housing policies, intensification policies and mixed use policies in order to increase the supply of lands available for medium and high density residential development along with mixed use development (ground floor commercial with residential above) which will ultimately increase the supply of rental units in the city of Belleville."

Staff has already met with the consultants to request an expansion in the Terms of Reference. It is expected that the cost of these new initiatives will be paid through the consulting budget of the Department.

iii. Housing Community Improvement Plan

During the City's Housing Summit of March 18 to 19, 2019, Council directed Staff through Resolution "to develop a Terms of Reference for the undertaking of a housing community improvement plan that will provide incentives for affordable rental units in addition to leveraging the opportunities of the existing Brownfields Community Improvement Plan and Downtown Community Improvement Plan."

One of the key components of an Official Plan is to identify priorities and initiatives of the City. This means that there needs to be enabling policies contained within the Official Plan for implementation of public undertakings since this illustrates that there is public support.

City Staff has already directed the consultants to ensure enabling policies for a housing CIP are included in the updated official Plan.

iv. Requirement to Review Other Policies of the Official Plan

The official Plan is the most important document in establishing the longer-term land-use plan of the City. It is also an important document in the new Local Planning Appeal Tribunal process to justify professional recommendations and new initiatives. Staff will look towards ensuring all sections of the Official Plan achieve the goal of providing a longer-term vision of the City. One example will be the requirement to review the City Centre Policies and ensure the latest initiative "The Downtown Commons" project is recognized in the Official Plan.

These updates to the Official Plan policies are outside of the original

scope of work for this project but are important to incorporate. Costs for these additional requirements will be through the Department's consultant fees.

Provincial Policy Statement

The Provincial Policy Statement was first introduced in 1996 and updated in 2005 and 2014. The purpose of the PPS is to provide policy direction on matters of provincial interest related to land use planning and development. It sets the policy foundation for regulating the development and use of land. It also supports the provincial goal to enhance the quality of life for all Ontarians. Municipal official plans are required to support and integrate the principles of strong communities, a clean and healthy environment and economic growth that are contained within the PPS.

Since the current Official Plan was adopted in 2002, there have been a number of changes to the Provincial Policy Statement which will be addressed through the current Official Plan Update process of the City.

Official Plan

The current Official Plan was adopted by City Council on June 18, 2001 and approved by the Ministry of Municipal Affairs and Housing on January 7, 2002. Through the current Official Plan Update, the policies of the Official Plan will comply with current provincial policies and legislation while implementing and/or enabling identified City priorities such as updated intensification policies, mixed-use policies, and enabling a Housing Community Improvement Plan.

Zoning By-law

The Planning Act requires all zoning by-laws be updated within three years after an update to the Official Plan. In consideration that the existing Zoning By-laws of the City were approved in 1977 (By-law 10245, Belleville), 1982 (By-law 2076-80, Sidney Township), and 1987 (By-law 3014, Thurlow), the requirement to create one modernized and functional Zoning By-law that will conform with the Official Plan is a large task. To facilitate this process in a timely manner, City Council has approved budget for this purpose.

Planning Staff will be preparing a Terms of Reference for this project that will be circulated to Planning Consulting firms in 2019. It is expected that this process could take between two and three years to complete.

Considerations:

Public

The Planning Act requires at least one open house is held for the purpose of giving the public an opportunity to review and ask questions about the information and material made available for the purpose of updating the Official Plan.

Staff is proposing a minimum two public meetings and two Public Information Centres (PICs) during the overall process. One PIC and one public meeting will be scheduled for the purpose of consulting on the initial Municipal Comprehensive Review Report. The second PIC and public meeting will be scheduled later once the Official Plan policies are updated.

The Municipal Comprehensive Review Report addresses Phase 1 and Phase 2 requirements of the 4-part Official Plan Update. It is also the report that is fundamental to the process since it establishes the framework of how the policies and mapping will be prepared for the Official Plan. Because of this importance, Staff is proposing the following public consultation process which will be initiated once Council receives this Planning Report:

- i. The consultant's report will be uploaded to the City's website along with a notice of the upcoming Public Information Centre and public meeting.
- ii. A notice of the Public Information Centre and public meeting along with direction on where to access a copy of the consultant's report and the opportunity for comment will be placed in the local paper and on the City website.
- iii. The Communications Department will issue a press release that informs the public of the availability of the consultant's report and upcoming Public Information Centre and public meeting which will be circulated to media in addition to the Chamber of Commerce and Quinte Home Builders Association.
- iv. Interested parties who have requested the City to be notified of any meetings and/or reports in regards to the Official Plan Update process will be contacted.
- v. A Public Information Centre will be scheduled June 3, 2019 at City Hall from 3 pm to 5 pm where the Consultant and City Staff will be on hand to discuss the project with members of the public along with key findings of the Municipal Comprehensive Review Report.
- vi. A public meeting during the June 3, 2019 Planning Advisory Committee Meeting will be scheduled where the Consultant will make a

formal presentation and members of the public will be able to provide verbal or written submissions on the Municipal Comprehensive Review Report.

Financial

The budget for the Official Plan Update process was previously approved. This budget was for a basic update of the Official Plan including a Municipal Comprehensive Review study and report as well as ensuring the policies of the Official Plan address the Inter-Ministerial comments received by the City in 2014 during an earlier update process.

The City, mainly through the Housing Summit, has identified priorities that need to be addressed including updated intensification policies and mixed use policies to facilitate the provision of affordable and attainable housing. Additionally, there are other enhanced review requirements that need to be undertaken including City Centre policies and Environmental Constraint policies. These require an expanded Terms of Reference for the project which will be undertaken through the consulting fees of the department.

Impact on and input from other Departments/Agencies/Sources

Notice of the PIC and public meeting along with information on how to access the Municipal Comprehensive Review Report will be circulated to other departments/agencies/sources for comments.

Of importance is the circulation to the Ministry of Municipal Affairs and Housing as they are the Approval Authority for the City's Official Plan Update. Of specific importance to the Ministry is the proposed industrial land swap. Because of its implications on the supply of Agricultural Lands, the Ministry will also be circulating the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA). Comments will not be available from the Ministry until approximately the second week of June. Comments received from the Ministry and/or OMAFRA could impact the City initiated industrial land swap that is part of the Municipal Comprehensive Review Recommendations.

Conclusion:

The City is currently undertaking an Official Plan Update as required by the Planning Act. This update consists of four phases: review and analysis of land requirements, policy recommendations, policy development, and implementation through an Official Plan Amendment.

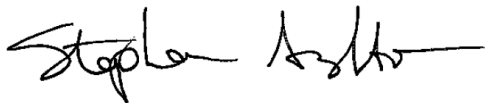
The City has received the final draft of the Municipal Comprehensive Review Report dated April 11, 2019 from Watson & Associates Economists Limited in

association with Dillon Consulting. This is the first report required as part of the City's Official Plan update process and addresses the first two phases of the official plan update process.

After receipt of the draft report, Staff will commence with the notification of public, city departments, and other agencies and sources to advise them of an upcoming Public Information Centre and public meeting on June 3, 2019.

City Staff in coordination with the consultants will review comments and address comments received during this process before a recommendation report is prepared for the Planning Advisory Committee and Council's consideration on the Municipal Comprehensive Review Report.

Respectfully submitted



Stephen Ashton, MCIP, RPP, CAHP
Manager, Policy Planning
Engineering and Development Services Department

Attachments

Attachment #1 – Draft Report, City of Belleville 2018 Municipal Comprehensive Review of Urban Serviced Area, Watson & Associates Economists Ltd. in association with Dillon Consulting, April 11, 2019