



# Exploring Growth Management Roles in Ontario:

## *Learning from "Who Does What" Elsewhere*

*A Report Prepared for*

### ***The Ontario Professional Planners Institute***

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## Executive Summary

### 1 Introduction

Growth management is not a new concept in urban management, although some of the driving factors and context may have changed over time. In fact, in many ways, growth management entails many of the principles that professional planners have practised for decades. What is becoming clear is that Ontario’s growth management efforts have not been keeping up with the changing nature of our communities and that existing management tools do not address the scale or level of complexity of our urban centres or their interface with rural areas or the natural resource upon which they depend.

Despite decades of growth management efforts in Ontario, there is clearly a need to adopt new approaches if we are to be truly able to guide and manage growth. In most of Southern Ontario, a significant proportion of new development is occurring at the urban fringe rather than in existing serviced areas. In many cases, growth is occurring beyond urban boundaries. Future growth projections are predominantly being accommodated through significant expansions of urban growth boundaries. When development has occurred within the defined urban envelope it is outside the nodes planned for greater intensity. Between 1976 and 1996, the Greater Toronto Area lost 150,000 acres of prime farmland to urbanization – an area roughly equivalent to that of the City of Toronto. Population projections foresee growth of 100,000 people per year in the Greater Toronto Area alone, indicating that growth management will become increasingly important in helping Ontario cities accommodate growth while maintaining liveability over the next few decades. It is clearly time to reinvent and vigorously apply thoughtful and coordinated approaches to managing the growth of our communities.

The OPPI Growth Management Policy Development Paper is intended to offer a foundation of information, assess current efforts and provide some direction with respect to current growth management initiatives in Ontario. The study was undertaken in five stages:

- an overview of current literature and recent initiatives related to growth management and smart growth;
- case studies of the municipalities of Portland, Oregon, Baltimore, Maryland and Calgary, Alberta – all jurisdictions with a reputation for sound growth management practices;
- case studies of three municipalities in Ontario – Cobourg, London and Waterloo – to explore growth management efforts within these communities;
- a recording of observations or lessons learned from the research; and
- a summary of implications and recommendations for crafting contemporary growth management strategies for communities in Ontario.

Growth management is a huge topic, with many parameters and components. For the purposes of this study the focus was on the roles of government and other agencies in directing and implementing growth management, the tools used and levels of funding or financial mechanisms applied.

### 2 Defining Growth Management

Growth management has been a going concern in North America since the 1940s. Recent growth management strategies reflect an understanding that urban centres are

inherently complex and that attempts to direct growth within this context require multi-faceted approaches. Growth management approaches have evolved significantly from the early days of the identification of growth boundaries and a reliance solely on planning policy to an array of strategies designed to effect comprehensive community building at the local and city-region scale. This array includes interdependent strategies related to open spaces and natural systems, healthy downtown cores, balanced movement systems, including transit, and all of the urban form relationships necessary for these elements to be successful.

The growth management definition adopted for the purposes of this paper is:

***“Effective growth management is a dynamic process for anticipating and accommodating development needs that balances competing community building goals and coordinates local with regional-scale interests.”***

Further elaboration on this definition is provided through a series of growth management principles, identified below. It is not necessarily assumed that all principles must be employed to establish an effective growth management strategy; however, it is suggested that these are the key ingredients for an effective strategy.

### **Principles**

- *Establish meaningful settlement areas with attention to growth at a regional scale.*
- *Promote cities as the engines of the economy – ensuring that downtown cores, main streets, towns and cities are liveable.*
- *Protect prime agricultural lands, rural landscapes and natural resources.*
- *Link new transportation, water and sewer infrastructure to sound and sustainable development policies.*
- *Strategically invest in and efficiently operate a full range of transportation modes.*
- *Implement incentive-based systems and performance measures that consider and reflect social, economic and environmental priorities.*
- *Ensure that existing and new communities are healthy places to live and have high standards of air and water quality.*
- *Invest in the physical infrastructure of existing communities through infill, reuse and intensification of well-serviced centres and corridors.*
- *Build healthy communities that respond to the social and cultural needs of existing and new residents.*
- *Make certain that every community, new and old, has a distinctive sense of place, character and vibrancy that attract people and investment.*
- *Ensure that existing and new communities support the broad mixture and range of land uses, development densities, and housing options that make communities liveable and meet economic and social needs.*
- *Protect, acquire and restore open spaces and natural systems that define, characterize and support communities and regions.*
- *Ensure fairness, openness, efficiency and certainty in the development process.*
- *Foster cooperation and partnerships among governments, agencies, citizens and entrepreneurs in investing in and building communities.*
- *Promote education and advocacy regarding the objectives, principles and implementation of growth management.*

### **3 Growth Management Experiences in the Municipalities Studied**

A brief overview of the six municipalities studied offers a sampling of the growth management issues and challenges currently experienced and existing approaches to address them. While some jurisdictions have been more proactive and innovative than others, it is clear that there is no single strategy for growth management and that every community needs to continue to review, learn and innovate in their efforts.

The State of Maryland has led an impressive campaign to address the challenges of enormous rates of sprawl around its urban centres. The opportunities provided by this campaign to cities such as Baltimore provide some insight into a strong state-led approach. In 1997, the State of Maryland introduced smart growth legislation premised on limiting state funding to smart growth areas and initiatives. Responding to this direction, the City of Baltimore has recently completed its first comprehensive plan in 20 years and is working to take advantage of state funding and initiatives aimed at urban areas experiencing decline. In addition, the City has established a number of its own complementary programs to encourage reinvestment in both older residential and industrial areas.

With efforts dating back to the 1970s, Portland, Oregon is often considered the granddaddy of growth management. Portland’s growth management has been coordinated and championed at the regional level by Metro Portland. Despite impressive efforts, Portland still faces formidable growth challenges and the region continues to expand outward at a rapid pace. Policies strongly linking transportation and land use decisions are complemented with an urban growth boundary. Current challenges include an increasing imbalance between employment and housing within the eastern and western portions of the region and the provision of sufficient affordable housing.

The City of Calgary’s growth management policy framework has had limited impact on the form and location of growth within the City. Calgary is a rapidly growing city with a market-driven approach to urban development and a long-standing precedent of growth through annexation. All of these factors have curbed the ability of planning policy and public investment to guide growth. Most notably, the Growth Area Management Plan (GRAMP) effort is focused on infrastructure capacity analysis and the creation of an information base from which to make coordinated decisions regarding development and infrastructure capital outlay. An operational framework to complement this data is being finalized.

In the Town of Cobourg, growth is occurring at a modest and increasing rate and is being accommodated in a controlled and deliberate manner. The Town relies on community and Official Plans to direct growth and to unleash capital funding opportunities from senior levels of government. While growth projections for residential development can well be accommodated within the recently expanded urban boundary, the supply of employment lands, especially for any potential large employer, is insufficient and/or outdated to meet anticipated demand.

Over the past 10 years, the City of London has put in place a strong policy framework, financial incentives and initiatives that promote growth management. A significant expansion to the urban area in 1996 has ensured ample land to accommodate projected growth. The City accepts that development will be driven by market forces, but provides a policy framework to direct that growth. The City benefits from a voluntary development

fund called the Urban Works Reserve Fund in addition to the Development Charges Fund. The primary challenge to managing growth in London at present is ensuring sufficient employment growth to balance London’s residential development potential.

Waterloo is recognized for its proactive and progressive planning policies that place a high priority on the environment. Clear definition of the roles of local and regional government has, for the most part, fostered constructive and supportive relationships with respect to growth management and environmental policy. One of the greatest challenges in this urban region is planning for the growth of each distinct community in the context of a much larger contiguous urban region. The emphasis on “environment-first” policies has led to more intensive use of developed land, but has not necessarily decreased land consumption and has increased the up-front costs of development.

#### **4 The Lessons**

The growth management experiences of the case studies and precedent cities are each unique to local context, scale and resources. However, a number of common themes emerged from the research. The following groupings of lessons have been synthesized from these experiences and form a basis for the observations, implications and recommendations related to growth management in Ontario.

##### ***Growth Management Requires a Multi-Layered and Flexible Approach***

- No one growth management strategy fits all.
- Growth management requires a multi-layered, comprehensive strategy.
- Growth management is necessary during both strong and slow growth periods.

##### ***Growth Management Requires Collaboration and Cooperation***

- Collaboration and mutually supportive policy frameworks are critical.
- Involvement by multiple levels of government is necessary.
- A clear definition of roles is critical.
- Local jurisdictions must have the capacity and resources to implement growth management strategies.

##### ***Growth Management Requires Significant Commitment in Both Time and Investment***

- A change in culture is often necessary to implement growth management.
- Growth management thinking must go beyond the local context and the immediate horizon.
- Growth management requires adopting both a short- and long-term view.
- Financial incentives are a critical complement to policy.

##### ***Growth Management Employs an Arsenal of Tools***

- 20-year growth boundaries are not an effective growth management strategy on their own.
- Market-driven approaches need to be tempered by efforts to direct growth.
- Carrots are more effective than sticks.

## **5 Roles**

The roles and responsibilities of those involved in growth management are particular to each community studied. However, there are some key observations that are helpful in considering a model for growth management in Ontario. Above all, clearly defined and coordinated roles for all levels of government as well as other stakeholders have proven to be imperative for effective growth management. First, a strong role for senior levels of government in setting policy directions supported by financial commitments and tools has been instrumental. Second, a degree of local autonomy and empowerment has allowed local municipalities to implement policy direction in a manner that is tailored to the specific community. Third, the interplay between senior government directives and local engagement has been most successful when it is voluntary, supportive and collaborative in nature. Finally, partnerships between governments, development interests and the community have often been the best way to find innovative solutions to finance and implement projects.

## **6 Common Components and Tools of Growth Management Strategies**

Based on the experience from the case studies, five key components of effective growth management strategies and eight kinds of tools were identified. The details and application of these elements will differ based on the urban management issues and local context, but the list provides a framework for crafting growth management strategies.

The five critical components of a growth management strategy include:

- A clear vision and commensurate commitments to effective growth management by all parties.
- A greater level of collaboration and a clear definition of the roles of key stakeholders.
- Innovations in policy frameworks and financial commitments to support growth management.
- The introduction of better tools.
- An enhanced awareness in the broader community.

The following categories of tools were found to be instrumental in the implementation of growth management objectives: comprehensive policy frameworks; funding programs; financial incentives; targeting of efforts to priority areas; urban growth boundaries; protection of rural, agricultural and environmental areas; policy innovation; and, partnerships.

## **7 Current Constraints to Growth Management in Ontario**

The research reveals that the effectiveness of growth management efforts in Ontario is challenged by some significant common factors. In general these imply that while municipalities are innovating and attempting to address the importance of managed growth, there are many challenges to these efforts, most of which are beyond local control. These include:

- the overriding or thwarting of local efforts by senior government directions;
- a lack of financial support, exacerbated by the impacts of downloading;
- a lack of cooperation and coordination related to growth management;
- land economics that support sprawl;

- the disconnect between short-term development goals and long-term objectives for growth management;
- public opposition and political resistance to alternatives;
- the lack of effective governance structures to manage city-regions and urban/rural relationships;
- the lack of growth management strategies to address the needs of rural and northern areas

## **8 Five Recommendations for Reinventing Ontario’s Approach to Growth Management**

Based on the research and observations related to existing growth management efforts in Ontario, five recommendations are offered. Together these recommendations outline the critical first steps and the key components of a new approach for managing growth in Ontario. They offer broad directions for collective action and specific suggestions for the role of OPPI in meeting this challenge.

***Recommendation 1:*** *A multi-layered and coordinated growth management strategy for Ontario should be prepared. This strategy should include five key components: a clear mandate and commensurate commitments; a clear definition of the roles and means of collaboration between key stakeholders; innovation in policy frameworks supported by financial commitments; better tools; and, promotion of education and awareness.*

*OPPI should advocate for and participate in the formation of a growth management strategy for Ontario, along with all levels of government and interested stakeholders. This strategy should reflect the growth management principles adopted by OPPI (see Appendix 4). The intent should be to provide a collective foundation on which to build collaboration and commitment to implement sound growth management practices and multi-layered strategies of relevance to communities across the province.*

***Recommendation 2:*** *Growth management roles of all levels of government and key stakeholders should be clearly defined and coordinated. The recommended model of growth management involves the federal government as broad policy setter and funding provider; the provincial government – the identified growth management champion – as policy leader, facilitator and principal funding provider; regional-scale governments as coordinators and conduits of funding; and, local municipalities as implementers. Innovative public-private partnerships should be sought to meet the medium- to long-term infrastructure and land conservation requirements for growth management.*

*OPPI should advocate and/or facilitate a discussion among all levels of government and stakeholders regarding the appropriate and effective roles related to growth management. The intent of this discussion should be to define a set of mutually agreeable roles, explore better means of collaboration within and between existing government programs and initiatives, and identify mechanisms to ensure coordination of efforts. An example of such a mechanism might be an ongoing forum for discussion and resolution of issues related to growth management (an Ontario Growth Management Cabinet or Round Table on Growth Management).*

***Recommendation 3:*** *Innovation in growth management policy and legislation should be sought regarding approaches to short- and long-term planning, mechanisms and structures that address the scope of urban economies, means of accommodating long-*



term growth projections, financial mechanisms related to development and coordinated allocation of resources. Innovations should be applied in a coordinated and comprehensive manner in all areas that affect growth management efforts, including urban planning, transportation, energy, environment and finance.

*OPPI should actively participate in planning policy and legislation review efforts (Provincial Policy Statement, Municipal Act and Planning Act reviews). In this role OPPI could effectively act as a watchdog and advocate for amendments that support the Institute’s growth management principles and ensure the necessary innovation in the tools and mechanisms are available for municipalities to effectively manage the range and complexity of growth issues facing Ontario communities.*

**Recommendation 4:** *A powerful and effective set of tools should be compiled that complements the growth management strategy and policy framework. These tools could include innovative approaches such as urban growth boundaries based on carrying capacities, targeted funding and financial incentives.*

*OPPI should lobby senior levels of government for stronger financial commitments and tools related to urban growth management. OPPI should advocate for coordinated investment decisions that link transportation, land use and public infrastructure in a manner that is supportive of growth management. OPPI should advocate for financial mechanisms that encourage protection of regional open space and environment systems and preservation of rural and prime agricultural lands.*

**Recommendation 5:** *An education and advocacy program should be established focused on enhancing awareness of the principles and value of growth management and the components of an Ontario growth management strategy. This awareness-building effort should be coordinated among all levels of government and key stakeholders to make the best use of resources and to ensure that information is available to the general public, as well as political, investment and development communities and professionals involved with growth management issues.*

*OPPI should take an active role in enhancing public awareness of the importance of an effective growth management strategy by continuing to inform its members and involve them in current growth management initiatives and by collaborating with other agencies and institutions to articulate to the broader public, through media and other forums, the interdependence of growth management, competitiveness and sustainability and the role of planning in that regard (i.e. an OPPI web page on growth management could become a resource for the general public on growth management efforts).*

## **Section 1: An Introduction to the Study**

The OPPI Growth Management Policy Development Paper is intended to offer the Institute and its members a foundation of information, an assessment of current growth management efforts and direction with respect to current growth management initiatives in Ontario. Based on literature and case studies, the paper adopts a “lessons learned” approach from past and current experiences with growth management in North America. Recommendations are offered, some of which are specific to the potential role of OPPI, and others that suggest key components and elements of an effective growth management strategy for communities within Ontario. The paper has been prepared by Melanie Hare, MCIP, RPP, with the assistance Denise Moylan of Urban Strategies Inc., and support from the Policy Development Committee and staff at OPPI.

The study was undertaken in five stages. An overview of current literature and recent initiatives related to growth management and smart growth was prepared. Case study research was conducted on three municipalities in North America with a reputation for sound growth management practices. An exploration of three municipalities in Ontario was undertaken to explore growth management efforts within these communities. Observations and lessons learned from this research were summarized. Finally, based on the research, a summary of implications and recommendations was prepared outlining key components and steps necessary for the preparation of an effective growth management strategy for Ontario. Since growth management is a vast topic, for the purposes of this study, the focus was on the roles of government and other stakeholders in directing and implementing growth management, the tools used and levels of funding or financial mechanisms applied.

This report is a compilation of study findings and recommendations. It is structured in five chapters, reflecting the five stages. Appended to the report are a reference list, an analysis of planning policy related to growth management from the Ontario case study cities, an inventory of growth management tools and the OPPI’s Statement on Smart Growth.

## **Section 2: Defining Growth Management**

### **2.1 Introduction**

Growth management is critical to the long-term liveability and viability of both urban centres and their neighbouring suburbs. A supportable statement, however, what does growth management really mean? It is not a new concept in urban management, although some of the driving factors and context may have changed. In fact, in many ways, growth management entails many of the principles of good planning that have been practised for decades.

What is clear is that past and current growth management efforts have not been sufficiently effective in directing growth in a manner consistent with defined policy objectives for sustainable and balanced growth. Further, it is clear that the degree and nature of the growth challenges facing Ontario communities will only escalate based on growth and land use projections. By contrast, the precedent research suggests that powerful growth management strategies are being employed in communities in the United States, England and Europe. In this context, innovation in growth management has become all the more critical for ensuring the viability and liveability of both urban and rural areas.

This section provides an overview of growth management that frames the exploration of precedents and case studies. A brief history of growth management clearly establishes that the concept is not new. A definition and principles of growth management are outlined. An assessment of current development patterns reveals that existing growth management efforts in Ontario are insufficient to effectively address the challenges presented by current growth patterns. A new approach and a stronger commitment to growth management are clearly needed in Ontario.

### **2.2 Growth Management as an Evolving Concept**

Growth management has been a going concern in North America since the 1940s, tempered by an evolving attitude and approach to urban development. As early as the 1940s, provincial policies that flowed from the efforts of the conservation movement began to shape thinking on managing growth. In 1949, the Lower Mainland Regional Planning Board was established in British Columbia for the purpose of achieving a regional approach to development problems. The establishment of Metro Toronto in 1953 was a means to promote and manage suburban growth through the subsidization of the necessary infrastructure and services by the city core, as well as to direct development along the new subway system corridors. From 1954-70, the Metro Toronto Planning Board was responsible for managing the area surrounding Metro Toronto, extending well beyond the municipal boundaries.

An awakening of interest in environmental protection in the 1960s and 1970s focused growth management efforts on the limitation of urban development in order to preserve environmental resources. For example, the Niagara Escarpment Commission was established in 1973 and clearly set limits to growth in order to protect this area. Generally, growth management in this era was more analogous to growth control – the slowing or stopping of development and major infrastructure projects such as highways.



- Currently, a review of the Municipal Act and Provincial Policy Statements to reconsider the tools and powers of local municipalities; the Province’s “made-in-Ontario Smart Growth” agenda; reinstatement of federal interest in cities and public transit; and, establishment of the Prime Minister’s Task Force on Urban Issues.

### ***The Smart Growth Experience in the US***

The smart growth experience in the United States has certainly enhanced the awareness of and level of discussion related to urban management and investment in Ontario cities. While a clear consensus on a universal definition of smart growth is lacking, features of smart growth address how communities will accommodate inevitable growth in a way that enhances liveability, the environment and the economy.<sup>2</sup> These features range from: the efficient use of land resources; provision for a mixture of uses and transportation options; designs for walkable neighbourhoods; dispersed affordable housing; and, the conservation of open and green space, including farmland preservation. In essence, the smart growth movement in the US is an umbrella term for the implementation of many of the principles of good planning through the unlocking of significant funding pools at the state and federal levels of government. While effective at raising the level of awareness about urban investment and alternatives to sprawl, the concept is so broadly defined in the US that it is currently threatened and, in effect, diluted by competing interests jumping on the smart growth bandwagon. For example, smart growth is being espoused equally by environmental preservationist and pro-growth development interests.

What is the difference between smart growth and growth management? They are related and compatible concepts. The following differentiation is suggested: **smart growth** is an umbrella term referring to a set of initiatives with a common objective of best, efficient deployment of development while **growth management** is better defined as a strategy, tailored by each community, to guide growth within that community.

It is important, when considering the application of the American smart growth strategies in Ontario, to understand that the contexts are quite different. In the US, cities are independent and autonomous entities that enjoy home rule privileges and are empowered with a much broader palette of tools to finance and guide investment. There is significant fragmentation of local governments within urban regions. Vermont, for example, has 246 towns with populations ranging from several hundred to several thousand. Regional governance structures, where they exist, usually rely only on a model of cooperation and often have little authority to effect regional growth management (i.e. the Association of Bay Area Governments in California). In many cases, state governments have championed smart growth initiatives because towns and cities have not been able to manage growth in a coordinated fashion. Finally, the levels of senior government public investment related to smart growth are staggering in the American context. For example, the US federal program supporting transit and other balanced transportation efforts, the Transportation and Equity Act for the 21<sup>st</sup> Century (TEA-21), is a \$217 billion program. It is estimated that if the Greater Toronto Area were an American municipality, it would be eligible for \$240 million annually in federal government grants.<sup>3</sup> Clearly, while there are lessons to be learned from the smart growth campaign in the US, their applicability and relevance in the Ontario context must be considered.

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<sup>2</sup> Urban Land Institute. (1999) *Smart Growth: Myth and Fact*, p. 3

<sup>3</sup> Urban Strategies Inc. (1999) *Reinvesting in Toronto*, p 12

## 2.3 A Definition and Principles

A contemporary definition of growth management needs to reflect two critical elements: recognition that any policy framework to guide development must be set in a dynamic context – one in which the nature of the challenge may change from growth to decline over time; and, recognition of the necessity of collaboration between levels of government, private development interests and the local community.

Adapted from the definition of the Urban Land Institute’s Growth Problems Task Force, the growth management definition adopted for the purposes of this paper is:

***“Effective growth management is a dynamic process for anticipating and accommodating development needs that balances competing community building goals and coordinates local with regional-scale interests.”***

Further elaboration on this definition is provided through a series of growth management principles, identified below. These principles have been assembled from the literature that explores the experience of contemporary growth management challenges and efforts in North America. They support the definition of growth management, but provide for an elaboration of the array of strategies inherent in the community-building approach to growth management. They are consistent with the growth management principles adopted by OPPI in its Position Statement on Smart Growth (Appendix 4). It is not necessarily assumed that all principles must be employed to establish an effective growth management strategy; however, it is suggested that these are the key ingredients for an effective strategy.

### ***Principles***

- *Establish meaningful settlement areas with attention to growth at a regional scale.*
- *Promote cities as the engines of the economy – ensuring downtown cores, main streets, towns and cities are liveable.*
- *Protect prime agricultural lands, rural landscapes and natural resources.*
- *Link new transportation, water and sewer infrastructure to sound and sustainable development policies.*
- *Strategically invest in and efficiently operate a full range of transportation modes.*
- *Implement incentive-based systems and performance measures that consider and reflect social, economic and environmental priorities.*
- *Ensure that existing and new communities are healthy places to live and have high standards of air and water quality.*
- *Invest in the physical infrastructure of existing communities through infill, reuse and intensification of well-serviced centres and corridors.*
- *Build healthy communities that respond to the social and cultural needs of existing and new residents.*
- *Make certain that every community, new and old, has a distinctive sense of place, character and vibrancy that attract people and investment.*
- *Ensure that existing and new communities support the broad mixture and range of land uses, development densities, and housing options that make communities liveable and meet economic and social needs.*
- *Protect, acquire and restore open spaces and natural systems that define, characterize and support communities and regions.*

- *Ensure fairness, openness, efficiency and certainty in the development process.*
- *Foster cooperation and partnerships among governments, agencies, citizens and entrepreneurs in investing in and building communities.*
- *Promote education and advocacy regarding the objectives, principles and implementation of growth management.*

## 2.4 What Growth Management is Not

Sometimes, as helpful as a definition can be, the declaration of what a concept is *not* can better clarify misconceptions. Therefore, it may be helpful to clearly state that:

- Growth management is not anti-growth – in fact, it may be pro-growth, depending on the economic growth of a community.
- Growth management does not mean no outward growth – it balances growth within and growth beyond existing development.
- Growth management does not simply mean growth boundaries – the nature of cities and development is complex. A simple line of delineation on its own will not be sufficient. A layering of policies, regulations and incentives that support growth objectives is necessary.
- Growth management does not necessarily mean less land is consumed by urban areas, but implies better use of land and balanced consideration of land economics, environmental value, urban form and deployment of infrastructure investment. Subwatershed approaches may preserve land for ecological functions and concentrate development on less ecologically valuable land, but do not necessarily result in less land in an urban area. Growth management does, however, result in a more sustainable form of development and means that land is more efficiently used, and that less land is sterilized.

## 2.5 A Need for New Approaches to Growth Management

Despite decades of growth management efforts in Ontario, there is clearly a need to adopt new approaches if Ontarians are to truly be able to guide and manage growth. In most of Southern Ontario, a significant proportion of new development is occurring at the urban fringe rather than in existing serviced areas. In many cases, growth is occurring beyond urban boundaries. Future growth projections are predominantly being accommodated through significant expansions of urban growth boundaries. When development has occurred within the defined urban envelope, it is outside the nodes planned for greater intensity.<sup>4</sup> Between 1976 and 1996, the Greater Toronto Area lost 150,000 acres of prime farmland to urbanization – an area roughly equivalent to the City of Toronto.<sup>5</sup> Population projections foresee growth of 100,000 people per year in the Greater Toronto Area alone, indicating that growth management will become increasingly important in helping Ontario cities accommodate growth, while maintaining liveability, over the next few decades.<sup>6</sup>

We are clearly sprawling – but to what degree? To understand this, there is a need to evaluate the definition and determinants of sprawl. For example, according to a study conducted by *USA Today*, Portland, Oregon, despite its long-standing reputation for strong growth management initiatives, is sprawling at a rate far surpassing that of the

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<sup>4</sup> Blais, Pamela. (2000) Metropole Consultants. *Inching Toward Sustainability: The Evolving Urban Structure of the GTA*, p.23.

<sup>5</sup> Ibid, p 24.

<sup>6</sup> Strategic Projections (February 2000) *Tomorrow's Market Today*.

City of Las Vegas. Outward urban growth – or sprawl – is affected by two fundamental factors: the rate of growth and the form of growth. Rapidly growing cities such as Toronto or Portland are facing high growth pressures. These pressures can be dealt with in two ways: through effective growth management that may include outward expansion of the urban area in efficient ways; or without growth management, resulting in unmitigated sprawl. Figures for the U.S. indicate that conventional development results in land consumption that outpaces population growth. In the US, 1% population growth in a metropolitan area means at least a 7% increase in land usage as a direct result of conventional development.<sup>7</sup>

Ontario’s development patterns, on average, have resulted in development densities well above the US average. Even in Maryland, smart growth efforts are targeted at areas with densities of 3.5 units per acre or more. In Ontario, this would be considered sprawl by any measure. While municipal policy frameworks have resulted in increased densities in rapidly growing suburban fringes in the GTA (an average of 10-15 units per hectare), it is important to note that these densities are still low compared to post-war suburbs (20-25 units per hectare). Furthermore, despite an increase in residential density, it appears that the percentage of lands devoted to public infrastructure in new subdivisions has actually increased.<sup>8</sup>

It is also important to acknowledge that much of Ontario’s growth management effort has been focused on the growth challenges faced by the Toronto region. The challenges and experiences of the Toronto region are not necessarily representative of communities throughout Ontario. Levels of growth and responses by local communities need to be tailored to the local circumstances and scale of the challenge, rural versus urban, large city versus smaller town. In some cases, growth management is not an issue of harnessing rapid rates of growth but of attracting growth to areas of decline. Regardless of these differences, the definition and principles outlined above are relevant to growth management in these communities.

Ontario municipalities differ in the challenges they face and their level of success in meeting those challenges, most are facing similar problems: congestion, lack of affordable housing, and deteriorating water quality, air quality, and open space systems.

## 2.6 Key Issues to Consider in Crafting Growth Management Strategies in Ontario

As noted above, growth management efforts over the past 50 years in Ontario have been a response to the particular set of contextual factors in play at the time. Therefore, in this examination of growth management practices it is important to understand the key issues and factors that affect the current context and that will influence the effectiveness of growth management strategies. The following factors imply an increasing need to implement effective growth management in order to ensure the sustainable health and viability of Ontario’s communities and economy. ***Most Growth Is Focused within Urban Centres***

The population of Ontario, and most of the western world, is becoming more urbanized. Most population growth is occurring within urban centres at the expense of rural areas

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<sup>7</sup> Leinberger, Christopher (May 2001) Arcadia Land Development. *Financing Progressive Development*. Capital Xchange

<sup>8</sup> Blais, Pamela. *Inching Toward Sustainability*, p. 14



and rural settlements. Further, from an economic perspective, cities are the engines of the Ontario and Canadian economy. The Greater Toronto Area alone contributes 50% of the GDP in Ontario and 25% of the national GNP. These factors emphasize the importance of effectively managing the growth of urban centres to ensure both liveability and economic vitality.

### ***Fiscal Constraints Demand Cost-Effective Public Investment***

Changing intergovernmental relationships, combined with new financing arrangements, and the pressures of growth on cities have enhanced the challenges of maintaining existing and funding new municipal infrastructure. The impacts of downloading have placed the financial burden on local municipalities to provide public transit, community services and assisted housing. There is an increasing recognition that the costs of sprawl outweigh the financial returns to municipalities, even with development charge provisions in place. Pressures for no or low property tax increases further challenge the ability of local municipalities to provide the quality and quantity of services that communities are seeking. Together, these factors suggest the importance of sustainable financial strategies for growth management that ensure growth is self-sustaining and allows for balanced investment in existing and new communities. This challenge will require innovation and new models of partnership between municipalities, the community and development interests.

### ***Conventional Forms of Development are Increasing Pressures for Urban Centres to Grow Outward***

The current realities of land economics promote the accommodation of growth through conventional development on greenfield sites. Factors of influence include the cheaper cost of land; a process that is known and that does not involve existing neighbours; community design that is not hampered by the constraints of existing or past development (i.e. contamination, access and egress, urban design); and absence of the presumption that market demand predominantly supports singles and townhouses; and, financiers who are familiar and supportive of traditional development models. These are some of the toughest realities challenging growth management efforts that encourage reinvestment, revitalization and intensification of existing urban, serviced areas. One implication is that only the deep-pocketed and most committed developers are able to overcome these barriers and implement progressive development alternatives to the conventional greenfield forms.

### ***Growth Is Extending Well Beyond the Influence of Municipal Boundaries***

While the outward growth of cities is challenging the liveability and fiscal viability of local municipalities, it has also complicated the management of this growth. In Ontario, the effective economic urban unit of many cities extends well beyond local or regional municipal boundaries. The maturing and growth of cities has resulted in an economic network comprising city-regions of varying scales. Thus, the area of physical influence of any one city has come to incorporate the urban centre, neighbouring suburbs and increasingly, adjacent agricultural or rural areas. This scope of influence most often goes well beyond the local structures, and in some cases regional structures, put in place for the management of these areas.

### ***Uncontrolled Growth Reduces Quality of Life and Competitiveness***

If cities are our economic engines, their competitiveness is of critical importance. In addition to information-age economic opportunities, one of the most often cited factors related to competitiveness is the quality of life and the degree of liveability in a

community. Many of the attributes of quality of life and liveability, including recreational and open space opportunities, vital downtowns, lack of congestion and a healthy environment, are very much a part of growth management principles. These principles are most challenged by unmanaged growth and sprawl.

### ***A Renewed Interest in Urban Centres by Senior Levels of Government***

Finally, and critical to the current context in Ontario, is evidence of a renewed interest in urban centres from the provincial and federal governments. The “made-in-Ontario Smart Growth” agenda, the review of roles and tools as part of the Planning Act and Municipal Act reform and the revisiting of Provincial Policy Statements offer an opportunity to explore new means of defining and implementing effective growth management for Ontario’s municipalities. Similarly, the federal government’s indication of renewed interest in public transit offers a window of opportunity for financial support to cities at a time when they have become solely responsible for the financial sustainability of public transit – an important but fiscally unsustainable public service under the current accounting systems.

## **2.7 Moving Forward**

As we in Ontario begin to embrace the smart growth mantra and embark on a new era of growth management initiatives, it is critical to understand the levels and scope of commitment required for effective intervention, the implications of too broad a mandate and the lessons learned with regard to cooperation and collaboration between levels of government and the broader community.

### **Section 3: Growth Management – A Review of Three Precedent Cities**

This section provides a summary of the research conducted on the three North American Precedent Study Cities with respect to growth management efforts. The research involved a review of planning policies, initiatives and tools related to growth management. Telephone interviews were conducted with municipal and state staff and, in some cases, members of the development community. The summaries are organized by municipality into the following structure:

- overall growth management strategy;
- community descriptions;
- growth management efforts;
- tools;
- lessons learned

## **3.2 Baltimore, Maryland**

### **3.2.1 Overall Growth Management Story**

The City of Baltimore has experienced a decline in its population over the past 10 years while the counties surrounding it have enjoyed modest to significant levels of growth. The City is working to address this imbalance within a planning and development framework established at the state level. The State of Maryland put in place an extensive smart growth program in 1997 that complemented its existing planning legislation. Having established its first required comprehensive plan in 20 years, the City is working to take advantage of state funding and initiatives aimed at declining urban areas and has

established a number of its own programs to encourage reinvestment in older residential and industrial areas.

### 3.2.2 Community Description

Located on the eastern coast of the United States, Baltimore, Maryland is the centre of a metropolitan region that includes the counties of Baltimore, Anne Arundel, Carroll, Hartford, Howard and Queen Anne’s. The City of Baltimore was home to 651,100 residents in 2000, 11.5% fewer than in 1990. Notably, all of the counties surrounding the city grew during this period, with population increases ranging from 9% (Baltimore County) to 32.3% (Howard County). The City of Baltimore population density also declined over the same time period from 9,108.6 people per mile<sup>2</sup> in 1990 to 8,058.4 people per mile<sup>2</sup> in 2000, while all of the surrounding counties experienced increases in their densities. Current projections indicate a population of 615,000 by 2005 within the City of Baltimore.

The governance structure within which Baltimore functions includes the City of Baltimore, the Baltimore Metropolitan Council, and the State of Maryland. Surrounded by a number of counties, the City of Baltimore is seen as equivalent to its county neighbours.

### 3.2.3 Growth Management Efforts

#### **State of Maryland**

The framework for Baltimore's growth management efforts is provided by the State of Maryland, which takes an active role in the planning and development of both urban and rural areas within the state. Two initiatives at the state level guide constitute this framework – the Maryland Economic Growth, Resource Protection and Planning Act (1992) and the Maryland Neighbourhood and Smart Growth Act (1997).

The **Economic Growth, Resource Protection and Planning Act** is based on the premise that the comprehensive plans that are required at the county and local level are the most appropriate means for establishing local priorities for growth and resource conservation. By outlining the required contents of local plans, the Act situates local plans and priorities within the wider state context of fostering economic development and environmental quality. Other planning and resource conservation initiatives at the state level flow from the Act and are intended to assist local governments in achieving the objectives of the Act.

The **Neighbourhood and Smart Growth Act** promotes efficient growth by directing state funding to areas designated for growth, while projects outside the boundaries of these areas are not eligible for state funding. The State of Maryland has sought to withdraw funding that is seen as supporting inefficient and expensive sprawl development, choosing instead to direct its resources towards the revitalization of existing communities; new development in areas designated for growth; and, the preservation of valuable resource and open space lands. Using criteria established by the State, local jurisdictions and counties designate “Priority Funding Areas”. Projects within these areas are eligible to receive state funding for infrastructure, economic development and housing.

A number of programs have been introduced through the Neighbourhood and Smart Growth Act, including the Rural Legacy Program, the Voluntary Cleanup and Brownfields

Programs, the Job Creation Tax Credit Program, the Live Near Your Work Program and the Building Rehabilitation Code Program (Smart Codes Program).

### **City of Baltimore**

In early 1997, the City of Baltimore initiated the process of preparing a new comprehensive plan for the city – its first in 20 years. Included in the plan’s guiding principles is “support for neighbourhood revitalization in partnership with residents and businesses”. The Plan also supports smart growth at both the city and regional levels. It positions Baltimore’s growth within a larger regional context, promoting the city as the centre of the region. This regional perspective is emphasized in recommendations calling for joint efforts in the areas of tax base sharing, work force development, housing provision and environmental protection.

The City of Baltimore itself is a priority funding area, which means that projects within its boundaries are eligible for financial support from the state government. With its entire city designated, the City of Baltimore has focused its efforts on revitalizing its existing neighbourhoods. In late 2000, the Mayor’s Office of Neighbourhoods was formed to implement the City’s neighbourhood strategy, which seeks to improve local quality of life through enhanced neighbourhood services and strengthened partnerships between community organizations and the public sector. A number of programs and initiatives are now in place to support these efforts.

### **Baltimore Metropolitan Council**

The Baltimore Metropolitan Council is a partnership of local governments in the region. As a Metropolitan Planning Organization (MPO), the Council’s Transportation Steering Committee is responsible for the development of a transportation plan for the Baltimore area that will enable the region to receive federal transportation funds. The Baltimore Region Transportation Plan (1998) identifies four key principles, developed through an extensive consultation process that included a diverse range of stakeholders, including citizens, business representatives, state agencies, local jurisdictions and bicycling advocates. The principles are: linking transportation to managing growth; improving life in the region’s communities; increasing transportation choices; and, maintaining the current system and the investments that have already been made in it.

## **3.2.4 Tools**

The **Rural Legacy Program** provides funding for the protection and conservation of farmlands and forests from development. Through the program, state funds can be used to purchase conservation easements for large contiguous tracts of agricultural, forest and natural areas that are under development pressure. Local governments and land trusts can identify threatened areas and apply for competitively allocated funds that can be used to complement existing land conservation efforts or to allow for new efforts to be undertaken.

The **Voluntary Cleanup and Brownfields Program** is aimed at further developing underutilized areas in urban centres and revitalizing older industrial and commercial areas that present a threat to public health or the environment. The State provides grants and low-interest loans for brownfield development while also limiting liability for redevelopment of these areas. Each project must undergo a public consultation process as part of the program.

The **Job Creation and Tax Credit Program** is intended to encourage small and medium-sized businesses to invest in smart growth areas by providing income tax credits to businesses that create a minimum of 25 jobs in a priority funding area.

The **Live Near Your Work Program** was established to encourage Maryland residents to locate close to their workplace. Under the program, the State will provide minimum cash contributions of \$3,000 to workers who purchase homes in older neighbourhoods known as Live Near Your Work Areas.

**Maryland’s Building Rehabilitation Program** promotes reinvestment in existing buildings through their rehabilitation and reuse. Responding to concerns that current construction codes present significant barriers to the redevelopment of existing buildings, the State is seeking to establish new codes that will promote easier redevelopment. The new codes will address perceived lack of uniformity in codes, the unpredictability of codes between jurisdictions, the lack of reasonableness in existing codes and the need for state-wide training in codes for construction professionals and officials.

Proposed in the City’s new comprehensive plan, **Plan Baltimore, The Neighbourhood Planning Program** was established to assist communities in the development and execution of neighbourhood plans that provide for the targeted investment of public, private and non-profit resources in city neighbourhoods.

The **Mayor’s Healthy Neighbourhoods Initiative** is a pilot program that provides financial resources, training and technical assistance to selected neighbourhoods to put in place a program of lending, neighbourhood pride projects, and outreach and marketing suited to the neighbourhood’s needs. It is a joint effort of the City of Baltimore, the State of Maryland and local foundations, banks and community groups.

### **3.2.5 Lessons Learned**

#### ***Growth management efforts are intended to address a number of issues***

- Maryland’s initiatives have been a response to development pressures, loss of agricultural land, wasteful public spending and a focus on cars.

#### ***Changes in culture are often necessary to implement growth management***

- It is important to overcome political boundaries.
- Change in bureaucratic culture is sometimes required.
- Change does not happen overnight.

#### ***Sustained and continued broad support is necessary to ensure successful implementation of growth management strategies***

- Ownership and consensus by local jurisdictions has been created in part due to the voluntary nature of the programs in Maryland.
- Ongoing dialogue between all government levels and the public is important.
- Strong and sustained leadership is necessary to gain support and advance the goals of any strategy.
- Regional goals and local interests often conflict, threatening support for initiatives.
- Some local jurisdictions feel the State is intruding on their areas of responsibility.

***It is important to define roles***

- Stakeholders need to identify the levers of power and who has control over what resources.
- In Maryland, the Board of Public Works is supposed to make decisions on whether or not projects meet funding criteria. The Board is made up primarily of elected representatives, including the Governor and the Comptroller; however, decisions by the Board must also pass through the capital budget process controlled by Governor. In one instance, the Board agreed to allow a highway that connected two Priority Funding Areas while falling outside of them. The Governor voted against the highway as a Board member and refused to allow the highway in the capital budget, even though the majority of the Board of Public Works approved it. The Departments of Planning and Public Works are now involved in a debate about what sort of criteria to apply to such "exceptions".

***Administrative flexibility in legislation is needed because of the potential for unforeseen consequences***

- No one can anticipate all aspects and consequences of each new program or initiative, especially when there are many aspects to them.
- In Maryland, work has recently begun to develop "exception criteria" for instances in which a project does not meet all the criteria for state funding aimed at smart growth, but does advance the intentions of the Smart Growth Program (i.e. the highway example above).

***Initiatives are more likely to be successful if they are not regulatory in nature***

- The State of Maryland has introduced voluntary initiatives whereby local jurisdictions (including counties) participate in programs only if they choose to do so.
- However, to access state funding for projects, local jurisdictions must participate in state programs aimed at Smart Growth.
- The State of Maryland has found less political resistance by using this voluntary approach that does not force or require participation in state programs.

***A comprehensive program is necessary***

- There are a number of layers and areas that a growth management policy must address, including redevelopment and intensification and efficient growth outwards.
- Maryland needs to continue and better its efforts to promote infill, including the provision of funding to support intensification projects; streamlined regulations at the local and state level; and, the advancement of zoning for such projects as existing zoning is not suited to infill.
- The State could provide more “carrots” – specifically, money to redirect growth back into the city to develop quality neighbourhoods.
- State and local policies must be linked and complementary (i.e. local ordinances must support the Smart Growth Codes program).
- There is a role for the federal government but the state government comes first.

### **3.3 Portland, Oregon**

#### **3.3.1 Overall Growth Management Story**

The Portland metropolitan region has experienced significant levels of growth over the past decade; however, growth management efforts began during a period of slower growth, allowing the region to position itself in to accommodate future increases. Following State of Oregon legislation, a regional growth plan was approved in 1996 that established an urban growth boundary for the region and reserve lands for future urban uses as well as agricultural and natural protection. Growth management efforts in the region have sought to link transportation and land use and are largely seen as successful. Current challenges include an increasing imbalance between employment and housing within the eastern and western portions of the region and the provision of sufficient affordable housing.

#### **3.3.2 Community Description**

Situated in the Pacific Northwest region of the United States, Portland, Oregon is known for its growth management efforts. The city is part of a larger urban region extending south and north that has undergone tremendous growth in the past decade. Between 1990 and 2000, the population of the City of Portland grew by 21%, from 437,300 to 529,100. During this same time period, the Portland metropolitan region, the geographic level at which planning takes place, grew by 20%, from 1,086,200 to 1,305,600. Not only was the population of the Metro region increasing between 1990 and 2000, but the population density was increasing as well, from 3.67 people per acre to 4.41 people per acre. By 2010, the Portland region population is projected to reach 2.2 million.

The governance structure of the community of Portland includes the City of Portland, Metro Portland (a regional body consisting of Portland and the urban areas within Clackamas, Multnomah and Washington counties) and the State of Oregon. Responsibility for planning and land use control lies with Metro Portland, which maintains jurisdiction over matters of regional concern. Since 1973, the State has maintained a strong program for land use planning which emphasizes coordination, partnerships and public participation. The program is administered by the State's Land Conservation and Development Commission (LCDC).

#### **3.3.3 Growth Management Efforts**

##### ***State of Oregon***

Like Maryland, the State of Oregon takes an active role in the planning and development of Oregon's rural and urban areas. Growth management legislation was first passed at the state level in Oregon in 1973, requiring each city and county to have a comprehensive plan, land division ordinances and zoning consistent with state planning goals. At present, the State has 19 planning goals that must be met. Cities must also define an urban growth boundary (UGB) that separates areas intended for urban development from those that are to remain agricultural or natural areas. A 20-year supply of land for urbanization must be included inside the boundary of a UGB at all times.

##### ***Metro Portland***

Planning for the metropolitan Portland region is the responsibility of Metro Portland. Metro passed its growth management plan, the 2040 Growth Plan, which sets the basic

policy for the form and character of the Portland metropolitan area, in the mid-1990s. Following an evaluation of four growth scenarios, the option that best met regional urban growth goals and objectives was chosen. The plan accommodates a 70% population increase with an addition of 7% to the region’s urban land supply. It designates urban and rural reserves; however, many of the urban reserve areas have since been repealed, the result of court appeals related to the amount and type of land included in the reserves. Metro has, however, managed to include sufficient lands to meet the requirement for available land supplies. The 2040 Plan also encourages reduced lot sizes, increased residential densities and enhanced transit service along main streets and corridors.

Metro is currently undertaking a required five-year review of the plan and the UGB it designates. Performance measures outlined in the plan that provide details on the plan's implementation indicate more efficient use of land and infrastructure as well as increasing transit ridership.

### **City of Portland**

While planning and growth management are under the jurisdiction of Metro Portland, the City of Portland is active in the development of planning policy. Metro maintains a number of advisory and technical committees at which the City is represented by elected officials and technical experts.

### **3.3.4 Tools**

Oregon state law requires municipalities and counties to establish **urban growth boundaries** (UGBs) that include a 20-year supply of urban land. UGBs are used as a tool for defining what land should be considered for urbanization and what land should be protected. In the Portland region, the designation of the UGB requires intergovernmental coordination and management by a regional body, as it crosses many local government boundaries. The UGB is reviewed every 5 to 10 years, as required by state law. There is an ongoing debate about its effect on housing prices in the region, the rate of conversion of undeveloped land and development patterns.

**Urban reserves** are also required by the State of Oregon. These are areas outside UGBs designated for future development that must contain a 30-year supply of buildable land. Counting both the land within the urban reserves and the land within the UGB, urban areas plan for a 50-year time frame.

State law also requires the designation of **rural reserves**, which are lands outside the UGB that are never to be urbanized. These lands are located adjacent to urban areas, and although they are not needed for urban development, they are likely to experience development pressure. In the Portland metropolitan region, rural reserves are implemented through the regional framework plan and voluntary agreements between Metro, counties, neighbouring cities and the State (in the case of areas outside of the Metro boundary).

When the 2040 Growth Plan was originally introduced, Metro Portland provided a small amount of funding to municipalities, primarily smaller ones, to implement the plan. The grants were typically about \$50,000. These have since been discontinued and replaced by technical assistance programs aimed at assisting jurisdictions lacking in the technical expertise necessary to implement the plan.



### 3.3.5 Lessons Learned

#### ***Involvement by multiple levels of government has been necessary for successful growth management***

Part of Portland’s success relies on involvement by multiple levels of government and creative initiatives that are championed by the regional government (Metro), but coordinated with state legislation and local initiatives.

- This requires ongoing consultation and discussions between various levels of government.
- Metro, Portland and the State of Oregon have been working with municipalities in 2040 Plan and regional planning more closely with municipalities to do so (i.e. they have held forums with the public, local officials and representatives to garner feedback on how well the 2040 Plan is being implemented).
- It is necessary to coordinate regulations at all levels to ensure proper implementation of growth management plans (i.e. different environmental regulations and requirements at federal, state and metro levels have held up implementation of the plan because senior government requirements are not met through the plan which meets the requirements of other levels).
- State review of local plans is helpful because it allows for continuous dialogue between the State and those at the local level.
- Tri-met, the regional transportation agency, has been extremely aggressive and therefore successful in implementing transit and transportation management initiatives.

#### ***Growth management takes time***

- The Portland experience has required an immense investment in planning and coordination of growth management and involved a lengthy process of over 25 years.

#### ***Local jurisdictions must be capable of implementing growth management strategies and support must be available for them when they are not***

- Local municipalities, especially smaller ones, may find it financially challenging to begin implementation of growth management strategies.
- Metro provided small amounts of funding for implementation but found low levels of take-up, likely because limited money was available (i.e. typically in the range of \$50,000).
- Metro also found that technical understanding and skills are not always present at local levels (i.e. understanding of environmental requirements). Metro is therefore now providing technical assistance to municipalities.

#### ***Growth management is necessary during periods of both strong and slow growth***

- Different rates of growth have different types of challenges associated with them.
- Portland’s UGB was introduced during a time of slower growth, ensuring that a policy framework was in place and allowing the region to position itself to promote and accommodate growth.
- The UGB worked initially for two main reasons: growth was slow for many years and a significant amount of low-density development was permitted outside the boundary on “exception lands” deemed unimportant for agricultural or forest uses, providing a “pressure release valve”.

- Now that growth is so strong in the region, the UGB cannot in itself prevent leapfrog development.
- Metro is now looking at intensifying exception lands that have been developed at a low density outside of the UGB provided that infrastructure is available to be extended and the land is not useful for agricultural purposes.

***Growth management requires a comprehensive strategy***

- In the Portland region, it is understood that the UGB cannot work on its own, and that it is only part of larger overall strategy that includes such things as redevelopment and infill.

***Growth management is not easy but it is worthwhile***

- Recent studies indicate that in the Portland region, land and infrastructure are being used more efficiently; more infill and redevelopment is taking place than expected; and, transit ridership has increased every month for the past eight years and is increasing faster than the population.
- A long-term view is necessary, and even the state requirement for a 20-year planning horizon fails to anticipate major long-term shifts in settlement patterns.

### **3.4.1 Overall Growth Management Story**

The City of Calgary has a growth management policy framework that has had limited impact on the form and location of growth within the city. Calgary is a rapidly growing city with a market-driven approach to urban development and a long-standing precedent of growth through annexation. All these factors have curbed the ability of planning policy and public investment to guide growth. The Growth Area Management Plan (GRAMP) effort is focused on infrastructure capacity analysis and the creation of an information base from which to make coordinated decisions regarding development and infrastructure capital outlay. An operational framework to complement this data is being finalized.

Other policy initiatives related to decentralizing employment through the designation of outlying centres have been met with little success. Calgary currently suffers from a concentration of employment uses at the core, not employment sprawl. A market-led model of development has led to the extension of services in all directions, and created a shortfall in capital infrastructure investment of about \$8 million per year to meet immediate needs and additional funds required for major infrastructure improvements. The City has successfully negotiated agreements with the Province of Alberta and the development industry to contribute to transportation infrastructure through dedicated portions of the fuel tax and additional transportation levies on development charges.

### **3.4.2 Community Description**

Located in south-central Alberta, Calgary has experienced significant growth over the past decade and remains one of Canada's fastest growing urban centres. In 1990, Calgary's population was 692,900. Growing approximately 25% by 2000, the population reached 864,000 at the end of the decade. Most of this growth has been accommodated through suburban expansion on the city's edges and annexation of lands on the

periphery of the city, the most recent of which was in 1995. Projections indicate a population of one million by 2008 and 1.25 million by 2024.

The City of Calgary operates on a unicity model. Relationships with neighbouring rural municipalities are formalized through Inter-municipal Development Plans that coordinate inter-municipal growth and development plans.

### **3.4.3 Growth Management Efforts**

#### ***Province of Alberta***

The Province of Alberta provides no policy framework related to growth management. Growth management initiatives are locally directed and implemented. There is no equivalent to Ontario’s Provincial Policy Statements in Alberta. Cities are directed by legislation to prepare municipal development plans and inter-municipal development plans. Plans are required to reflect and/or reference provincial initiatives where relevant. The Province has recently dismantled its system of Regional Planning Commissions and replaced these with an inter-municipal collaborative approach. The Province has also provided capital for infrastructure and agreed to levy a \$0.05 per litre tax on gasoline to be dedicated to Calgary’s transportation improvements.

#### ***City of Calgary***

##### ***Calgary Growth Area Management Plan (GRAMP)***

The GRAMP initiative is a growth management tool, rather than a plan that identifies the City’s capital costs of servicing growth over the next 20 years. The initiative is based on a premise of market-based development and is designed to ensure that there is choice and competition in development. The approach is to coordinate the form, location and timing of growth and related infrastructure and services in growth corridors, but not necessarily to control them.

The GRAMP initiative has two major components. Part 1 is a geographically-based assessment of cost related infrastructure undertaken in order to prepare growth management strategies and policy. Part 2 establishes an operational framework to undertake growth-related cost analysis at three key decision-making points in the land use planning cycle: work programs, policy plans and land use applications. Part 1 has been completed and a draft of the Part 2 framework is pending.

##### ***Calgary Transportation Plan – GoPlan***

Calgary’s 1995 GoPlan was based on the recognition that current auto-dependence is unsustainable and that there is a strong need to link transportation and land use planning. The plan sets out land use directions including mixed-use suburbs; the intensification of existing neighbourhoods; mixed-use centres and corridors; healthy downtown; and, the preservation of environmentally sensitive areas. It provides some strategies for changing travel behaviour and addresses issues such as vehicle occupancy; the costs of driving; parking; and, levels of transit service.

##### ***The Calgary Plan***

In 1998 Calgary completed Calgary Plan, a new city-wide community development plan that sets out broad policy objectives and an urban structure plan to guide the growth of the city over the next 10 to 20 years. The plan calls for linking land use and movement by increasing mobility options; protecting environmentally significant areas; reducing the need for additional river crossings; reducing the reliance on automobiles; and, increasing

transit use. The urban structure plan proposes a regional ring road to reduce congestion on the existing road system.

#### *Employment Centre Strategy*

Recognizing the issues inherent in the concentration of the majority of employment uses in the central core, the City has prepared an Employment Centre Strategy that proposes the de-concentration of employment uses from downtown to outlying areas in order to relieve congestion and provide for future employment growth close to areas of anticipated new growth. The plan has met limited success at directing employment uses to the planned employment nodes. Market forces have placed great pressure on using the designated employment areas for auto-oriented retail uses.

#### *Urban Parks Master Plan*

Calgary has a strong legacy of parks and trails, many of them related to the systems of rivers and streams within the city. The Master Plan reinforces this tradition with policy and structure, providing for a city-wide network of parks, open spaces and trails focused on the Elbow and Bow River corridors.

#### *Sustainable Suburbs Study*

The Sustainable Suburbs Study provides design guidelines for alternative development forms that would result in more intensive, compact development. It complements the Calgary Plan that establishes the objective of sensible and responsible infill development. The study was prepared to encourage alternative forms of development. Generally, development patterns in Calgary are conservative and reflect (with the exception of developments such as Mackenzie Town) conventional suburban development patterns.

### **3.4.4 Tools**

#### ***Growth Area Management Plans***

As described above, the GRAMPs are a tool to coordinate growth and the provision of infrastructure. Recently, a statutory plan preparation process adopting the GRAMP approach resulted in changes to staging in the implementation plan and the extent of development approved.

#### ***Inter-municipal Development Plans***

Since the elimination of Regional Planning Commissions, the Province of Alberta has required the preparation of Inter-municipal Development Plans. In Calgary there are two rural municipalities, known as Municipal Districts, abutting the municipal boundary: Rocky View and Foothills. The plans are a collaborative process between the rural and urban municipalities to determine a framework for where growth could go and how edge conditions will be dealt with while providing a context for potential annexation.

#### ***Transportation Levy***

In order to address a backlog in road improvements, the City of Calgary was able to reach an agreement with the local development industry to incur a special transportation levy on new development. The levy is applied in addition to development charges at the rate of \$17,000 per hectare of development and is targeted to road infrastructure.

### 3.4.5 Lessons Learned

#### ***Growth management strategies need to be multi-layered***

- Increased densities in suburbs have been achieved through market demand for small lot units. It will not be possible to exceed current density levels without introducing other design approaches such as grid road networks and suburban mixed-use employment centres.

#### ***Market-driven approaches to growth have their limitations***

- Calgary’s growth management efforts appear to be focused on ensuring adequate servicing to accommodate market forces – ensuring competition and choice – with an emphasis on managing the costs but not the form of growth.
- GRAMP initiatives are based on a solid understanding of servicing needs, demographic trends and supporting market-driven initiatives.
- There is much policy, but the ability to direct growth seems limited, as evidenced by the development of Employment Centres as big box retail centres.
- Growth is occurring mostly on the edges of the city.
- Greater overall densities have been achieved (i.e. suburban densities have increased from 5 units per acre to almost 7 units per acre in some suburbs), but these are attributed to market demand and not policy.

#### ***Growth management is difficult to achieve in strong growth periods***

- Significant growth pressures have changed the nature of the community in a very short period of time – small city culture is evolving into big city challenges.
- Prior to 1999, a backlog of transportation improvements necessitated the introduction of transportation levies and gas taxes to increase funding for road improvements.
- Even now, it is difficult to keep up capital investments necessary for infrastructure improvements. Calgary is currently falling behind \$8 million per year for current systems, not including major upgrades.

#### ***Growth boundaries by themselves are not an effective growth management strategy***

- A lack of physical constraints to growth has limited the ability to contain growth. One exception is the Tsuu T’ina Nation lands which are native-controlled lands to the southwest of the city.
- Calgary has grown through massive annexations of peripheral lands. There were 35 annexations between 1910 and 1995.

## 4.1 Introduction

Chapter 4 summarizes the research conducted on the three Ontario case study cities with respect to growth management efforts. The research involved a review of planning policies, initiatives and tools related to growth management. A summary of the planning policy review related to growth management is included in Appendix 2. Interviews were conducted with municipal staff, local politicians and, in some cases, members of the development community. The summaries are organized by municipality into the following categories:

- overall growth management story;

- community descriptions;
- growth management efforts, including a history and inventory of initiatives;
- description of the roles;
- tools employed;
- identification of issues and challenges;
- lessons learned

## **4.2 Town of Cobourg**

### **4.2.1 Overall Growth Management Story**

In the Town of Cobourg, growth is occurring at a modest and increasing rate and is being accommodated in a controlled and deliberate manner. The Town relies on community and Official Plans to direct growth and to unleash capital funding opportunities from senior levels of government. While growth projections for residential development can be well accommodated within the recently expanded urban boundary, the supply of employment lands, especially for any potential large employer, is insufficient and/or outdated to meet anticipated demand.

### **4.2.2 Community Description**

Located on the northern shore of Lake Ontario, Cobourg is a historic town that has worked hard to preserve its heritage while ensuring its ability to grow. Cobourg has enjoyed relatively stable growth in the past decade. Between 1991 and 1996, the Town's population increased by approximately 6.3%, reaching 16,000. The current population is 17,200 and with expected growth pressure flowing from the GTA, Cobourg projects that its population could be as high as 24,500 by 2017. The town's land area was 15.89 km<sup>2</sup> in 1996, resulting in a population density of 1,008 people per km<sup>2</sup>. Following an annexation of approximately 7 km<sup>2</sup> of rural area in 1997, the population density fell to 22.33 people per km<sup>2</sup>. There is a significant population of seniors in the community. A new regional hospital facility is being built within the community, close to the 401. With a state-of-the-art hospital facility, a historical reputation as a community with strong ozone levels and recreational and tourism opportunities, Cobourg is promoting itself as the “wellness capital of Canada.”

### **4.2.3 Growth Management Efforts**

#### ***History***

For many generations, Cobourg had a stable population. More recently the Town has been growing at a nominal rate, accommodating approximately 125 new units of housing per year. It is anticipated that the rate of development will increase to a rate of 200 units per year as GTA growth pressures move outward. In 1997, the Town annexed three parcels of land from the Township of Hamilton. Two of the parcels, immediately to the north and west of the Town's boundary, were subject to development pressures related to a WalMart and a residential subdivision that the Township had supported. The Township and Town came to a friendly agreement to annex these parcels, on the basis that these lands would be better developed on urban services. The third parcel was included as part of the annexation process and is considered an outlet for the Town's long-term growth. As part of the negotiation with the Township, the Town encouraged the Township to adopt an Official Plan that focused development on settlement areas and established a buffer zone around the Town to discourage future development

pressure on the Town’s edges. Within the current urban boundary, the Town has sufficient land to accommodate its projected growth needs for at least 20 years.

### ***Inventory of Initiatives***

#### *Town of Cobourg Official Plan No. 50*

The Town has prepared and adopted a new Official Plan. The Plan was approved by the Ministry of Municipal Affairs and Housing and the Ontario Municipal Board. The policy framework set out in the Plan supports many growth management principles: residential designations are simplified to include only low- to-medium-density and high-density zones; transit-supportive densities and a balanced movement system are encouraged; an urban area boundary is defined and supported by rural and urban land use provisions; and, a range of housing types is sought (much of the approved housing inventory is medium- and high-density units).

#### *Secondary and Community Plans*

Secondary Plans are used to guide the form, phasing and order of growth. Three plans have been prepared to address growth in prime development areas. The New Amherst Community Secondary Plan sets out the provisions for a 1,800 unit New Urbanist community; the Harbour Development Secondary Plan Area establishes a policy framework that integrates residential, commercial, marina and recreational uses of the west waterfront area; and, the Elgin Densmore Secondary Plan Area provides for the orderly phasing of 1,000 new housing units over the long term.

#### *Downtown Reinvestment*

Cobourg has successfully implemented and coordinated plans for significant downtown reinvestment, including an aggressive infrastructure rebuilding plan for roads and sewers along Division Street, Hibernia Street, Third Street and King Street. The Town has prepared a plan for a revitalized Victoria Square that is intended to re-establish the square as the town’s premier meeting place. The Town has prepared a strategy to distinguish downtown boutique retail and commercial from other auto-oriented retail in the community and actively market it. Main street development is encouraged through the promotion of residential units on second and third floors in downtown buildings. Restaurants and sidewalk cafes are encouraged along King Street, not only in policy but also through new sidewalk infrastructure designed to accommodate sidewalk cafes. The Town has designated three districts in the downtown area for heritage conservation purposes. A set of urban design guidelines and development controls apply to these districts and a variety of funding methods and other heritage incentives are available for investment in properties in these areas.

#### *Waterfront Redevelopment*

Cobourg’s waterfront has been transformed from a brownfield site to a public park and promenade system. The next phases of this initiative will involve the introduction of mixed-use development along the waterfront, including an expanded modern marina, residential and commercial uses, waterfront trails connecting to the Lake Ontario trail, an aquatic habitat wetland area, parking facilities and corridors linking to the downtown. These projects are estimated to involve a \$4 million public investment.

#### *Parks and Open Space Master Plan*

The Town has recently approved a Parks and Open Space Master Plan that prioritizes the creation of both passive and active open spaces throughout the community. The

Plan also calls for the restoration of natural features such as river and creek systems. Bicycle pathways are introduced throughout the town.

#### *Cobourg Transit*

The Town operates a three-route bus system to service major corridors. Along these corridors, the Official Plan provides for transit-supportive levels of density. The transit routes terminate in the central downtown at Victoria Square. While not a financially self-supporting system, the Town recognizes the importance of having a public transit alternative and the need to complement the system with higher densities along the routes.

#### **4.2.4 Roles**

The Town of Cobourg is located within the County of Northumberland. The Town has been delegated planning authority, enabling it to create an expedited approvals process. Cobourg has been proactive in the management of growth within its boundaries and in encouraging the protection of rural lands on the periphery by the Township. Cobourg has received significant funding grants from federal and provincial governments and used these to undertake major capital works, including waterfront renewal, main street initiatives, brownfields renewal and waterfront trail development. The ability to access such funds is a result of the Town’s efforts to ensure that plans are in place so that it can take advantage of funding programs as they came along. In addition, the Town works cooperatively with local developers and provides some flexibility on development agreement security deposits, allowing developers who do not possess significant capital assets to use land as part of the security.

There is support within the Town for amalgamating the entire County of Northumberland, or parts of it, into a single-tier municipality. Such a move is seen as economically advantageous. Amalgamation, it is believed, would make it easier for the area to attract large employers and coordinate marketing efforts on a regional basis.

#### **4.2.5 Tools**

The Town has relied on **Official and Secondary Plans** as guiding tools for the management of growth and development. The official and secondary planning process has provided a degree of certainty and direction for staff, the community and the development industry. The cost of plan preparation is recovered from developers.

The Town has established several heritage preservation incentives. The **Downtown Heritage Tax Incentive Program** allows for a grant in lieu of tax increases in return for heritage improvements. The **Heritage Conservation District Fund** offers a matching grant program for restoration efforts. Finally, the Town has applied for a new property assessment category to favourably assess heritage properties.

A **Virtual Site Plan Approval Program** is being developed by the Town to facilitate the approvals process for industrial projects. The program involves the preparation of a pre-approved site plan that assists developers in moving through the approvals process quickly so that they can begin construction within 3 to 6 weeks.

The Town has a history of working in partnership with private sector developers to meet specific objectives such as medium- and high-density housing or building industrial



space to address immediate shortages. In these instances, the Town may waive fees to encourage development.

#### **4.2.6 Issues/Challenges Identified**

The following issues and challenges to growth management efforts were identified:

- Small developers have trouble making large capital outlays up front. Several developers have gone bankrupt.
- The Town wants medium- and high-density residential development and has approved such development, but only single-family detached is being financed and market demand is for single-family housing.
- The Town has been working to balance demands for auto-oriented retail with competition for downtown retail. A recent application by WalMart was approved to address the outflow of retail spending to neighbouring municipalities, but the Town recognizes the need to distinguish this form of retail from that of the downtown. This can be done by targeting different markets (i.e. local needs versus boutique, tourism, entertainment).
- It is questionable whether the most recent annexation was economically positive for the Town.
- Achieving cooperation and consensus with multiple landowners can be difficult when each has individual interests and a short-term outlook. Of special note are challenges with regard to reaching agreement on the types of land uses to be permitted in an area and the division of front-end costs between land owners who will all benefit from servicing.

#### **4.2.7 Lessons Learned**

##### ***A long-term view is necessary to ensure success at growth management***

- It is important to plan ahead to ensure plans are in place when funding comes along. The Town of Cobourg is aware of its proximity to Toronto and has plans in place to deal with growth as it comes.
- Secondary plans provide a means of ensuring controlled growth, as they anticipate future growth needs and establish phasing to accommodate this growth.
- The Town has implemented multiple layers of policies, incentives and projects over the last 10 years and is now just starting to feel as though it is all coming together.
- There is a shortage of industrial land for the next 10-year plus planning horizon. The Town needs to plan now for that shortage.

##### ***Growth management can be challenged by existing market conditions***

- The Town wants medium- and high-density development and has approved this type of development, but only single-family detached is being financed and market demand is for single-family housing.
- There is a need to balance demands for auto-oriented retail with competition with the downtown retail: addressed this by targeting different markets – local needs versus boutique, tourism, entertainment.

##### ***It is important to ensure that plans are implementable (i.e. that financial support is available)***

- Cobourg has experienced difficulty financing progressive forms of development. Small, local developers often do not have the necessary deep pockets and

apartments and condos do not work in Cobourg’s current market. Several small developers recently went bankrupt.

- Without significant public grant money from provincial and federal governments, most of the recent public sector investment within Cobourg would not have occurred.

## **4.3 City of London**

### **4.3.1 Overall Growth Management Story**

Over the past 10 years, the City of London has put in place a strong policy framework, financial incentives and initiatives that promote growth management. A significant expansion to the urban area in 1996 has ensured ample land to accommodate projected growth. There has been a history of collaboration between the City and development industry. The City accepts that development will be driven by market forces but provides a policy framework to direct that growth. The City benefits from a voluntary development fund called the Urban Works Reserve Fund in addition to the Development Charges Fund. While there is a sense from the development industry that London’s growth has been stalled by taking the time to invest in this process, it is acknowledged that the City is now well positioned to capitalize on this framework and a known and predictable approach to growth. The current challenge to managing growth is ensuring sufficient employment and industrial growth to balance London’s residential development potential.

### **4.3.2 Community Description**

The City of London is located in southwestern Ontario. The City has a strong business and institutional base and is home to the University of Western Ontario, a regional health centre and major insurance businesses. At a population growth rate of 4.5% between 1991 and 1996, London has experienced stable growth in recent years. In 1996, the City’s population was 326,000. It is projected that the city will continue to grow steadily at a rate of 1.2% per year, reaching a population of approximately 407,000 by 2016.

### **4.3.3 Growth Management Efforts**

#### ***History***

Growth management initiatives in London can be traced at least as far back as the 1971 City of London Act, which, among other things, established the parameters for an Urban Works Reserve Fund – an early version of development charges – to allow for front-end financing of development infrastructure.

In 1993, 26,000 hectares of land in Middlesex County was annexed to the City of London through the London-Middlesex Act. The provisions of this Act required London to prepare, adopt and approve an Official Plan relating to the annexed lands. London City Council decided to use the occasion not only to adopt an Official Plan for the area but also to prepare the five-year review for its existing Official Plan. The result was an extensive visioning and planning effort, including the preparation of the London Strategic Plan, subwatershed studies, OPA No. 88, and ultimately the city’s new Official Plan, which was adopted by City Council in 1996. The adopted plan included a relatively tight urban growth boundary and provisions for growth management, financing and forecasting. The Official Plan was the subject of a lengthy Ontario Municipal Board hearing that resulted in a much larger urban growth boundary, subject to review every five years.

## ***Inventory of Initiatives***

### *Vision 1996 process and the 1996 Official Plan*

The City of London Official Plan establishes a strong framework of policies that support growth management, including provisions for a range of housing, density nodes, a network of open spaces and a strong downtown. The Plan preparation process was based on a subwatershed approach and involved comprehensive background studies and an extensive community consultation and visioning process called Vision 1996. Included in the background studies was a servicing study that identified a 50-year servicing boundary. The policy framework for commercial properties adopted a broadly zoned approach with an emphasis on design and complementary commercial uses for three key commercial areas. The plan also included rural settlement policies that encourage rural development to be focused within settlement areas.

### *Urban Growth Boundary*

The Official Plan establishes a urban growth boundary based on land supply for the next 20 years. The boundary, subject to an Ontario Municipal Board Hearing which resulted in a more generous boundary than that initially proposed by the municipality, distinguishes urban growth areas from rural settlement areas and agricultural lands.

### *Community Plans*

The City initiated a series of seven new Community Plans between 1993 and 2000 to provide a framework for much of the land annexed in 1993. The community plan process is recognized and supported as establishing a strong framework and clear understanding for development. In London, the community plan process can be initiated by the City or by the consensus of a majority of landowners in a community. The City has established guidelines to provide for a developer-led community planning process. It outlines a set of criteria, including a requirement that 75% of the landowners of the developable land form a consortium and agree to initiate and pay for the planning process and enter into a financial agreement to allow for the equitable distribution of facilities and land uses.

### *Rural/Urban Interface Policy*

The City has established a policy to address issues related to the rural/urban interface – the area in which urban residential land uses meet agricultural or rural land uses. Conflicts have arisen related to the compatibility of farming and residential uses. The recommended policy approach has been to define the urban/rural interface and require planning applications to consider and mitigate potential conflicts within the fringe areas. It also refers to City guidelines by which conflicts can be mitigated. This policy is currently under consideration by the City. Research undertaken by the City indicates that in other jurisdictions such conflicts have been dealt with through the use of Urban Protection Areas (Guelph), setbacks required through zoning (Middlesex-Centre) and Landscape Buffer Specifications (British Columbia and Queensland, Australia).

### *Downtown Reinvestment*

The City has undertaken an aggressive \$100 million program of downtown reinvestment projects related to culture, art, recreation, entertainment and sports. London's strategy has been to demonstrate its commitment and confidence and to provide a context for an improved residential market through strategic investments. To this end, the City has invested in projects such as the Downtown Arena and Entertainment Complex, the Covent Garden Market, a Central Library, street lighting, the Forks of the Thames

Revitalization, the Victoria Park Restoration and provides significant incentive programs for heritage restoration. In addition to the City’s direct investment strategy, a number of incentive programs have been established to encourage private investment in the downtown area, including loan programs, rebates, waiving of development charges and parking requirements.

#### *Investment in Community Infrastructure*

In addition to the downtown strategy, London has invested heavily in community infrastructure, even in areas that are traditionally provincial responsibility. The following investments have been paid for through the City’s operating fund:

- \$10 million to the University of Western Ontario;
- \$ 5 million to Fanshawe College;
- \$1.5 to other educational institutions;
- \$15 m to health services and the hospital

#### *Balanced Movement*

The City’s Official Plan includes provisions for transit, but transit is not a significant part of the culture or a priority in the short- or long-term vision of the community. In order to address this issue, the City has recently hired a Transportation Demand Coordinator. London does have a strong network of recreational bike routes and an integrated bicycle path system designed along arterials and local roads.

#### *Development Approvals Process Review*

The City has recently initiated a process to explore constraints to planning approvals in order to facilitate opportunities for doing business in London.

### **4.3.4 Roles**

Acting as the regional centre for southwestern Ontario, the city of London is a single-tier municipality surrounded by rural municipalities. The City has been delegated authority for subdivision approvals. There is currently little formal collaboration on growth management between the urban area and surrounding rural municipalities.

The 1996 Official Plan, adopted by Council, sets out a limited growth boundary and supporting policies. The OMB decision expanded these boundaries significantly on the basis that this reflected a greater reality for long-term growth and therefore provided greater certainty. Both the City and developers expressed the desire for local policies that have been adopted through a community process and are consistent with Provincial Policy Statements to be upheld and supported by the Province. Objections were expressed to the OMB siding with neighbourhood groups in opposition to projects that implemented approved local policy.

### **4.3.5 Tools and Funding**

The City of London has instituted a number of tools, mostly financial incentives and programs, which support growth management principles.

The **Urban Works Reserve Fund** is a voluntary, self-regulating fund financed by developer contributions that is used to finance new infrastructure and servicing. Established in the early 1970s, the Fund was an early version of a development charges model and today is a supplementary source of funds in addition to the City’s

Development Charge Fund. Recently, significant payouts from the fund have resulted in the introduction of limitations on withdrawals for any one development from the fund.

The **Woodlot Acquisition Fund** was established in 1999 by City Council. The purpose of the fund is to acquire significant upland woodlots that have been identified for preservation and are facing development pressure. This fund is distinct from parkland acquisition tools. While currently modest in size and impact, the fund provides opportunities other than policy, parkland provisions and environmental constraints to protect woodlots within the City.

The City has instituted a range of financial incentives to encourage downtown development. **Development charges** are waived for downtown residential projects. The **Downtown Rehabilitation and Redevelopment Grant Program** offers annual grants to property owners who have rehabilitated or redeveloped residential or commercial properties in London’s downtown core. The grants are calculated based on the increase in the municipal portion of property taxes directly related to the project and are phased out over a 10-year time frame. A **Façade Restoration Loan Program** provides interest-free loans that cover up to 50% of eligible improvement costs. The **Upgrade the Building Code Downtown Renovation Loan Program** provides assistance to property owners with the financing of downtown building improvements necessary to bring older building up to current code requirements.

London also has a number of incentives and tools related to heritage restoration and protection. The City provides for density bonusing of up to 25% in exchange for the retention and designation of heritage buildings. The **London Endowment for Heritage Fund** provides grants for conservation and restoration of heritage features of a property. The City has applied for a special **property tax class** for heritage buildings that could provide preferential property tax rates for these properties.

The City recently instituted a **sewer improvement tax** to address the need for significant investments in order to upgrade sewer systems in the existing urban area.

Finally, the City uses guidelines to illustrate alternative design solutions for development. The **Guidelines on Development within the Rural/Urban Interface** and the **Small Lot Subdivision Design Guidelines** provide design solutions to encourage alternative forms of development.

#### 4.3.6 Issues/Challenges Identified

The following issues and challenges to growth management efforts were identified:

- Despite strong policy and developer interest to alternative forms of development and intensification, community opposition can introduce resistance. The political will is not always there to implement policy directions.
- Decisions at the OMB challenge local growth management policies, leading to the question – should these be allowed to go to the Board?
- Urban design guidelines may lead to over-regulation. Regulations need to be more pragmatic and flexible.
- The introduction of a new ring road will challenge the concept of limited growth to the north by encouraging development on either side of the ring. Where infrastructure is provided, growth will come.

- Limited demand for transit has deferred this from the local agenda.
- The City has tried to set up constructive relationships with the Province but has found that the impacts of downloading are a moving target.
- Subwatershed approaches to community planning have increased the up-front costs of infrastructure, in particular storm water management and necessitated limitations on withdrawals from the Urban Works Reserve Fund.
- There is a gap between those with short-term interests and those with long-term interests – growth management is a long-term endeavour.

#### **4.3.7 Lessons Learned**

##### ***Successful growth management takes time***

- Official Plans that advocate growth management do have an impact, but it takes a long time for the city form to play out.
- Official and Community Plans take time and can hold back development. In London there was a bottleneck in development from 1993 to 2001 until the policy framework was completely in place.
- London’s current urban growth boundary is large enough to accommodate more than 20 years of growth and is logically defined by the landforms to send a clear signal about where growth will go in the future. Proposed major infrastructure investment is consistent with a major growth focus in the south (i.e. the location of a new sewage treatment plant and a proposed \$430 million in sewer infrastructure).
- A 5-year, 20-year and 50-year perspective to growth management is needed, otherwise municipalities miss out on the long-term view with regard to transit, roads and the coordination between rural and urban areas:
  - 5-year plans respond to current context;
  - 20-year plans promote where the municipality wants to be in the foreseeable future;
  - 50-year plans move boldly to a vision for 50 years out (London did consider the 50-year scenario in its transit servicing plan).

##### ***It takes time to develop the necessary broad base of support***

- Growth management needs a combination of political will and professional policy and the education of council and the community.
- Collaboration between the development industry and the City has been critical in London.
- Despite these relationships, it can be very difficult to change attitude about doing business in London.
- Having the right administrative team at City Hall is critical.

##### ***Growth must be balanced between residential and employment***

- London needs to ensure a balance of residential and employment growth. Current levels of residential growth are not representative of London’s potential, but are constrained by comparable employment growth.

##### ***A combination of incentives and investment has been instrumental***

- The City’s strategy of combining public investment with private incentives has been important in encouraging downtown revitalization.

- London offers a broad range of incentives and is innovative in its use of existing tools and powers.
- Incentives are not always enough on their own. A strong market and viable projects are also necessary.
- Tax incentives will not necessarily be enough if projects are not viable. The development industry considers incentives as a bonus, but projects have to be viable in their own right. Partnerships with the City and strong markets are more important.

***Growth management plans must be implementable***

- Local municipalities should create policies and get the Province to help implement them.
- The Urban Works Reserve Fund provides an additional funding tool for the City and the development industry. The need for the fund to be self-sustaining encourages efficient development patterns and phasing.
- Developers with deep pockets may be the only ones with the staying power to implement managed growth policies for medium-density housing and to deal with community opposition to intensification and alternative development standards.



## 4.4 Waterloo, Ontario

### 4.4.1 Overall Growth Management Story

The City of Waterloo is recognized for its proactive and progressive planning policies that place a high priority on the environment. Clear definition of the roles of local and regional government has, for the most part, allowed for constructive and supportive relationships with respect to growth management and environmental policy. One of the greatest challenges in this urban region is planning for growth for each distinct community in the context of a much larger contiguous urban region. Regional and local plans provide for a balance of new growth on the periphery and intensification within existing development areas and the downtown. The emphasis on “environment-first” policies has led to more intensive use of developed land but not necessarily less land consumption and has increased the up-front cost of development.

### 4.4.2 Community Description

Part of a larger urban region known as "Canada's Technology Triangle", Waterloo is one of three contiguous urban centres, along with Kitchener and Cambridge, that make up the urban area of the Region of Waterloo. One of the strengths of this urban area is the distinctive urban character and culture of each of the three cities, even though functionally they act as a contiguous economic unit.

Waterloo is home to both the University of Waterloo and Sir Wilfrid Laurier University and has been host to many successful high-technology spin-off companies from these institutions. As a result of this strong educational presence and the area's quality of life, Waterloo is one of few communities that experiences brain *gain* rather than drain. Travel patterns indicate that there is a balance of those commuting to work in Waterloo and those commuting to work outside Waterloo.

**Throughout the 1990s, the City experienced a high level of growth, reaching 9.5% between 1991 and 1996. In 1991, Waterloo had a city population, inclusive of off-campus student population, of 83,500 and a regional population of 392,000. The projected population for the City in 2016 is 122,200 and for the Region is 558,000.**

### 4.4.3 Growth Management Efforts

#### *History*

The City of Waterloo and the Regional Municipality of Waterloo have been leaders in environmental policy since the 1970s. In 1976, the Region established environmentally sensitive protection areas in its Regional Plan, well ahead of any such provision in the Provincial Policy Statements. At the same time, the City of Waterloo worked to preserve a number of creek valleylands and linear open spaces through innovative, environmentally focused subdivision designs. The environment-first approach has influenced many of the City's and Region's growth management strategies. Through clear delineation of regional and local roles, the region has pioneered environment-related research for municipalities throughout Canada. At the local level, the City, in partnership with developers, has undertaken detailed inventories of subwatershed systems. The Region has focused its efforts on macro-level issues, such as inventories of contaminated sites and water resource systems, which have provided an important asset for local and regional growth management efforts.

## **Inventory of Initiatives**

### **Regional Initiatives**

The **Regional Official Plan** provides a broad framework that clearly distinguishes the urban area and rural settlement areas from the rural areas within the Region. It includes policies tailored to the special character of Mennonite communities. Environmental protection is articulated through clear policies based on a subwatershed approach. Subwatershed studies have helped to create a strong natural resource database for the region. Recently, the Region introduced a Water Resource Protection Strategy aimed at directing new non-residential development to areas of the region with limited potential to affect the municipal groundwater supplies.

The Region’s **Transportation Master Plan** process sets out a range of alternatives for managing growth and related transportation infrastructure. Through community-based consultation, the option of reducing auto dependence was selected. The plan proposes to implement this direction through the increased use of Transportation Demand Management (TDM) measures and a strong commitment to land use management. More specifically, this has led to increased bicycling, walking, and transit usage and the hiring of a TDM Coordinator.

The Region is in the process of acquiring a rail corridor right-of-way extending from Elmira to Cambridge in order to provide for the long-term implementation of a **regional commuter transit system**. At this time, the project is in the visioning and conceptual development stage but it is consistent with the direction of the Transportation Master Plan and long-term growth management efforts for the region.

In April 2001, the Region announced its intention to prepare a smart growth plan to outline the staging and servicing of future development for the next 20 to 30 years. The process will involve examining current and future land needs, existing and required infrastructure, brownfield development, environmental protection and the enhancement and the protection of rural and agricultural lands in areas not identified for growth.

### **City Initiatives**

In the early 1990s, the City of Waterloo developed a **Growth Management Strategy** to identify a long-term growth target. Recognizing that growth was desirable to maintain economic health and to create new opportunities, the strategy was premised on the objective that growth must contribute to the community in a positive way. The strategy determined that an annual increase of 750 dwelling units per year was sustainable and identified four levers to adjust the growth rate (up or down) to meet this target: economic development policy; capital budgeting and staging of development reporting; the development approvals process; and, land use policy. While on average, growth in the City has been in line with the strategy, rates over the past few years have exceeded this target (in the range of 1,050 units per year). Given the overall growth of the city as well as a desire to reflect input from the “Imagine! Waterloo” initiative, a review of the Growth Management Policy is now underway.

Recently, a more **flexible approach to zoning** has been applied to residential districts in new plans which allows for a range of low- to medium-density housing, but requires design provisions such as reduced front yard setbacks, maximum driveway widths and

allowances for live/work uses. On Waterloo’s west side, the focus of considerable recent development, a West Side Node Study was prepared in response to conventional forms of development which were seen by the community as being undesirable. The study proposes innovation by introducing an MRX – mixed-use zone – to be applied to two key nodes within the plan and by providing for flexibility in use with design guidelines.

Waterloo’s downtown, known as Uptown, has been the focus of a series of reinvestment efforts resulting in more than \$200 million in public and private development in recent years. The **Uptown Core Community Improvement Plan 2000** outlines a long-range planning program to implement community improvement initiatives within the core area. Implementation strategies include development charge exemptions; a façade improvement program; an environmental improvement plan; and a series of open space, redevelopment, transportation, urban design and residential community improvement projects.

Waterloo has recently prepared a **Land Supply, Height and Density Study** to understand the impact of rates and form of development in comparison to the existing land supply and to estimate the amount of time until the current urban land base is exhausted. The study concluded that even without increased efforts at intensification, there is currently sufficient land for residential growth until 2016, but that there would be a shortage of employment lands. The study findings were used to formulate a recommendation to the Region that a portion of the rural area in the east side of the city be re-designated to urban area.

The City has recently implemented a policy to formalize the process related to **front-end financing of development services**. The policy was implemented in response to the inability of development charge accounts to keep up with the high up-front costs of development. While front-end financing has been a common practice in Waterloo, the issue of ensuring fairness in timing for repayment had arisen. The policy outlines a formal process to pre-determine the timing and conditions of paybacks to developers, including provisions for gap financing, if necessary, by debentures. It is modelled on the premise that everyone pays for the cost of development, rather than placing the burden on the first developer.

The **Waterloo Trails Master Plan** builds on an existing legacy of trails within the community by prioritizing new trail development over the next 10 years. Two major initiatives dovetail with the Plan: the new RIM Millennium Park on the east side and the Trans-Canada Trail initiative.

#### 4.4.4 Roles

Waterloo is a two-tier municipal government. Clearly defined roles between the Region and the City have allowed for, for the most part, a constructive and cooperative relationship with respect to growth management. The 1995 Regional Official Policies Plan delineated the City Urban Areas that include Waterloo, Kitchener and Cambridge, but left urban management within these areas to the local municipalities. The Region focuses its efforts on urban and rural management and research related to regional significance, such as communal septic systems, water resources and contaminated sites. The City is responsible for urban structure, growth management and the deployment of resources within its boundaries.

Recently, the Region has adopted responsibility for transit and affordable housing with the downloading of these responsibilities from the Province. As a result, the relationship between the City and Region will likely become more complicated, as this new responsibility means the Region will have a distinct interest in Waterloo's land use and urban form related to transit and housing.

#### 4.4.5 Tools

##### ***Subwatershed Planning Approach***

The City has implemented a **subwatershed planning approach** through the requirement for subwatershed studies for proposed development. Subwatershed study recommendations have been implemented through district plan and zoning provisions, such as setting maximum impervious surface areas.

Established in 1996, the **Environmental Lands Acquisition Program** has been used to acquire 830 acres of environmentally sensitive land within the City of Waterloo.

The City has recently redesigned the **Development Charge Reserve Fund** to split hard and soft services allocation for better management control.

The City prepares the **Annual Staging of Development Report**, an annual reporting of the inventory and sequencing of municipal approvals for draft plans of subdivision and engineering design approval and identifies the implications for capital budget expenditures. This tool allows the City to ensure servicing and infrastructure investments are made in conjunction with development and to identify situations in which this is not possible.

#### 4.4.6 Issues/Challenges

The following issues and challenges to growth management efforts were identified:

- The Region and the local municipalities have different focuses with respect to growth management. When considering expansion to urban area boundaries, the Region studies the entire urban area and forecasts for the next five years to justify any changes to the boundaries, while the City calculates land supply and demand based on local boundaries.
- In the context of the regional municipality has taken on responsibility for affordable housing and transit, the clear delineation of local and regional roles will need to be re-examined.
- The Region of Waterloo is torn between the desire to be a small community and the economic reality of the urban region. There is a need to plan for one urban area, however, current plans are for three cities of 100,000 population per city. In reality, the Waterloo Region constitutes one large city of close to 500,000 people. A major effort is required to educate a community that still thinks of itself as a small city with a population of 100,000.
- Ample residential land is available in the city but a deficiency in employment lands has been identified. The Region and the City are employing differing strategies with respect to calculation of available employment lands.
- There are inherent conflicts within the environment-first approach:
  - it constrains the form of development and removes land supply;
  - it reduces gross density, but increases density on developed land;
  - it provides for impervious control in zoning but more intensive development;

- it makes for disparities between the 15-year plan and reality; more land will be required than anticipated to accommodate growth.
- The environment-first approach is more expensive in the short term, but less expensive in the long term. The high up-front costs of environment-first development cannot be accommodated with development charge levies.
- The instruments used to control development are blunt (draft plans of subdivision, growth boundaries based on land area), and do not work with the intricacy of economic development or incentives.

#### **4.4.6 Lessons Learned**

##### ***There is a need for clearly defined roles***

- Clear delineation of roles of local and regional municipalities is important: local municipalities manage the urban areas; the region defines the urban areas and, based on a comprehensive urban area, looks at larger-picture issues such as contaminated soils and the environment.

##### ***There is a need to examine the assumptions that underlie growth management strategies***

- Calculations of land requirements are directly related to assumptions about utilization levels of existing lands, intensification and form of future development. Perhaps a capacity-based analysis for the accommodation of growth would be more effective than a time-based utilization analysis.

##### ***Growth management strategies take time***

- Providing for alternatives in movement, development and urban form is essential but takes time. At present, market and regulatory forces are not supportive and existing levers work slowly. We tend to think about growth when the economy is booming but planning for growth takes a lot of time.
- The value of a 50-year planning horizon is high.
- Positive working relationships with the development industry on growth management are critical.
- Municipalities should promote a system in which *development* pays for growth, not *developers*.
- Growth management involves the interplay of multiple factors. The political and public understanding of this interplay is generally weak.

## **Section 5 Observations**

### **5.1 Overview of Lessons Learned**

The growth management experiences from the case studies and precedent cities are each unique to their local context, scale and resources. However, a number of common themes emerged from this research. The following lessons have been synthesized from these experiences and used to establish a basis for observations and implications and recommendations for growth management in Ontario.

#### **5.1.1 Growth Management Requires a Multi-Layered and Flexible Approach**

##### ***No one growth management strategy fits all***

- Communities are facing growth, stability, or decline – strategies need to address a range of issues.
- Strategies need to concurrently address and integrate urban, rural and agricultural contexts.
- Strategies must be flexible to address the growth management challenges specific to each community.

##### ***Growth management requires a multi-layered, comprehensive strategy***

- Growth management strategies should integrate complementary policy, targeted funding, tools and education initiatives.
- Strong planning policy frameworks have not by themselves been effective in directing growth patterns.
- Strategies need to address and integrate policies related to land use, transportation, downtown reinvestment, open space, infrastructure investment and the environment. Maryland’s initiatives have been a response to development pressures, loss of agricultural land, wasteful public spending, and a focus on cars. In Portland, decisions related to land use, transportation and public investment are linked.
- Strategies need to balance the management of residential and employment uses; employment sprawl is as critical as residential sprawl.
- Growth management should include strategies for redevelopment and intensification, infill, efficient outward growth and preservation of agricultural land, as well as natural and open spaces.

##### ***Growth management is necessary during both strong and slow growth periods***

- Different rates of growth present different challenges. Portland’s urban growth boundary was introduced during a time of slow growth – it positioned the region to promote and accommodate growth. Calgary’s high rates of growth are proving to be a financial challenge.
- At any one time, communities face different economic cycles – decline, stability, growth – and growth management strategies should respond to these circumstances.
- Times of slow growth present opportunities for embarking on growth management initiatives because the community can be positioned or leveraged for future opportunities. Change does not happen overnight.
- Growth management strategies in rural and northern communities need to focus on stimulating growth.

### **5.1.2 Growth Management Requires Collaboration and Cooperation**

#### ***Collaboration and mutually supportive policy frameworks are critical***

- A layering of complementary initiatives is critical, involving different levels of government, a variety of tools, and a range of policy areas.
- One way is to target senior level dollars using growth management principles (Maryland).
- Collaboration between the development industry, the municipality, the community, and private investors is essential. Partnerships among these groups can lead to win-win outcomes and local innovation that benefits all parties (London).
- Strong and sustained leadership is necessary to gain support and advance the goals of any strategy.
- A proactive, knowledgeable municipal administrative team is important.

#### ***Involvement by multiple levels of government is necessary***

- There is an important role in growth management for each level of government: local, provincial and federal, as well as other agencies such as Conservation Authorities.
- Senior and local policies must be linked and complementary. For example, in Maryland, local ordinances support the Smart Growth Codes Program.
- Part of Portland’s success lies in the involvement of multiple levels of government and creative initiatives; growth management was championed by regional government but coordinated using state legislation and local initiatives.
- Intergovernmental policies need to be coordinated (break down the silos).

#### ***A clear definition of roles is critical***

- There is a need to identify who has control over what resources at the local, regional, provincial and federal levels.
- Where regional goals and local interests conflict, this competition dilutes growth management efforts.
- Clear delineation of local and regional roles is particularly important (Waterloo).

#### ***Local jurisdictions must have the capacity and resources to implement growth management strategies***

- Ownership and consensus by local jurisdictions is important – ownership can be created partly through the voluntary nature of growth management programs (Maryland).
- Local municipalities, especially small ones, may find implementation challenging and may require financial, technical and staffing assistance.
- Where local governance structures are loose or absent, the introduction of a growth management coordinating body may be necessary.

### **5.1.3 Growth Management Requires Significant Commitment in Both Time and Investment**

#### ***A change in culture is often necessary to implement growth management***

- Changing the culture and mindset of public and private sectors takes time and resources. The Portland experience required an immense investment in planning and coordination – a 25-year process. Cobourg’s and London’s efforts to date have

taken 10 years and many resources to position each community to accommodate future growth.

- In some cases, a change in bureaucratic culture may also be required.
- Growth management involves the interplay of multiple factors. Since the political and public understanding of this interplay is weak, an enhanced understanding of this dynamic through education is important.
- Providing alternatives in movement, development and urban form are essential but take time. Existing instruments for directing growth are slow and blunt – need to pump these up.
- Planning policy frameworks are valuable, as they provide the community and developers with predictable development patterns (London) and allow municipalities to take advantage of funding opportunities (Cobourg).
- Changing patterns of sprawl has been the toughest challenge. More has been accomplished with respect to the creation of open spaces and the restoration or protection of natural features because there is a broader base of support for these initiatives.
- One of the important successes of the smart growth movement in the US is its role as a model of awareness-building in the broader public. Sustained and continued broad support is necessary to ensure successful implementation of growth management strategies.
- Growth management pays off. Recent studies indicate that after 25 years of effort in the Portland region, land and infrastructure are being used more efficiently, more infill and redevelopment is taking place than expected and transit ridership has increased every month for the past eight years and is increasing faster than the population.

***Growth management thinking must go beyond the local context and the immediate horizon***

- There is a need to extend the focus beyond municipal boundaries to include the urban fringe and rural areas.
- There is a need to plan beyond the 5- to 20-year horizon and provide for the 30-50-year opportunities. Communities are missing out by not thinking about the 50-year horizon.
- Urban and rural forms are essentially compatible; boundaries, buffers and rural settlement area policies and incentives are needed to support a sustainable balance (Cobourg, London, Baltimore).
- Planning for growth should occur at the scale of the city-region.

***Growth management requires adopting both a short- and long-term view***

- Growth management is challenged by the disconnect between short-term and long-term horizons of different players. The challenge is to bridge the short-term horizons
- ~~Of the development industry and the damage it is essential and growth difficult with a political horizon of only three years.~~
- Subsidization of more urban, intensification-related projects may be necessary to overcome barriers of conventional financing and community opposition. The development industry in most communities is made up of local developers without up-front leverage capital.



### ***Financial incentives are a critical complement to policy***

- All of the precedent cities used significant financial incentives as a key component of their growth management strategies.
- Financial incentives range from grants to tax abatement to waiving of levies.
- Financial incentives may not be sufficient to direct growth on their own – cities also need to harness market forces and set a clear policy direction.

### **5.1.4 Growth Management Employs an Arsenal of Tools**

#### ***20-year growth boundaries are not, on their own, an effective growth management strategy***

- Growth management to date has relied heavily on growth boundaries calculated on the basis of increasing the municipal land base to accommodate 20 years of growth, resulting in elastic growth boundaries.
- Urban growth boundaries are useful targets but, on their own, are not sufficient to stem the tide of outward growth.
- Calculations of land needs are directly related to assumptions about utilization levels of existing lands, intensification and anticipated forms of future development over a 20-year time frame.
- Rather than estimating land supply only in terms of future use over time, it may be useful to carry out a capacity-based analysis (taking into account environmental carrying capacity, servicing capacity, and the ability of the existing land base to accommodate growth) as well as a fiscal impact analysis.

#### ***Market-driven approaches need to be tempered by efforts to direct growth***

- Adopting a purely market-driven approach creates uncertainty over the provision of infrastructure. Investing in infrastructure in all directions to allow the market to take shape requires extensive, unsustainable resources (Calgary).
- Significant levels of growth or decline create gaps in traditional financing mechanisms, such as development charge reserves, requiring municipalities to make special arrangements for front-end financing of growth (Waterloo, London).
- Rather than curbing investment, growth management should direct growth, both geographically and in form, through incentives.
- Redevelopment of brownfields, infill sites and transit-supportive developments often requires subsidies and incentives to compete with greenfield development.
- Financial systems should ensure that development, not developers, pays for growth.
- Real-cost pricing of infrastructure and servicing can remove distortions in land economics and resulting form of development.

#### ***Carrots are more effective than sticks***

- Initiatives are more likely to be successful if they are not purely regulatory (Maryland).
- Targeted financial incentives allow local municipalities to implement strategies by providing funding options with broad criteria without regulating these policies (Maryland’s Priority Funding Areas).
- More “carrots” to redirect growth back into the city to develop quality neighbourhoods are needed.
- Tax incentives alone will not necessarily be enough if projects are not financially viable.

## 5.2 Common Components of Growth Management Strategies

The precedent and case study research identified several common and key components of effective growth management strategies. The details and application of these components will differ based on the urban management issues and local context, but the following list provides a framework for developing growth management strategies.

### ***A strong and integrated policy framework***

It is important to establish the growth management intent and policy framework at both local and senior levels of government. This policy framework needs to provide clear and unequivocal provincial policy support for local governments who want to be proactive in dealing with growth issues.

### ***Financial commitments to support growth management efforts***

These commitments should include subsidies for growth management objectives for which there may not be immediate market take-up (brownfields, infill, intensification, transit-supportive densities) and financially sustainable mechanisms to ensure outward growth is paid for by development.

### ***Cooperative and collaborative relationships***

Cooperation is essential between levels of government, between developers and municipalities, between municipalities and community and between rural and urban municipalities.

### ***Direction or encouragement of growth through incentives***

Growth management means adopting a set of mutually supportive “carrots” to guide development and investment. These carrots include incentives to redirect growth to “growth-poor” regions from those that don’t need more growth and incentives to encourage best practices and efficient use of existing urban, serviced areas. The incentives may include financial grants, tax abatements, streamlining of approvals and innovative partnerships.

### ***Creative and innovative solutions***

One solution will not fit all situations. A degree of flexibility should be built into policy and regulatory contexts to allow for specific local needs and to accommodate change over time.

## 5.3 Roles and Responsibilities

The roles and responsibilities of growth management are particular to each of the communities studied. However, some important commonalities can be observed that are helpful in considering a model for growth management in Ontario. First, a strong role for senior levels of government in setting policy directions supported by financial commitments and tools has been instrumental. Second, a degree of local autonomy and empowerment has allowed local municipalities to implement policy directions tailored to the specific community. Third, the interplay between the senior government directive and the local engagement needs to be voluntary, supportive, and collaborative in nature. Finally, partnerships between governments, development interests and the community can be the best way to find innovative solutions to finance and implement projects.

### ***Precedent cities***

Baltimore, Portland and Calgary offer three different models related to roles and responsibilities. The American examples can be broadly characterized as models of strong local autonomy with policy-setting leadership and funding from state level government, supported by federal funding. At the local level, Portland’s growth management efforts have been championed by the regional level of government – Metro Portland. Baltimore’s growth management efforts have been much more of a top-down effort, championed by the State, but the local municipality has in effect been delineated as a “smart growth zone” and therefore is fully capable of using all the growth management programs offered by the State. County efforts have concentrated on rural and agricultural land preservation and focusing development into rural settlement areas.

The City of Calgary, from a growth management perspective, is operating on its own with little support or intervention from the Province of Alberta. The dismantling of the Regional Planning Commissions several years ago left Calgary as the champion of its own destiny and to a great degree the destinies of surrounding communities. Calgary receives provincial grants for regional infrastructure projects such as roads, but is finding that the level of funding is insufficient to meet the current demands of growth. Collaboration with the development industry has been effective in overcoming shortfalls in the development charges system for funding major investments in roads and infrastructure.

### ***Case cities***

In contrast to the American precedents, municipalities in Ontario are undertaking growth management efforts in the absence of significant direction from the provincial or federal governments, with blunt tools and a dearth of financial support – in terms of both local finances and access to senior levels of funding. In this context, municipalities have been innovating with the available tools and conventional planning efforts to establish policy frameworks that set out intentions regarding urban management and unlock the limited tools available through the use of Community Improvement Areas and other programs. In addition, the absence of effective regional coordination of functioning city regions is becoming more problematic as our communities grow. Several examples illustrate that rather than supporting local growth management frameworks, provincial intervention often has the effect of frustrating these efforts. Each municipality has forged partnerships with local development interests to find innovative means of overcoming obstacles related to managing growth.

## **5.4 Growth Management Tools**

A range of tools and programs have been identified in our research and are listed in Appendix 3 under broad categories of funding, incentives, targeted areas, growth boundaries, policy innovations, partnerships and rural, agricultural, or environmental protection programs. Effective growth management strategies apply mechanisms from each of these categories. The choice of mechanism(s) depends on the specific community context.

### ***Comprehensive Policy Frameworks***

Policy frameworks that address the interrelated and interdependent nature of growth management are key. These frameworks should coordinate planning policy, financial planning and capital expenditures. They should also be mutually supportive between levels of government. London, Waterloo and Cobourg adopted distinct approaches, but

each provided a sound and comprehensive basis for growth management. Policy frameworks provide an essential foundation but are not sufficient in themselves for effective growth management.

### ***Funding***

Funding refers to grants or other forms of financial subsidy received by municipalities for investment in capital projects that support growth management efforts. In the US, this would include funding programs such as TEA-21. Examples in Canada have included the Green Municipal Enabling Fund, Infrastructure Works and Super Build programs. Other types of funding tools include London’s Urban Works Reserve Fund.

### ***Incentives***

These include financial and procedural incentives to implement projects that support growth management policies. Examples of this type of tool include tax increment financing, tax abatement, tax credits, loan programs and tax rebates. In the US examples include location-efficient mortgages, the Job Creation Tax Credit Program, and the Live Near Your Work Programs. Cobourg’s Downtown Heritage Tax Incentive District and loan program is another example. Generally, Ontario’s municipalities have little access to financial incentives compared with their US counterparts. Many municipalities in Ontario offer streamlined processes for priority projects as an incentive.

### ***Targeted Areas***

This refers to the delineation of geographic areas, based on a set of defined criteria, as candidates for funding in support of growth management principles. Maryland’s “Priority Funding Areas” are an example of this tool. The entire City of Baltimore is a priority funding area for Smart Growth funding.

### ***Urban Growth Boundaries***

An urban area boundary (UGB) exists in almost every municipality’s Official Plan. However, UGBs that represent a long-term vision are specific growth management tools. The ability of UGBs to be effective in controlling the extent of growth depends on the strength of the policy and other supporting initiatives, such as rural land protection.

### ***Rural, Agricultural and Environmental Protection***

These programs involve policy frameworks and financial resources used to purchase property or easements over land to preserve its use as agricultural or environmental function. The Township of Hamilton has implemented Rural/Urban Buffer and Rural/Urban Fringe policy designations in their Official Plan to complement the Town of Cobourg’s Urban Area Boundary. Maryland’s Rural Legacy Program combines policy with funding to acquire easements over rural lands in order to preserve them from development.

### ***Policy Innovations***

It is often necessary to tailor more conventional policies and codes to overcome obstacles faced by infill development, reuse of existing buildings (Maryland’s Building Rehabilitation Program) and alternative development standards for more compact new development. In addition, policy innovation can relate to planning timeframes such as Metro Portland’s 2040 Growth Plan (a 50-year plan), special policy areas (Calgary’s GRAMPs), or property assessment programs such as Cobourg’s proposal for property assessment category for heritage property.

### **Partnerships**

Partnerships among municipalities, developers, investors, senior levels of government, non-profit groups, and others have been instrumental in bringing together the necessary expertise, resources and parties to overcome barriers to growth management or facilitate particular projects not otherwise possible. London’s Urban Works Reserve Fund or the Conservation Authority Alliance are examples.

The case studies and other documentation reveal that the effectiveness of growth management efforts in Ontario is constrained by some critical factors. In general, it is possible to conclude that while local municipalities are innovating and attempting to address the importance of managed growth (using means such as urban reserve funds, policy frameworks, buffers and boundaries), there are many challenges to these efforts, most of which are beyond local control.

### **Local Efforts Overridden or Thwarted by Senior Government Directions**

There is a noted lack of coordination between local and senior levels of government with respect to growth management and an absence of a strong provincial policy framework in support of growth management. Decisions by the provincial government and agencies often conflict with local growth management-related policies and decisions. The London Ontario Municipal Board hearing related to the delineation of the urban growth boundary illustrates this point. In addition, the lack of coordination between federal initiatives and investment with local objectives can result in conflicting efforts and inefficient use of resources.

### **Lack of Financial Support, Exacerbated by the Impacts of Downloading**

Each of the case study municipalities indicated the fiscal challenge of effectively implementing policies related to environment, transit, infill and brownfield redevelopment, core area development and infrastructure investment without financial assistance from senior levels of government. The lack of federal and provincial funding has been exacerbated by the downloading of programs and related financial responsibilities to local governments. The uncertainties associated with the downloading of responsibilities to local governments have only added to this challenge. Comparisons with the financial support offered to American municipalities in virtually every state make any Canadian funding programs pale in quantity and timeframe.

### **Lack of Cooperation and Coordination Related to Growth Management**

A number of examples of collaboration and cooperation, in particular between the development industry and particular municipalities, were identified. However, a broader-scale culture of collaboration between governments and within communities around the issue of growth management is not evident. In addition, the cumulative effects of uncoordinated, and at times conflicting, provincial and federal spending and investment decisions compound the problem.

For example, the policy decision to close downtown public schools is at odds with attempts through brownfields and other initiatives to stimulate reinvestment and encourage people, including families, to live in core areas. In Portland, the evolution of mutually supportive planning policies and collaborative programs at the local, metro and

state levels of governments is seen as essential to building an effective growth management strategy.

### **Land Economics that Support Sprawl**

The current system of land economics encourages outward, greenfield development over infill, higher density, and brownfield development. The reason for this is fourfold. First, conventional financiers are conservative and understand greenfield development models but are wary of alternative development models. Second, brownfield and infill development are more complicated processes which in some cases carry liability issues, and involve longer and more arduous processes. Third, there is a strong, proven market demand for single-family and townhouse greenfield development. Fourth, Ontario’s urban finance system, which relies on property tax and development charges, encourages consumption of space and auto-dependent densities.

In addition, the lack of value placed on agricultural lands, rural landscapes and environmental areas as uses worthy of preservation often results in conversion of these lands to residential use. The absence of preservation techniques and/or means of funding these programs allow market forces to dictate a higher and more profitable use for these lands. This situation challenges the viability of tools such as urban growth boundaries.

Finally, current growth management approaches involve accommodating anticipated growth through sufficient land supply. This premise often relies on and justifies the expansion of boundaries to accommodate growth. Stronger endorsement of efforts to reuse existing urbanized land, even lands with some constraints, could amplify the opportunities offered by intensification, infill, and brownfield development.

### **Disconnect between Short-Term Development Goals and Long-Term Objectives for Growth Management**

There is a critical gap between the short-term goals of both the development industry and the political realm and the medium- to long-term realization of growth management objectives. This disconnect exists between the business plans of investors and the development industry and long-term community planning objectives and between the electoral horizon of politicians and longer-term perspectives of planners and staff. The challenge is to find ways of addressing this disconnect in systems much larger than any growth management effort. Seeking partnerships with investors with longer-term investment interests, such as the pension funds, may be one means of closing this gap.

### **Public Opposition and Political Resistance to Alternatives**

A lack of awareness and understanding within the broader public and among local politicians about the intent and implications of growth management efforts can result in challenges to projects that comply with and support Official Plan policies on growth management, such as infill housing, alternative development standards, and transit-supportive densities.

### **Lack of Effective Governance Structures to Manage City-Regions and Urban/Rural Relationships**

The absence of governing structures, either of a cooperative or mandated nature, to champion growth management at effective scales of urbanization has resulted in a

discontinuity of growth management efforts beyond the local scale. Where regional governments are in place, a clear definition of growth management roles between local and regional levels is needed. In smaller communities, the need to oversee the coordination of urban and rural policies is critical to complement efforts to contain urban settlement and protect agricultural lands or rural landscapes. In Ontario’s larger urban centres or city-regions there is an absence of effective thinking about the future scale of the city. Amalgamation of some centres may provide new opportunities to think at this scale, but often the amalgamated boundaries do not fully address the economic scale of the city-region.

### **Lack of Growth Management Strategies to Address the Needs of Rural and Northern Areas**

Growth management efforts have been primarily focused on urban centres and regions. Rural communities face their own challenges. With a rapidly urbanizing population, these areas are facing challenges related to such issues as managing decline, the efficient provision of services over a vast area, the coordination of public investment and economic opportunities and mitigation measures related to a resource-based economy. In many cases, rural municipalities are now part of larger amalgamated municipalities covering huge geographical areas and are facing the inherent difficulties in addressing the dichotomies between growth and no-growth areas. The challenges are distinct from those of rapidly growing urban areas but are just as real and relevant to these communities and the province as a whole.

Further, in northern Ontario there is lack of effective structures to address growth management issues specific to large tracts of rural, unincorporated land or vast and diverse territories within incorporated areas. Without government structure, or in some cases local political representation, addressing these challenges becomes more difficult.

It is clear that growth management strategies need to include mechanisms and processes tailored to both the rural and urban context.

## Section 7 Implications and Recommendations

Based on the research related to existing growth management efforts in Ontario, five recommendations are offered. Together these recommendations outline the critical first steps and the key components of a new approach for managing growth in Ontario. They offer broad directions for collective action and specific suggestions for the role of OPPI in meeting this challenge.

### 7.1 A Multi-Layered and Coordinated Approach to Growth Management

It would appear that the current state of growth management affairs in Ontario does not involve a multi-layered, coordinated strategy to effectively address the growth-related issues facing communities. There is no strong strategy in place for urban centres, city-regions, or rural areas that are facing either immense growth or decline. Evidence from the precedent case studies indicates the importance to effective growth management of a multi-layered, coordinated and integrated effort, with a view to both the short and the long-term. This is clearly a complicated challenge. This challenge, admittedly, has not been addressed in an entirely successful manner in any community in North America, but this research suggests how to address the challenges and constraints to growth management more effectively. We are starting from a current context of increased awareness of the importance of this challenge. Growth management, or the lack thereof, is critical to maintaining the quality of life in our communities, to enhancing economic competitiveness, to protecting the environment and to ensuring communities can sustain future generations.

There are five key components of a multi-layered, coordinated strategy for growth management in Ontario:

- a clear vision and commensurate commitments to effective growth management by all parties;
- a greater level of collaboration and a clear definition of the roles of key stakeholders;
- innovations in policy frameworks and financial commitments to support growth management;
- the introduction of better tools;
- an enhanced awareness in the broader community

The need to clearly articulate a mandate and commitment to growth management is an essential first step. The multitude of current initiatives by all levels of government, including the current provincial made-in-Ontario Smart Growth initiative, CMHC’s research on Smart Growth, local Smart Growth initiatives in Ottawa, Niagara, Waterloo, Guelph, and Kingston, discussion forums hosted by the Canadian Urban Institute, and the Urban Land Institute, provide fertile ground to forge new efforts related to growth management. It needs to be clearly understood that effective growth management is a complicated, dynamic endeavour that requires thoughtful and not necessarily simple, singular solutions.

**Recommendation 1:** *A multi-layered and coordinated growth management strategy for Ontario should be prepared.* This strategy should include five key components: a clear mandate and commensurate commitments; clear definition of roles and means of collaboration between key stakeholders; innovation in policy frameworks supported by financial commitments; better tools; and promotion of education and awareness.



*OPPI should advocate for and participate in the formation of a growth management strategy for Ontario, along with all levels of government and interested stakeholders. This strategy should reflect the growth management principles adopted by OPPI (see Appendix 4). The intent would be to provide a collective foundation on which to build collaboration and commitment to implement sound growth management practices and multi-layered strategies of relevance to communities across the province.*

## **7.2 Collaboration and Cooperation: Proposed Roles Related to Growth Management**

Based on the lessons learned and an understanding of current constraints, a model for governance of growth management in Ontario is proposed. The model involves all levels of government in a concerted and coordinated effort. The model provides a broad framework and some clear delineation of roles.

### ***The federal government as broad policy setter and funding provider***

Recognizing the need to support urban centres as the engines of the economy and ensuring that they are competitive and well-positioned in the global economy, the need to manage resource-based communities and to provide for a quality of living for all Canadians, the federal government has a role as a broad policy setter and funding provider for supportive growth management programs. Clearly, the commitment of national governments to growth management efforts in the United States, England and Europe would support this role and has been critical to the effectiveness of growth management programs in those countries. Growth management issues related to the environment, the allocation of health services, agriculture, housing, transit and transportation and economic development are in the national scope of interest. The federal government should be actively involved in setting policy, establishing financial commitments for program initiatives, and coordinating ministry initiatives with the Province and local municipalities.

### ***Provincial government as the growth management champion –involved as policy leader, facilitator and principal funding provider***

Clearly identified as the champion of growth management, the Province has a role in leading the effort through strong policy statements (Provincial Policy Statements, guidelines, the Planning Act and the Municipal Act reforms), coordination of various provincial ministry efforts, empowerment of municipalities with tools to direct market mechanisms and financial commitments. The establishment of an inter-ministerial group of core staff dedicated to the Smart Growth effort (the Smart Growth Secretariat) provides a potential clearinghouse for provincial efforts. Beyond the role identified above, the Province’s role should include:

- matching public investment with technical support at the local level, if necessary;
- facilitating public-private partnerships, in particular in areas where public investment can be used to leverage private funding, for example, intra-regional transit;
- adopting a supra-regional and long-term view in planning and capital investment for urban and rural areas;
- taking a lead in the planning and provision of supra-regional systems such as movement, natural environment and economic promotion.

### ***Regional-Scale Governments as Coordinators and Conduits of Funding***

The model proposes a regional role similar to that existing in many regional governments currently, but with an enhanced emphasis on regional growth management. Regional-scale governments include upper-tier regions (Halton, Peel), single-tier regions (Hamilton, Kawartha Lakes, Prince Edward County) and upper-tier counties (Simcoe). Regional-scale governments would play the role of overseers of regional growth patterns, economic development and the deployment of regional infrastructure – in short, the role of managing the regional urban envelope and relationships between the defined urban areas, rural, and agricultural landscapes and the regional natural systems. Regional governments may be the primary conduits for growth management–related funding from senior levels of government.

Defining management at the regional level becomes more complicated when considering the relationships between local land use decisions and newly adopted regional responsibilities, such as transit and affordable housing. Resolution of this overlap will require close collaboration on growth management goals with local municipalities and the incentive of financial contributions from senior levels of government.

### ***Local Municipalities as Implementers***

On a voluntary basis and with a degree of flexibility, municipalities should be charged with implementing growth management efforts in a manner that is tailored to the needs and priorities of each community. Local municipalities should be empowered to manage the interior growth of their cities. The tools and resources, both financial and technical, should be made available to communities who wish to engage in implementation of growth management directions. The model is intended to promote community-enabling strategies rather than top-down mandated policy. This approach also allows local communities to adopt, innovate and tailor the available tools to their needs – be it managing significant growth or decline.

### ***Coordinating Bodies in Northern Ontario***

In Northern Ontario, in unincorporated and incorporated areas where coordinated growth management efforts are constrained by vast territories, an area services board model is proposed to provide the necessary forum for coordinated approaches to economic development, land management and infrastructure investment. The area services board would act as a government structure, have powers of taxation and be mandated with a focus on service provision. The board structure would offer communities the forum to collectively define, articulate and implement a common vision for the coordinated provision of services, mitigate potential impacts related to resource extraction and collaborate with regard to economic development investment and initiatives.

### ***The Role of Partnerships***

It is important to move beyond reliance on government intervention to consider opportunities to augment public directions through partnerships among community, development and investment stakeholders and various levels of government.

Many examples of collaboration between municipalities and development or community interests to achieve initiatives supportive of growth management were observed. Public-private partnerships may offer opportunities to leverage investment for regional-scale infrastructure projects not wholly within the financial capacity of the public sector,

thereby creating opportunities to overcome the gap between short- and long-term perspectives. The Province’s SuperBuild program and local initiatives related to capitalization of municipal utilities are examples of these partnerships. Although a relatively new arena without a long or proven track record in Ontario (Super Build has yet to flow any significant funding through its 3P program), the potential of public-private partnerships is recognized as being an important innovation to conventional public financing of infrastructure. Successful examples from the United States and England are plentiful and offer lessons on implementation. Partnerships with long-term investment interests such as pension funds may also play an important role in addressing the challenge of bridging the gap between the short- and long-term investment objectives related to effective growth management.

***Recommendation 2:*** *Growth management roles of all levels of government and key stakeholders should be clearly defined and coordinated.* The recommended model of growth management involves the federal government as broad policy setter and funding provider, the provincial government – the identified growth management champion – as policy leader, facilitator and principal funding provider, regional-scale governments as coordinators and conduits of funding and local municipalities as implementers. Innovative public-private partnerships should be sought to meet the medium- to long-term infrastructure and land conservation requirements for growth management.

*OPPI should advocate and/or facilitate a discussion among levels and government and stakeholders regarding the appropriate and effective roles related to growth management. The intent of this discussion would be to define a set of mutually agreeable roles, explore better means of collaboration within and between existing government programs and initiatives, and identify mechanisms to ensure coordination of efforts. An example of such a mechanism might be an ongoing forum for discussion and resolution of issues related to growth management (an Ontario Growth Management Cabinet or Roundtable on Growth Management).*

### **7.3 Policy and Program Innovations: Commitment in Both Time and Investment**

A more effective system of growth management in Ontario will require some policy and program innovations. Current initiatives present some critical opportunities to participate in and help with the formulation of a framework of new policies and programs to address current growth management challenges. Opportunities presented by provincial initiatives include: the new brownfield legislation (Bill 56), the Smart Growth Secretariat, the Ministry of Economic Development and Trade’s forthcoming study on municipal tools for Ontario’s large cities, the review of the Provincial Policy Statements and the review of the Planning and Municipal Acts.

At the federal level, the Prime Minister’s Task Force on Urban Issues, Green Enabling Funds, CMHC’s exploration of Smart Growth and indications of a renewed interest in public transit provide avenues for commitments to growth management objectives. Ontario’s local municipalities continue to struggle with management issues and are, for the most part, willing and critical participants in discussions related to tools, funding and policy innovations.

More specifically, areas of policy innovation include:

#### ***Introduction of new time perspectives for growth management***

Growth management requires a mandate to plan for the foreseeable 10-year future and a much longer-term perspective – the 50-year planning horizon.

#### ***Introduction of mechanisms and structures that reflect the geography of urban economies***

These are needed to manage the large city-regions which extend well beyond local or regional municipal definitions, to coordinate investment and economic development in rural and unincorporated areas, and to coordinate efforts between urban and rural areas to ensure an integrated effort related to this interface.

Exploration of alternative methods to land supply calculations for accommodating long-term growth projections and determining urban growth boundaries. Alternatives to the correlation between population projection and land supply based on conventional development patterns should be explored with a greater emphasis on the carrying capacity of municipalities, sustainable forms of development and fiscal management. These could be based on environmental carrying capacity, servicing capacity (employing fiscal impact analysis for expansion of capacity), or by placing a stronger priority on more efficient use of the existing land base and infrastructure. For example, it is estimated that the City of Toronto has sufficient land to accommodate all foreseeable growth (potentially 100,000 people over 20 years) through brownfields development such as the Portlands area and intensification of existing urban areas.

#### ***New financial mechanisms and models to enable local government to address costs related to development***

These include costs to the local, regional and intra-regional systems. Examples of mechanisms could include: cost recovery from all movement systems (tolls on roads or

gas tax), density bonusing of transit-supportive investment, and real-cost pricing of new development to include acquisition of environmental areas (Oak Ridges Moraine), prime agricultural land and regional parkland.

***Coordinated allocation of existing funding and the introduction of new funding programs***

There is a clear need for greater and more efficient public investment in urban centres. In rural areas, the issue is more focused on the coordination of economic development and investment. The lack of investment by provincial and federal levels of government in local communities is constraining the ability of all municipalities to effectively manage their existing infrastructure and future growth and to compete on continental and global basis. There is also a need to better coordinate public investment related to growth management within and between levels of government. Programs of relevance emanating from the ministries dealing with economic development, health or municipal affairs could be funnelled through a coordinating body such as the provincial Smart Growth Secretariat.

***Recommendation 3:*** *Seek innovation in growth management policy and legislation regarding approaches to short- and long-term planning, mechanisms and structures that address the scope of urban economies, means of accommodating long-term growth projections, financial mechanisms related to development and coordinated allocation of resources. Innovations should be applied in a coordinated and comprehensive manner in all areas affecting community growth management efforts, including transportation, energy, environment and finance.*

*OPPI should actively participate in planning policy and legislation review efforts (Provincial Policy Statement, Municipal Act and Planning Act reviews). In this role OPPI could effectively act as a watchdog and advocate for amendments that support the Institute’s growth management principles and ensure that the necessary innovation in tools and mechanisms are available for municipalities to effectively manage the range and complexity of growth issues facing Ontario communities.*

## **7.4 An Arsenal of Tools to Increase the Effectiveness of Growth Management**

The findings indicate that in most Ontario municipalities there is a strong planning policy framework that addresses the components of growth management. Yet these policies are not being implemented and growth is occurring at even greater rates on the periphery, in low-density formats and in greenfields. These findings would indicate that there is a need to compile a much more wholesome, powerful and effective set of tools and mechanisms to support growth management in Ontario. These include:

***Urban area boundaries defined on the basis of urban carrying capacities***

Other provisions such as capacity analysis and fiscal impact analysis could supplement the land supply requirement of the Provincial Policy Statements. Provisions should be explored that measure the ability to accommodate growth not based solely on land supply and broad 20-year population projections, but on a capacity analysis that includes environmental carrying capacity, servicing capacity and efficient use of land.

### **Targeted funding from senior levels of government**

Based on defined policy objectives, significant new levels of funding should be accessible to municipalities willing to implement provincial and federal mandates related to growth management in a manner that makes sense to that community.

### **Financial incentives that make urban infill, intensification and brownfield development competitive with greenfield development**

These incentives could offer a much broader range of tools than those currently available to municipalities. Potential tools include tax increment financing, tax abatement, tax credits, waiving of fees and GST/PST rebates. In order to avoid further financial pressures on a limited local tax base, it will be important that the levels of risk and forgone revenues inherent in these tools are not absorbed solely at the municipal level.

### **Strong policy frameworks that establish clear intention and direction for communities, investors and the development industry**

While these already exist in many communities, the policy framework needs to be coordinated beyond local jurisdictional boundaries and to mutually reinforce other tools and mechanisms. Provincial policy needs to be fortified by strengthening the Provincial Policy Statements and amendments to the Planning and Municipal Acts. At the federal level, the policy void left by the dissolution of the Ministry of State for Urban Affairs and the significant reduction of CMHC’s mandate needs to be filled by policy direction and commitment related to redevelopment of railway lands, port areas, airports, housing, environmental protection, and economic development.

**Recommendation 4:** *A powerful and effective set of tools should be compiled that complement the growth management strategy and policy framework. These tools could include innovative approaches such as urban growth boundaries based on carrying capacities, targeted funding and financial incentives.*

*OPPI should lobby senior levels of government for stronger financial commitments and tools related to urban growth management. OPPI should advocate for coordinated investment decisions that link transportation, land use and public infrastructure in a manner that is supportive of growth management. OPPI should advocate for financial mechanisms that encourage protection of regional open space and environment systems, and preservation of rural and prime agricultural lands.*

## **7.5 An Enhanced Awareness and Understanding of Growth Management**

Programs to enhance the awareness and understanding of the interdependence of growth management, competitiveness, sustainability and fiscal efficiency are critical. Advocacy and education need to be part of any growth management strategy and need to be implemented at all levels – federal, provincial, regional and local. Changing the culture of development and urban management in the general public, the political arena and the investment community is a long-term effort but one that is important to long-term growth management. Enhancing public awareness is critical to building the political will necessary to secure funding commitments and to altering conventional patterns of development.

**Recommendation 5:** *An education and advocacy program should be established focused on enhancing awareness of the principles and value of growth management and the components of an Ontario growth management strategy. This awareness-building effort should be coordinated among all levels of government and key stakeholders to make the best use of resources and to ensure information is available to the general public, the political, investment and development communities and professionals involved with growth management issues.*

*OPPI should take an active role in enhancing the awareness and importance of an effective growth management strategy by continuing to inform its members and involve them in current growth management initiatives and by collaborating with other agencies and institutions to articulate to the broader public, through media and other forums, the interdependence of growth management, competitiveness and sustainability and the role of planning in that regard (i.e. a OPPI web page on growth management could become a resource for the general public on growth management efforts).*

- Appendix 1 Growth Management/Smart Growth References
- Appendix 2 Analysis of Growth Management Policies in Ontario Case Study Cities
- Appendix 3 Growth Management Tools
- Appendix 4 OPPI Position Statement on Smart Growth