



CBI POLICY PAPER

Getting Intense*

Rethinking Planning for an *Intensification First* Approach

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In the Greater Golden Horseshoe new greenfield subdivisions have been our primary avenue to accommodate new population.¹ If we want to build a more affordable region, while protecting our valuable natural capital and agricultural lands—as the Growth Plan calls for²—we must do a better job at planning for intensification.

Whether in Toronto or in outer ring communities, adding any new density remains a hard sell. In Toronto almost all new growth is directed to "Hero Neighbourhoods"³ like City Place, Yonge

*This Policy Paper expands on issues raised in Ryerson City Building Institute's submission to Ontario's *Proposed Methodology for Land Needs Assessment*. CBI's submission is available at: <https://www.citybuildinginstitute.ca/wp-content/uploads/2018/03/Ryerson-CBI-LNA-Methodology-Submission.pdf>

1. Burchfield, Marcy and Kramer, Anna (May 2015). *Growing Pains: Understanding the new reality of population and dwelling patterns in the Toronto and Vancouver regions*. Available at: http://www.neptis.org/sites/default/files/growing_pains/growingpains_neptisreport_final.pdf

2. Ministry of Municipal Affairs (May 2017). *Growth Plan for the Greater Golden Horseshoe, 2017*. Available at: http://placestogrow.ca/index.php?option=com_content&task=view&id=430&Itemid=14.

3. Micallef, Shawn (March 10, 2017). "In the shadow

and Eglinton, North York City Centre, and Liberty Village in the form of high towers. These high-rise neighbourhoods absorb the burden of growth, while other neighbourhoods avoid significant change. This leads to a lot of concentrated high-rise one bedroom condos and few new family friendly housing units.⁴

Tall and Sprawl

Many of our challenges associated with intensification stem from how our municipalities have traditionally grown—out rather than up. We have restrictive zoning by-laws that traditionally meant the only place to add a significant amount of housing was in new subdivisions in fresh greenfields; areas which are becoming further and further away from our city centres.

The Growth Plan was meant to flip how we plan by prioritizing an "intensification first" approach to planning. Despite this, key challenges persist.

of the greenbelt it's all about sprawl: Micallef". Toronto Star. Available at: <https://www.thestar.com/news/gta/2017/03/10/in-the-shadow-of-the-greenbelt-its-all-about-sprawl-micallef.html>

4. Burda, C., Haines, G., & Hildenbrand, S. (2017). *Bedrooms in the Sky*. Ryerson City Building Institute. Available at: <https://www.citybuildinginstitute.ca/wp-content/uploads/2017/11/FINAL-BedroomsInTheSky.pdf>



First, municipalities still typically plan to meet their minimum intensification requirement, rather than planning to exceed their target. Second, intensification is not delivering a significant amount of family friendly, missing-middle housing. Third, the predominant way municipalities are building new family-appropriate housing is still by sprawling. In effect we are building tall and sprawl, but little in between.

Intensification First

In December, the Province released a “Proposed Methodology for Land Needs Assessment for the Greater Golden Horseshoe.”⁵ While it might seem like a dry policy document, the Proposed Methodology offered an opportunity to better equip municipalities with the tools and knowledge needed to plan from an “intensification first”⁶ approach.

Land needs assessments are important because they help municipalities understand where and how to grow. Ontario municipalities have plenty of experience conducting land needs assessments, but the approaches used to date have mostly supported growing outwards rather than upwards.⁷

5. Ministry of Municipal Affairs (December 2017). Discussion Paper: Proposed Methodology for Land Needs Assessment For the Greater Golden Horseshoe. Available at: http://www.placestogrow.ca/images/pdfs/LNA/en/proposed_methodology_EN.pdf

6. Ministry of Municipal Affairs (May 2017). Growth Plan for the Greater Golden Horseshoe, 2017. Section 2.1.

7. Taylor, Zach and John van Nostrand, (2008). Shaping the Toronto region, past, present, and future: an exploration of the potential effectiveness of changes to planning policies governing greenfield development in the

Unfortunately, these outdated approaches to land budgeting have become embedded in municipal planning policy and zoning.

CBI examined the Proposed Methodology to find out whether the Proposed Methodology supports an "intensification first" approach to planning. In other words, will the Proposed Methodology equip municipalities to better identify and plan for opportunities to reduce land consumption?

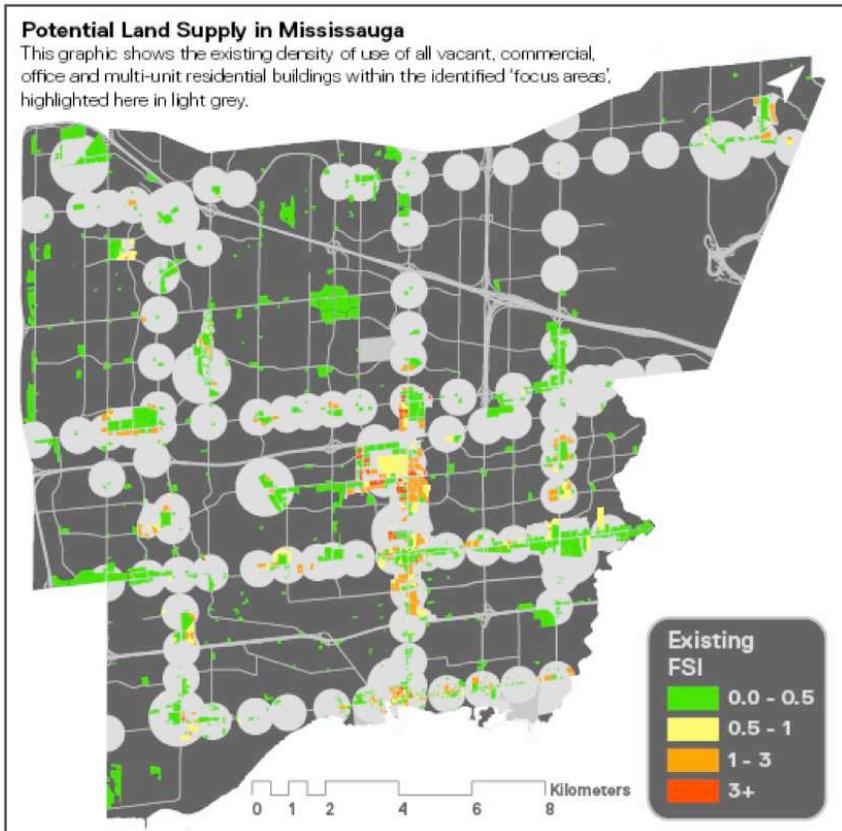
The Intensification Opportunity

Vacant, underused and undercapitalized land across the Greater Golden Horseshoe offers a huge potential reservoir of land for new housing. Unfortunately, because planning documents reflect outdated assumptions about intensification and land budgeting, much of this land is not even considered for development. Encouraging municipalities to take a more comprehensive look at intensification opportunities would help them understand the benefits and challenges (and appropriate responses) to delivering this intensification.

In order to understand the potential for intensification, when proactively planned, CBI has been studying Mississauga’s land supply and intensification potential.⁸ Our analysis identifies sites within Mississauga that would be suitable for

Greater Golden Horseshoe. Neptis Foundation. Available at: http://www.neptis.org/sites/default/files/toronto_metropolitan_region_shaping_the_toronto_region/shaping_report_web_20080902_0.pdf

8. Ryerson City Building Institute (N.D.). Mississauga Intensification Study. Unpublished Research. A report summarizing this research is anticipated in Summer 2018.



appropriate employment areas—especially those close to transit station areas—would add even more units⁹.

These opportunities are not unique to Mississauga; similar opportunities exist in every community across the Greater Golden Horseshoe. When appropriately realized and planned for, these opportunities can deliver a significant amount of housing.

The two key findings are important: First, the housing Mississauga could provide within its urbanized footprint easily exceeds its population growth needs to 2041, without relying on concentrations of supertall buildings. Second, missing middle housing in Mississauga could accommodate 80% of all of Peel Region's projected population to 2041.

These findings question a number of misconceptions:

intensification—in particular we identified all existing low-density commercial and multi-residential sites along proposed or potential transit corridors as these sites offer easier redevelopment opportunities. Our analysis shows that Mississauga has over 1,627 hectares of such sites, all with a density (Floor Space Index) less than 1.0.

We then modeled how much housing could be accommodated if the identified sites were developed to missing-middle, context-appropriate densities (between and FSI of 1.5 and 3.25 for most areas; up to an FSI of 6.5 for GO station parking lots).

We found that there is the potential to accommodate over 160,000 new homes, even after reserving land for parks, population-based employment and services.

Additional housing could be accommodated through compatible intensification in existing residential neighbourhoods: secondary suites, accessory dwelling units, and gentle density (e.g. townhouses, walk-up apartments, multiplexes). Likewise, exploring opportunities to add residential development to

1. The assumption we need to expand greenfield boundaries, consume more farmland and accept long, congestion-filled work commutes to build family appropriate housing.
2. The belief that accommodating intensification targets requires tall towers. While in some situations the cost of land may force developers to build tall to achieve an appropriate return, the assumption that we need highrises to meet our intensification targets is not true.
3. The idea that population forecasts should be allocated to all municipalities, before understanding their capacity to intensify. If Mississauga can drastically reduce the amount of greenfield development in Peel region by accommodating more intensification, then why is that not reflected in population allocations?

9. Greenberg, Ken (2017). More than a desk and a parking spot. Available at: <https://www.citybuildinginstitute.ca/wp-content/uploads/2017/12/FINAL-POLICY-PAPER-Greenberg-13Dec17-10am.pdf>

A Closer Look at the Proposed Methodology

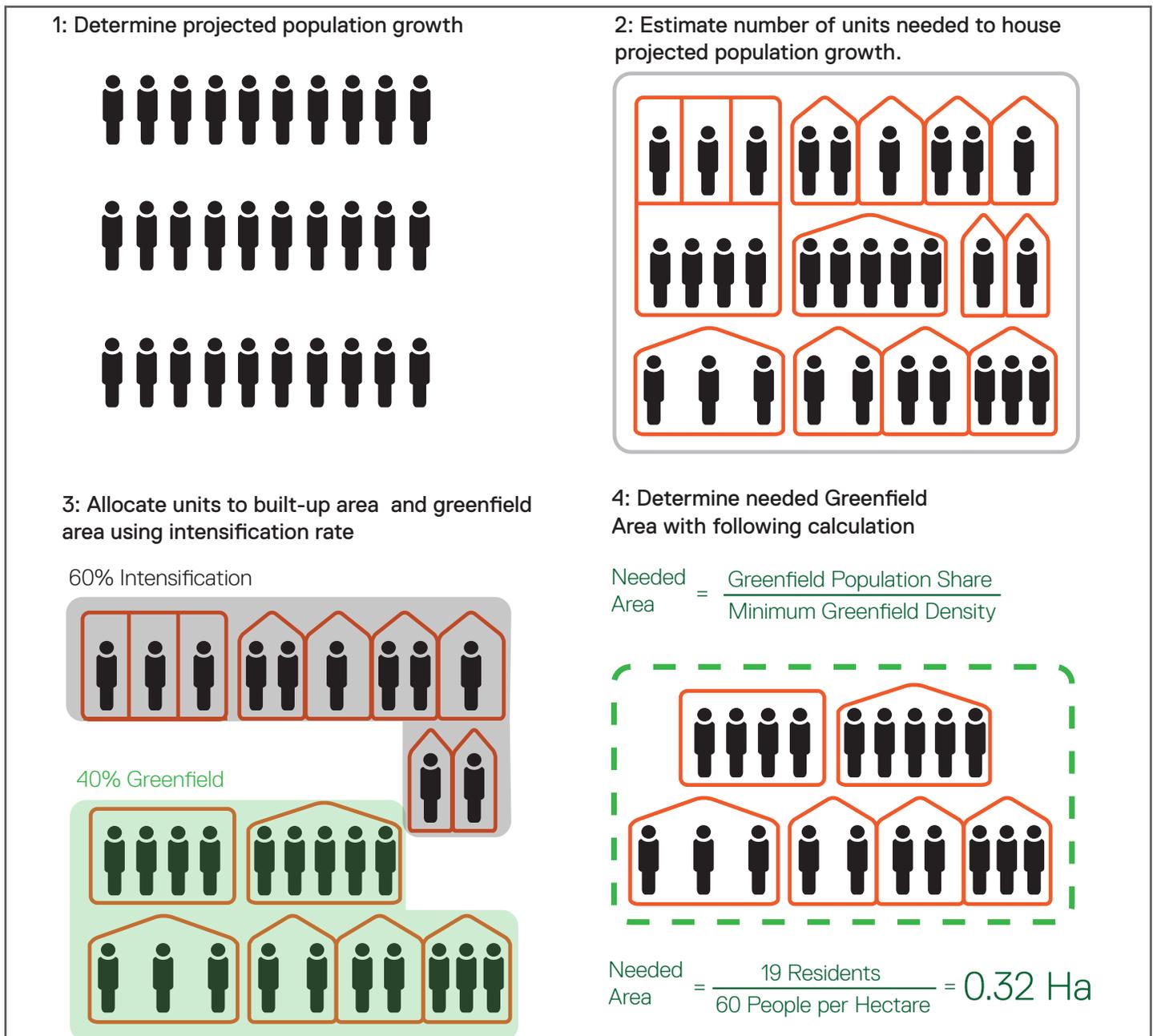
The Proposed Methodology for Land Needs Assessments is designed to calculate the amount of greenfield land required to accommodate a municipality's growth. It follows a similar path to traditional Land Needs Assessments, which also determine how much greenfield land should be allocated for development.¹⁰ Because of the stronger

10. Eby, Kevin (2016). Plan to Achieve: A Review of the Land Needs Assessment Process and the Implementation of the Growth Plan. Occasional Paper #19. Friends of the Greenbelt Foundation.

intensification and greenfield density targets in the revised 2017 Growth Plan the new process will permit municipalities to designate a smaller amount of land for greenfield development than under old processes.

The proposed methodology examines employment and residential land need separately to determine the total land supply required. Relatively speaking, the proposed methodology is simple.

Critically, the proposed methodology does not require municipalities to assess how they will



accommodate intensification (e.g. through missing middle housing) or the capacity to accommodate a greater proportion of intensification above and beyond the minimum target. Planning to meet the minimum targets is considered sufficient.¹¹

To prompt municipalities to plan more intentionally for the Growth Plan's targets, the Proposed Methodology directs municipalities to conduct both an "Intensification Analysis" and a "Designated Greenfield Density Analysis." These studies could potentially help municipalities plan for more aggressive targets than called for by the Growth Plan—but they are not yet published!

Assessing Opportunities instead of Land Needs: A UK Case Study

What might a better Land Needs Assessment process look like? The United Kingdom, which achieved a national intensification rate of 61% in 2015-16,¹² has implemented rigorous land assessment and budgeting assessments—Strategic Housing Land Availability Assessments (SHLAA).¹³ SHLAAs apply to all municipalities, from London down to smaller local councils, and must be updated annually.

The SHLAA approach differs from Ontario's Land

11. E.g. Ministry of Municipal Affairs (December 2017). Section 1.1: *"Municipalities are required to demonstrate, among other matters, that there are insufficient opportunities to accommodate forecasted growth to the Growth Plan Horizon through intensification in delineated built-up areas and in designated greenfield areas based on the respective minimum intensification and density target for each of these policy areas"*

12. Department for Communities and Local Government, U.K. (March 2017). Land Use Change Statistics in England: 2015-16. Available at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/595749/Land_use_change_statistics_England_2015-16_-_2_March_2017_version.pdf

13. Ministry of Housing, Communities and Local Government. (March 2014). Housing and economic land availability assessment Guidance Document. Available at: <https://www.gov.uk/guidance/housing-and-economic-land-availability-assessment#about-the-assessment>

Needs Assessment, but as with our process, an SHLAA is meant to ensure that there is sufficient land supply for housing.

SHLAAs are a site- and location-based analysis that assess the quantity, suitability and market viability of land that could potentially be developed.¹⁴ The steps of an SHLAA include:

1. Identifying sites and locations with development potential through an exhaustive search that includes a desktop review and a wide public call for sites. Anyone can submit a site for inclusion, as long as it can accommodate at least 5 housing units—if your large detached lot might be a suitable location for a low-rise apartment, you can submit it to the study.
2. Assessing the development potential (number of units) of those sites, taking into consideration location, access to infrastructure and services, and physical site characteristics. Notably, policy barriers, such as zoning by-laws should not influence this calculation.
3. Assessing the suitability and likelihood of development of each site—including the deliverability of the units within a 5 year, 6-10 and 11-15 year time frame based on economic considerations.

SHLAAs are meant to comprehensively identify where housing is possible, and to understand the barriers to delivering this housing, including any policy constraints to delivering housing, such as zoning. Where necessary, local authorities are encouraged to consider changing those policies:

*"Where constraints have been identified, the assessment should consider what action would be needed to remove them ... Actions might include ... a need to review development plan policy, which is currently constraining development."*¹⁵

14. Cullingworth, Barry, Vincent Nadin, Trevor Hart, Simin Davoudi, John Pendlebury, Geoff Vigar, David Webb and Tim Townshend. (2014) Town and Country Planning in the UK. Routledge. e-book.

15. Ministry of Housing, Communities and Local

Lessons for Ontario

Studies similar to SHLAAs would help Ontario's municipalities plan to exceed the Growth Plan's intensification targets by generating a stronger understanding of where, how and when housing can be delivered. A better understanding of the site-specific barriers to development, including both infrastructure constraints and policy limitations, would also help municipalities address these issues more proactively.

Such studies would allow municipalities to identify, prioritize, and plan growth on intensification sites, as well as consider where increased density is possible in designated greenfield areas. In short, such a process would help municipalities plan from "intensification first" principles.

Getting Intensification Right for all Municipalities

One challenge when planning on a regional scale is balancing strong targets for everyone with consideration of local conditions. While we believe that all municipalities in the Greater Golden Horseshoe can meet and exceed the intensification targets set by the Growth Plan, implementation will look different depending on local conditions. It is therefore critical that municipal planners and decision-makers understand both the local barriers to intensification and the local potential.

One of the most common barriers to implementation of an intensification-first approach, across jurisdictions, is the impression that there is not enough room for new buildings in urban areas so super-tall buildings are necessary to achieve intensification.

We know from our analysis of Mississauga that this is not true—there are many parcels within our municipalities that have the potential to add homes, services and businesses without damaging the urban fabric, while providing for family-appropriate housing. If municipalities are proactive about planning for intensification they will have a greater ability to

Government, U.K. (March 2014). Para 022.

shape it, and the type of housing it delivers.

The SHLAA process helps with this in a couple of ways:

1. Breadth of sites studied: SHLAAs study all potential sites within a municipality—not just those that have previously been identified for development.
2. Housing potential is studied separately from existing policy, including zoning. Rather than being restricted by current policy, housing potential is meant to inform policy change where necessary.

Having municipalities consider all development opportunities and barriers to them means that municipalities can consider more growth scenarios. This would better equip municipalities to meet and exceed the Growth Plan's targets.

Putting Intensification First

A SHLAA type of approach will not guarantee an intensification first approach. Municipalities could still be overly prescriptive from a policy/planning perspective and only plan for the bare minimum amount of intensification required. Even under this "worst case" approach, sites where future intensification could occur and potential barriers will have been identified.

This outcome would represent an improvement from the status quo for many municipalities. Despite the Growth Plan's call for an "intensification first" approach to planning, most municipalities, including Toronto, continue to rely on restrictive zoning by-laws that are not designed to allow new intensification without re-zoning applications. Meanwhile greenfield development approvals remain (relatively) easy, provided land is available and designated and serviced for development.

To move towards an intensification first approach to planning, municipalities must be less restrictive when it comes to planning for intensification. Municipalities should plan for an abundance (i.e. an excess) of intensification opportunities in order to ensure that

there are sufficient opportunities to provide new housing and employment.

To accomplish this, municipalities should understand where housing can be accommodated, and their zoning by-laws and OPs should be designed to allow for more intensification than required. A site based approach would equip municipalities with the knowledge required for to make these changes.

Benefits of Planning for Intensification First

Adopting a strong *intensification first* approach to planning, including a site-level analysis to inform proactive planning decisions carries numerous benefits:

1. Empowering Municipalities to determine their future housing supply mix: Intensification planning is often reactionary—municipalities respond to site-specific applications advanced by developers.

By generating an understanding of all housing opportunities and planning for an excess of opportunities, municipalities could instead proactively prioritize and plan for those opportunities that they want. For example, a municipality could focus on removing barriers and fast-tracking low and mid-rise housing along and near to main streets.¹⁶

2. Equipping municipalities and the Province to make more informed infrastructure investments:

Generating an understanding of where and when housing can be delivered can help ensure that appropriate infrastructure investments are made. This is particularly valuable in the case of transit investments where there has been a failure to align land use planning with transit expansions in Ontario.¹⁷

16. Ryerson City Building Institute (2016). Suburbs On Track: Building transit-friendly neighbourhoods outside the Toronto core. Available at: <https://www.ryerson.ca/content/dam/citybuilding/pdfs/2016/REPORT-Suburbs%20on%20Track-September%207,%202016.pdf>

17. Blais, Pamela and Marcy Burchfield (Nov. 20, 2017). “Why a \$45 billion transportation plan fails to increase transit ridership” Opinion. Toronto Star. Available at: <https://www.thestar.com/opinion/contributors/2017/11/20/why-a-45-billion-transportation-plan-fails-to-increase-transit-ridership.html>

3. Creating more transparent community benefits:

Pre-planning for density does not preclude capturing community benefits such as Section 37 agreements. As it stands, in Toronto, Section 37 agreements are typically negotiated behind closed doors and are not transparent.¹⁸

Through pre-zoning tools, such as development permit systems, municipalities could include more transparent conditions of approval for development, including community benefits.¹⁹ Alternatively, municipalities could create more transparent section 37 guidelines that directly align with expected densities.²⁰ This would allow builders and land-owners to better understand the costs of development up front.

4. Adding certainty to the planning process and lowering the risk of development:

One of the constraints on development in our existing urban areas is the length and uncertainty in the planning approvals process. Long approvals timelines increase the costs of development.²¹

These issues are exacerbated in infill and

18. Moore, Aaron A. (2013). Trading Density for Benefits: Section 37 Agreements in Toronto. Institute on Municipal Finance and Governance. Available at: https://munkschool.utoronto.ca/imfg/uploads/221/imfg_perspectives___moore_%28feb_2013%29.pdf

19. Ministry of Municipal Affairs, Ministry of Housing (June 26, 2007). Key Benefits of the Development Permit System. Accessed at: <http://www.mah.gov.on.ca/Page4820.aspx>. See also: Reid, Dylan (March 25, 2014). Understanding the proposed Development Permit System. SpacingToronto. Available at: <http://spacing.ca/toronto/2014/03/25/understanding-proposed-development-permit-system/>

20. Gladki Planning Associates (2014). Section 37 Review: Final Report, p. 7. City of Toronto . Available at: <https://www.toronto.ca/legdocs/mmis/2014/pg/bgrd/backgroundfile-66994.pdf>

21. Altus Group, Bousfield Inc. (October 2013). A Review of the Site Plan Approval Process in Ontario. Ontario Association of Architects. Available at: https://www.oaa.on.ca/oaamedia/bloaags/text/site_plan_approval_process_in_ontario_report.pdf

intensification scenarios which are often more complicated than greenfield projects. Developers of infill projects take on additional risk, since most infill projects in the Greater Golden Horseshoe require rezoning, which can be rejected by municipal council.²²

Under an effective intensification first approach municipalities could signal appropriate densities and demonstrate a long-term supply of pre-planned intensification opportunities. This would de-risk the development process by creating certainty around approvals, leading to more straightforward development applications and approvals.

5. Creating more transparency in land valuations and transactions:

The evaluation of a site's potential will better help developers and land-owners negotiate fair and transparent pricing based on what is appropriate for the site, including any required community benefits, rather than the current uncertain density and benefit provisions. This will help lower the risk of development.

6. Building more affordable missing-middle/family-appropriate housing:

Identifying a large number of land parcels and sites for a mix of housing types, rather than relying on fewer large "hero sites" for tall towers, can spread housing across the city. This will help established neighbourhoods that have

22. Midrise development stakeholders surveyed by the Canadian Urban Institute in 2009 found that 75% of midrise buildings in Ontario required rezoning. Miller, Glen, Mia Hunt and Iain D.C. Myrans. (2010). Midrise Symposium 2009: Breaking Barriers, Building Confidence: Making Midrise Work in Ontario. Symposium Summary Report. Canadian Urban Institute. Available at: https://static1.squarespace.com/static/546bbd2ae4b077803c592197/t/58c83da1725e25b97bdea824/1489517992828/CUI_Midrise_Symposium_FINAL.pdf

seen population declines²³ and would benefit from revitalization and a replenished housing stock.

By demonstrating a clear long-term supply of intensification opportunities, including those for family-friendly multi-unit housing, competition pressure for individual sites could be loosened, contributing to improved affordability.

23. Bailey, Tetyana and Case, Cheryll (2017). Protecting the Vibrancy of Residential Neighbourhoods. Available via: <https://cpplanning.ca/project-work>

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