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Council-In-Committee Meeting – November 15, 2023

Subject: GROW Norfolk Study (Municipal Comprehensive Review), Volume 5: Land Evaluation and Area Review & Volume 6: Preferred Directions and Recommendations

Report Number: CD 23-098
Division: Community Development
Department: Planning
Ward: All Wards
Purpose: For Decision

Recommendation(s):

THAT staff report CD 23-098, Grow Norfolk Study (Municipal Comprehensive Review), Volume 5: Land Evaluation and Area Review & Volume 6: Preferred Directions and Recommendations be received for information; and

AND THAT the GROW Norfolk Volume 6: Preferred Directions and Recommendations be endorsed and that the cumulative Grow Norfolk Study information and recommendations inform and be incorporated into the municipally-led, Official Plan Amendment for public consultation.

AND THAT staff be directed to incorporate the findings of the Comprehensive Review Phase 2: Growth Scenarios and Urban Land Needs Analysis, 2023 to 2048, prepared by Watson & Associates Economic Ltd., contained within Attachment B to Staff Report CD 23-098, into long range County wide initiatives throughout the Corporation in which population, housing, and employment data is required.

AND FURTHER THAT the draft Land Evaluation and Area Review (LEAR) Study prepared by Colville Consulting Inc. contained within Attachment A of Staff Report CD 23-098 be further reviewed and utilized to inform the municipally-led, Official Plan Amendment or future Official Plan Reviews for public consultation, including completion of the recommendations as outlined in the Volume 5 Land Evaluation Area Review document.

Executive Summary:

This report provides highlights of the results of the 2nd phase of the Comprehensive Review reports completed by Watson and Associates as well as draft results from the Land Evaluation and Area Review (LEAR) Study completed by Colville Consulting Inc. The full review of these documents, as well as staff's conclusions and recommendations

can be found in Attachment A, Grow Norfolk Study Volume 5: Preferred Directions and Recommendations.

Through the GROW Norfolk Study, staff are ultimately recommending a preferred growth option that optimizes the use of land and infrastructure, provides for a diverse mix of land uses and aligns with the Council endorsed vision and principles for growth. The preferred growth option is intended to provide the greatest balance between meeting market demand for certain forms of housing while utilizing the available land and infrastructure responsibly.

Discussion:

Background

Norfolk County's Comprehensive Growth Management Study, GROW Norfolk, was initiated in mid-2021. The Grow Norfolk study provides guidance on where to direct growth within a municipality to accommodate the projected population and economic growth over the planning horizon. The study is considered a municipal comprehensive review (MCR) that will be utilized to inform a municipally-led Official Plan Amendment (OPA) provincial plan conformity review. According to the Provincial Policy Statement (P.P.S.), 2020, a MCR is defined as an Official Plan (OP) review or an OPA which is initiated by a planning authority, for the purposes of policies 1.1.3.8 (expansion of a settlement area) and/or 1.3.2.4 (conversion of land within Employment Areas). The P.P.S., 2020 identifies that, "In undertaking a comprehensive review the level of detail of the assessment should correspond with the complexity and scale of the settlement boundary or development proposal." The County's Growth Management Study and MCR process is used to establish a long-term vision and planning framework for the municipality that fosters a sustainable approach to future residential and employment growth and development that is backed by data, while also being locally appropriate.

Forecasts

As a part of the Grow Norfolk study, analysis and calculations based on local and regional trends in housing, demographics, the economy and other key markers were completed resulting in three population and employment forecast scenarios for Norfolk County: a Low Scenario, a Medium (Reference) Scenario, and a High Scenario. The utilization of the High Growth Scenario was determined by resolution by Council-in-Committee in May of 2023. Under the High Scenario, the County's permanent population is forecasted to grow at an average annual rate of 1.0% per year. Under this scenario, the permanent population of Norfolk County is anticipated to grow by approximately 23,300 persons, increasing from 69,400 in 2021 to 92,700 by 2051.

Land Needs Assessment

As a part of the Grow Norfolk study, two major components of the community land needs are being evaluated: residential and employment. Through the work completed as part of this project, Watson and Associates and Norfolk staff have identified the projected residential land need in Norfolk for the next 25 years. Existing land designated for development was evaluated in all settlement areas, including hamlets, and it was identified that the County overall has at least a 20 year land supply (made up of

greenfield and intensification/infill lands) for residential development based on past trends and forecasted growth. However, when reviewed at the individual community-scale, there is an identified land deficiency in Delhi, Waterford and Simcoe depending on the growth option.

The work completed as a part of the Grow Norfolk study identifies that a County-wide deficit exists in terms of employment lands and potential. Over the 25-year planning horizon, the County's Employment Areas are anticipated to accommodate approximately 15% of the County's total urban employment growth, totaling about 1,000 employees between 2023 and 2048. Comparing County's supply of designated, developable vacant Employment Areas by urban settlement area against forecast employment land demand generates a County-wide deficit of approximately 52 gross ha (129 gross acres) by 2048. It is noted that the additional industrial Employment Area lands are specifically needed in Delhi, Simcoe, and Waterford, while existing supply is sufficient in Courtland, Port Dover and Port Rowan although suitable, locational criteria is being utilized to assess the most appropriate locations for future industrial Employment Areas within the County.

Evaluation of Growth Options

Four growth options have been identified by Watson and Associates and Norfolk planning staff. These are reiterated in the attached Volume 6 report, but were also presented to Council-in-committee in May of 2023 as the focus of staff report CD-23-037 Volume 4: Land Supply and Options Review. The four options evaluated include:

- Option 1 (Base Case);
- Option 2 (Higher Growth/Growth Allocations Aligned to Land & Planned Servicing Capacity);
- Option 2B (Higher Growth and Allocations Aligned to Available Servicing Capacity); and
- Option 3 (Higher Growth and High Intensification).

The evaluation criteria included high-level analysis and input to the following areas of interest based on the GROW Norfolk themes:

1. Complete Communities
2. Economic Growth
3. Conservation of Prime Agricultural Land
4. Hard Infrastructure – Water, Wastewater, Storm, Transportation, Utilities
5. Community Infrastructure – Parks, Schools, Institutional, Cultural Heritage
6. Conservation of Natural Heritage Resources
7. Fiscal Responsibility
8. Promotion of Intensification

Using the application of the evaluation tool, in the context of the growth options outlined by Watson and staff, key areas were considered including the access to and capacity of infrastructure (water, wastewater and stormwater), as well as the availability of soft infrastructure and community features such as existing commercial, recreational, and

employment areas. Specific attention was paid to the Inter-Urban Water Supply and the ongoing evaluation of the future steps of that project. Consideration for the surrounding land uses, such as key prime agricultural areas including agricultural areas with significant financial investments to the agricultural product; as well as natural and cultural heritage features all also assisted in supporting the overall recommendation of focusing growth around urban settlement areas.

Land Evaluation and Area Review (LEAR) Study

As part of the overall comprehensive growth study work, a Land Evaluation and Area Review (LEAR) Study was conducted by Colville Consulting Inc. A LEAR study is a tool developed by OMAFRA to conduct a quantitative analysis to “evaluate the relative importance of lands for agriculture based on the land’s inherent characteristics and other factors affecting agricultural potential (OMAFRA, 2021). Colville completed the draft report in accordance with the provincial guidelines as outlined by OMAFRA. The resulting parcel-based evaluation from the LEAR study provides valuable information in a map-based format which compliments the comprehensive review data completed by Watson and planning staff by providing valuable insight on the agricultural potential surrounding existing settlement areas. Under the *Planning Act*, the protection of the agricultural resources of the Province is noted as a matter of provincial interest, furthermore it is well known that Agricultural production contributes significantly to the County’s economic vitality. Norfolk County’s Official Plan identifies that the County may “Prohibit the expansion of urban, hamlet and resort areas on to prime agricultural lands without a comprehensive review indicating the need for such expansion and demonstrating that lower quality lands are not available or practical for such expansion.”

The LEAR data was invaluable in the preliminary review of the growth options and will become even more crucial in the evaluation of the appropriateness of any urban boundary expansion requests or any directions for land use and policy updates in the Official Plan (such as consideration of “Rural Lands”). The information will be further reviewed and incorporated into the current, municipally-led OPA and/or future Official Plan Reviews. The draft LEAR Study, including a visual representation of the data as well as an accompanying staff report, is included in Attachment A to this report.

Recommended Growth Option

In order to move to next steps with GROW Norfolk, a decision on the preferred growth option is necessary. In the attached Volume 6 report, staff outline a quasi-hybrid option as the preferred growth scenario. It includes the following features:

- Based on the population and employment High Growth Scenario forecast of 1.0% and 1.1% respectively
- Directs more growth to urban areas with treatment plant servicing capacity in the short term - (e.g., the highest proportions of population growth to Delhi, Simcoe, Waterford) compared to areas with ongoing servicing upgrades/ expansions and sufficient lands (e.g., Port Dover, Port Rowan) with additional minor growth to Courtland (subject to existing partial servicing)

- A housing mix target made up of 55% low density, 27% medium density and 18% high density
- An intensification target for all, fully serviced urban areas of 30% for new residential dwelling units.
- A Greenfield Density/Mixed Use Target for all, fully serviced urban areas of 45 residents and jobs per hectare for urban residential and 20 jobs per hectare for urban employment.

The review and rationale is more fully explored in Attachment B to this report and it is the opinion of staff that the recommended option is reasonable.

Next Steps

In Q1 2024, the draft Official Plan amendment to implement the growth management strategy, to address the requirements of the municipal comprehensive review and to provide updated policies to conform to the Provincial Policy Statement (PPS) will be released for engagement. A statutory open house and public meeting is intended be held in Q1 2024. Indigenous engagement is planned to continue through Q4 of 2023 and Q1 2024. While to date staff have reviewed and utilized the PPS, 2020 for conformity, it is expected that the province may release a new PPS potentially early in 2024 given a first draft was released in mid-2023. The intent is that Norfolk will be ready to immediately pivot and implement updated Official Plan policies with this provincial policy conformity amendment. Depending upon the scale and scope of any new PPS changes, a recommended Official Plan Review Amendment is anticipated to be brought to Public Hearing Committee and Council for decision in Q2 2024. At this point, it is anticipated that this comprehensive review and the next steps will provide sufficient justification for settlement area and employment lands/protected industrial recommendations.

Following the OPA, the next step would be to update the supporting and secondary by-laws and policies to ensure conformity with the any updates to the Official Plan. This will include an update to the Zoning By-law as well as potential land use permissions to ensure that land and buildings are used in ways that align with our Official Plan and complement and support growth. This is also anticipated to be supported by the completion of urban area plans and master servicing strategies. These plans will be led by the Planning Department and the Community Development Division in collaboration with the Environmental and Infrastructure Services Division.

Consultation(s) -

Engagement has been conducted throughout the study with various groups such as:

- Project Internal Working Group
- Provincial and other Agencies
- Landowner/Development Industry Stakeholders
- Public
- Planning Advisory Committee

The public have been able to engage throughout the GROW Norfolk project through various streams, as originally outlined in previous report regarding the GROW Norfolk project. Most recently, the public had the opportunity to look at the Growth Options through a public engagement opportunity on August 15, 2023. The public was provided a brief presentation and were provided the opportunity to explore the growth options, evaluate proposed boundary expansions, and explore draft results of the LEAR mapping. More than 50 members of the public attended the event, all of whom were invited to follow along and provide input on the project through the Engage Norfolk page for the project and via a digital survey. Feedback from the survey identified an interest in protecting natural heritage and focusing on affordability and providing housing options in the community. General inquiries about the project have also been fielded throughout the process by staff. What required one-on-one meetings and discussions with interested members of the public have been facilitated to keep the process as accessible as possible.

The Planning Advisory Committee was established via Terms of Reference in 2023 as an advisory committee for County Council. Prior to this, the Economic Development Advisory Committee (previously the Tourism and Economic Development Advisory Board (TEDAB)) was responsible for periodically functioning at the Planning Advisory Committee as outlined in the Planning Act. Various phases and updates regarding the GROW Norfolk study was presented to TEDAB throughout 2022, and continued updates were provided to EDAC into 2023. Most recently, staff brought the GROW Norfolk study to the Planning Advisory Committee in October of 2023. Unfortunately, due to the committee make up and delays in committees being established, October 2023 was the inaugural meeting of the committee.

The initial feedback from the Planning Advisory Committee provided valuable insight and comments surrounding concerns such as sustainability and environmental impacts of density/ intensification or lack thereof as well as broader concerns and benefits around potential intensification from environmental, economic, and social standpoints.

Indigenous engagement was facilitated in 2022 and continued engagement and consultation is expected to continue in Q4 of 2023 and into the new year on any next steps.

Interdepartmental Implications

As noted above, a project working group of departmental representatives has provided input and review to the project. The growth for Norfolk over the next 25 years will have implications to a number of departments. It is suggested that through reports on new development applications and the recommended annual monitoring report that additional steps to quantify the number of new lane kilometers, services, parks/stormwater/green space and other aspects that would ultimately become part of the lifecycle maintenance and operation portfolio be tracked and some triggers developed as to when additional resourcing may become required.

Financial Services Comments:

There are no direct financial impacts from this report. As noted, however, the directions and recommendations in this report will have a lasting impact on the growth of the County over the next 30 years, which will leave a financial footprint. Participating in and undergoing growth planning exercises, such as the Grow Norfolk Study, are critical for both asset management and financial planning. Any growth will have a positive impact on future assessment growth and water / wastewater users, particularly relating to intensification opportunities.

For Norfolk County, knowing and directing where growth will occur is also necessary for determining future infrastructure requirements. Without this information, growth can occur in an unpredictable fashion, which makes it challenging to ensure the appropriate infrastructure is planned, funded, and utilized in an efficient and timely manner.

Growth related infrastructure should be paid for through the collection of development charges (DCs). Having thorough, up to date infrastructure plans will ensure DCs are collected for required infrastructure as soon as possible. A future DC Background study will be able to take into account the potential impacts of the Grow Norfolk plans. For example, the high growth scenario referenced in this report could cause downward pressure on future DC collections if the matching infrastructure needs aren't identified.

As noted in this report, work plans for the County's Inter Urban Water Supply (IUWS) play a significant role in how planning can be directed, as it will serve as a major infrastructure project for providing a core service to existing and ongoing development. Through *Report CS-23-147 Inter Urban Water Supply – Financial Analysis Update*, presented at the October 11th, 2023 CIC meeting, Council endorsed Option 2C, a decelerated approach contingent on receiving two-thirds external funding. The opportunity or availability of funding for IUWS could alter the timing of certain phases of the project, which may make servicing become more or less available to certain geographic areas of the County than what has been included within this study.

Other financial considerations include staff working to implement the acceptance of surety bonds as security on development agreements which may help the development community to enable growth and investigating the implementation of front-ending agreements to help pay for growth faster.

In 2022, a project for the Land Evaluation and Area Review was approved with a budget of \$65,000. As noted in this report the project is reaching completion, and will likely close on the upcoming Capital Status Report, under budget.

Strategic Plan Linkage:

This report aligns with the 2022-2026 Council Strategic Priority Building Norfolk - Develop the infrastructure and supports needed to ensure complete communities.

Explanation: Completion of the Grow Norfolk Comprehensive Growth Plan aligns with all three pillars of the "Building Norfolk" priority including:

- Ensure the health, safety and well-being of the community
- Provide a solid infrastructure foundation
- Ensure responsible growth policies and strategies

The study is intended to identify future population projections and land requirements for the County which will help ensure responsible growth, whether it includes boundary expansions and/or employment area conversions and ensures safe and economical sound development is facilitated in the community.

Conclusion:

Through the Grow Norfolk, Study, two additional components of the workplan have been completed: the 2nd phase of the Comprehensive Review reports completed by Watson and Associates as well as draft results from the Land Evaluation and Area Review (LEAR) Study completed by Colville Consulting Inc.

Through the GROW Norfolk Study, staff are ultimately recommending a preferred growth option that is a hybrid of two of the proposed options presented by Watson and Associates. The preferred growth option is recommended by staff as the best option to optimize the use of land and infrastructure, provides for a diverse mix of land uses and align with the Council endorsed vision and principles for growth. The preferred growth option is intended to provide the greatest balance between meeting market demand for diverse housing forms and options while utilizing the available land and infrastructure responsibly.

Attachments:

- Attachment A – Volume 5: Land Evaluation and Area Review
- Attachment B – Volume 6: Preferred Directions and Recommendations

Approval:

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