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File: O-7938  
Planner: M. Johnson

<b>TO:</b>	<b>CHAIR AND MEMBERS PLANNING &amp; ENVIRONMENT COMMITTEE</b>
<b>FROM:</b>	<b>JOHN M. FLEMING MANAGING DIRECTOR, PLANNING AND CITY PLANNER</b>
<b>SUBJECT:</b>	<b>URBAN GROWTH BOUNDARY INCLUSION REQUESTS MEETING ON DECEMBER 10, 2013</b>

<b>RECOMMENDATION</b>
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That, on the recommendation of the Managing Director, Planning and City Planner, the following actions be taken with respect to the Urban Growth Boundary Inclusion Requests:

- (a) that the attached Planning staff report **BE RECEIVED** for information;
- (b) that **NO FURTHER ACTION BE TAKEN** to amend the Urban Growth Boundary for residential, institutional or commercial for the Rethink London Official Plan Review process; and,
- (c) should Municipal Council wish to amend the Urban Growth Boundary, staff **BE DIRECTED** to make the Official Plan Amendments as required to the amend the Urban Growth Boundary.

<b>PREVIOUS REPORTS PERTINENT TO THIS MATTER</b>
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January 30, 2012	Strategic Priorities and Policy Committee, "Terms of Reference – Five Year Official Plan Review."
June 18, 2012	Planning and Environment Committee, "City of London Growth Projections: 2011-2041."
October 15, 2012	Planning and Environment Committee, "City of London Growth Projections: 2011-2041."
June 18, 2013	Planning and Environment Committee, "Land Needs Background Study For The 2011 Official Plan Review."
July 23, 2013	Planning and Environment Committee, "Land Needs Background Study For The 2011 Official Plan Review – Requests For Inclusion."
October 8, 2013	Planning and Environment Committee, "Urban Growth Boundary Inclusion Requests."
November 26, 2013	Planning and Environment Committee, "Land Needs Background Study For The 2011 Official Plan Review."

<b>PURPOSE</b>
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Consistent with the 2005 Provincial Policy Statement, Municipal Council has adopted the Land Needs Background Study which concluded that there is more than an adequate supply of land in the Urban Growth Boundary to support residential demand, plus contingencies, for the next 20 years. This report is intended to present the results from the analysis of the requests that were submitted by landowners and/or their agents to be included within the Urban Growth Boundary. The analysis consisted of evaluating each of the requests for inclusion against a set of defined infrastructure and financial criteria to determine if any of proposed inclusions

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supported an immediate opportunity that the City is not considering as they are outside the Urban Growth Boundary, but may provide a near-term development opportunity (i.e. within the 0-5 year time horizon). If the analysis determined that opportunities currently existed within these requests for inclusion they would be evaluated against established planning criteria to determine if they represented good planning.

It should be noted that this exercise has been initiated at the direction of Council to determine if there are options that can be put forward to made potential adjustments to the Urban Growth Boundary. *If Council is to consider bringing lands into the Urban Growth Boundary it has to result in lands being removed from the boundary, as it demonstrated by the Land Needs Background Study that there is no justification to consider the addition of new lands into the City's Urban Growth Boundary through the 2011 Official Plan Review process.*

<b>BACKGROUND</b>
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On July 23, 2013, the Planning and Environment Committee received requests for Urban Growth Boundary (UGB) inclusion from multiple property owners and/or agents representing landowner interests (see Appendix A for a complete list of inclusion requests). At the direction of Committee the development proponents were asked to provide City staff with information on infrastructure requirements, costs and potential development charge revenues for the purpose of conducting a cost/benefit analysis for inclusion of the proponent lands within the Urban Growth Boundary.

Following the Planning and Environment Committee meeting in July, City staff reviewed each of the requests in relation to planned infrastructure investments in approved capital budgets and the Growth Management Implementation Strategy (GMIS) for the City of London. During this time a financial worksheet was also developed to assist City staff with the assessment of the existing infrastructure serving the requested lands for inclusion, future infrastructure needs and estimated costs, and to determine potential development charge revenues that would be generated by the lands upon development. This financial worksheet was subsequently provided to each of the landowner groups with the request that they complete it with the best information available to them. Landowner groups were advised that the submitted information would be used to conduct a high-level cost/benefit analysis of their proposal for inclusion and that they were welcome to submit any additional information related to infrastructure needs and costs for the subject lands, including mapping identifying the location of existing services/outlets.

During the month of September and the beginning of October meetings were set up with City staff and each landowner group to provide an opportunity for informal discussion on the material submitted as part of the high-level cost/benefit analysis. If necessary, landowner groups were able to provide additional clarification on the material submitted to the City. In all, staff conducted 21 meetings with UGB proponents.

In October and November, City staff completed the analysis for each of the landowner groups that made a request for inclusion within the Urban Growth Boundary. The infrastructure and financial assessment has been supplemented by the information provided by the Growth Management Implementation Strategy (GMIS) for the City of London, approved capital budgets and Staff review of proposed servicing strategies. Further, planning criteria used in the analysis were established and refined through the Land Needs Background Study for the 2011 Official Plan Review. As indicated, this report presents the results of the analysis of the requests for inclusion.

<b>EVALUATION CRITERIA</b>
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Infrastructure and financial criteria were established at the outset of the process to be used as an assessment tool to determine if an inclusion request represented a near-term development opportunity (i.e. within the 0-5 year time horizon) that built upon existing or planned infrastructure investments. The first stage of the evaluation process ranked all requests for inclusion based on infrastructure and financial costs. This allowed the requests to be scoped into a smaller group based on the outcome of the infrastructure and financial assessment. Inclusion requests that were ranked highest and therefore represented candidate lands from a

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purely financial perspective for the inclusion within an Urban Growth Boundary re-alignment were subsequently evaluated based on planning criteria established through the Land Needs Background Study.

It is important to note that it is only the near-term opportunities that would warrant possible inclusion and further evaluation. Near-term opportunities are defined as lands that could be developed within the next five years and are able to be serviced by existing or planned infrastructure and identified in the approved capital budgets and the GMIS to be in place within the next five years. Proposals must meet both of these criteria to be further considered. The 5 year timeframe is consistent with the Provincially required review period for Official Plans, meaning that Council may review its land needs in 5 years. Also, Council has recently adopted the Land Needs Background Study, that determined that there was no justification to amend the Urban Growth Boundary to provide for residential, institutional and commercial development for the next 20 years based upon an analysis of the City’s land supply and projected land needs (demand). For this reason, Council has directed that staff evaluate proposals for lands currently outside the Urban Growth Boundary that could provide an immediate or near-term development opportunity, recognizing that there may be lands within the current Urban Growth Boundary that may not be developed for a protracted period.

The following sections summarize the evaluation criteria used in the analysis of the Urban Growth Boundary inclusion requests.

Infrastructure and Financial Assessment

Staff has reviewed the infrastructure requirements and cost submissions provided by each of the applicants and clarification questions were addressed at meetings with each of the applicants. The information provided to Staff served as the basis for the infrastructure and financial assessment outlined in Appendix B.

Currently, the City is approaching the final stage of its 2014 Development Charges Study. Additional lands brought into the Urban Growth Area as part of this review have the potential to add new infrastructure projects beyond what is currently under consideration within the Development Charges Study. This in turn, adds to the existing financial risks associated with further debt financing of growth infrastructure. In addition, for submitted requests to proceed expeditiously there may be implications of needing to insert the new pieces of infrastructure into the City’s Growth Management Implementation Strategy schedule ahead of infrastructure projects already planned to support growth in other areas of the City.

Recognizing the desire by Council, stakeholders in the development industry, future home owners and city taxpayers to minimize the costs of future growth, the infrastructure and financial review considered the following questions for evaluation of the submitted requests:

- To proceed with development, does the proposal require DC-fundable infrastructure not included in the current GMIS or the 2014 Development Charges Study under review, requiring a future DC Study update (resulting in a higher DC rate to pay for the costs of the works) and inclusion of the works in the GMIS within the current 5 year period (therefore, “bumping” other projects currently in the queue)?
- Does the proposal require substantial private sector financing or temporary “throw away” infrastructure works that will ultimately be borne by the home purchaser?
- Are all of the permanent works required for the development included in the DC rate calculation?

It should be noted that the amount of revenue generated by the proposed developments has not been considered in the evaluation. All potential development – whether the lands are currently located within the Urban Growth Area or are proposed for inclusion – generates development charge revenues that support infrastructure requirements City-wide due to the City’s policy of averaging growth costs over all future development. Therefore, the revenue generated from a specific development need not be directly comparable with the infrastructure required to support that particular development.

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Planning Assessment

Inclusion requests were assessed against planning criteria if they satisfied the infrastructure and financial assessment criteria and are able to develop within the next 5 years. The established planning criteria listed below are in keeping with applicable Provincial policies, the Official Plan objectives and policies. Together with the economic considerations discussed above, these criteria are used to evaluate whether the requests represent good planning, and therefore, are appropriate sites to be brought into the Urban Growth Boundary.

**Social**

- Is the proposed inclusion contiguous to the Urban Growth Boundary?
- Is the boundary of the proposed inclusion logical, readily identifiable?
- Is the proposed inclusion consistent with goals, objectives and policies of this Plan?
- Is the expansion of sufficient size to be developed as a complete community by itself, or can it be integrated with existing development to contribute to a complete community?

**Environmental**

- Is the expansion located on prime agricultural lands?
- Does the expansion comply with the minimum distance separation formulae?
- Are there potential impacts on aggregate resources?
- Are there impacts on municipal drinking water supplies and designated vulnerable areas?
- Are there potential impacts on natural heritage features and ecological functions?
- Is the proposed expansion located within an area containing natural hazards or human-made hazards?

<b>RESULTS</b>
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The following sections summarize the results from the analysis of the Urban Growth Boundary inclusion requests. Results from the assessment of infrastructure and financial costs precedes the assessment of requests for inclusion based on planning criteria.

Infrastructure and Financial Assessment

As identified in Appendix B, Staff categorized submissions based on infrastructure requirements and associated costs. The categorization is as follows:

- Tier 1: lands that only require work already approved in past capital works budgets. These submissions represent lands that could proceed for development utilizing existing or planned investments in infrastructure (i.e., no incremental effects on DC rates as currently planned);
- Tier 2: lands that require only one DC-fundable piece of infrastructure not currently planned for construction in the GMIS. These submissions represent lands that require new costs to the City and future homeowners; and,
- Tier 3: lands that require multiple DC-fundable infrastructure not currently planned for construction in the GMIS. These submissions represent lands that would require significant new costs to the City and future homeowners.

Both Tier 2 and Tier 3 proposals do not meet the evaluative question identified in the Infrastructure and Financial Review section of the Evaluation Criteria above, with the evaluation augmented by comments in the “Notes” column of Appendix B. In order for these proposals to satisfy the evaluation question, the proponent landowner/developer would need to fund all infrastructure costs associated with their development as identified. These costs would ultimately be borne by the home purchaser and will impact overall home affordability. As a result, these proposals will not be discussed further in this report.

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The following Tier 1 proposals satisfy the evaluation question as identified above:

- **(N-4 a/N-4 b) Habitat Farms Ltd. – 1885 Fanshawe Park Road East (40.8 ha):** Habitat Farms has submitted two proposals for the same property – a request for 5.9 hectares and a request for the balance of their property (34.9 ha). Staff concur with the applicant that their minor inclusion request could be serviced by existing or soon to be constructed infrastructure that would permit these lands to proceed with development without any unplanned DC-eligible infrastructure. From a purely financial perspective, these lands represent a positive cost/benefit proposition for the City.
- **(W-1) Phyllis Matthews – 2166 Oxford Street (12.6 ha):** All DC-eligible infrastructure required to service these lands is either in place or included in previously approved capital works. No new major infrastructure is necessary for these lands to proceed with development. From a purely financial perspective, these lands represent a positive cost/benefit proposition to the City.
- **(NW-1) Ali Jomaa / (NW-5) Randy Clarke – 1431 and 1185 Sunningdale Road (43.6 ha)/(21.8 ha):** Both of these parcels can be serviced by the trunk sanitary sewer, stormwater management facility and watermains within approved budgets being planned for construction to support the development of a draft approved subdivision to the immediate south. This infrastructure will be constructed in less than 5 years, allowing the Jomaa/Clarke lands to proceed with development without any additional DC-eligible infrastructure costs. From a purely financial perspective, these lands represent a positive cost/benefit proposition to the City.

The following applicants did not submit an Infrastructure Costs worksheet, and are therefore not included in the Appendix B evaluation table:

- Mario Castrilli – 2156 Highbury Ave North
- Crumlin Landowner Group – various properties, East London
- William Hill – 2168 Bradley Avenue
- Shaver/Brockley Coalition – various properties, South London
- Mike White – 3378 Homewood Lane
- Fred Desando – 1530 Westdel Bourne
- Barbara Langtvqet – 1641 Byron Baseline Road

These properties were, however, evaluated by staff based upon information available to the City. While not included within the evaluation table that shows costs associated with the various proposals, none of those proposals would meet the infrastructure and financial assessment criteria as none are able to be served by existing or planned infrastructure.

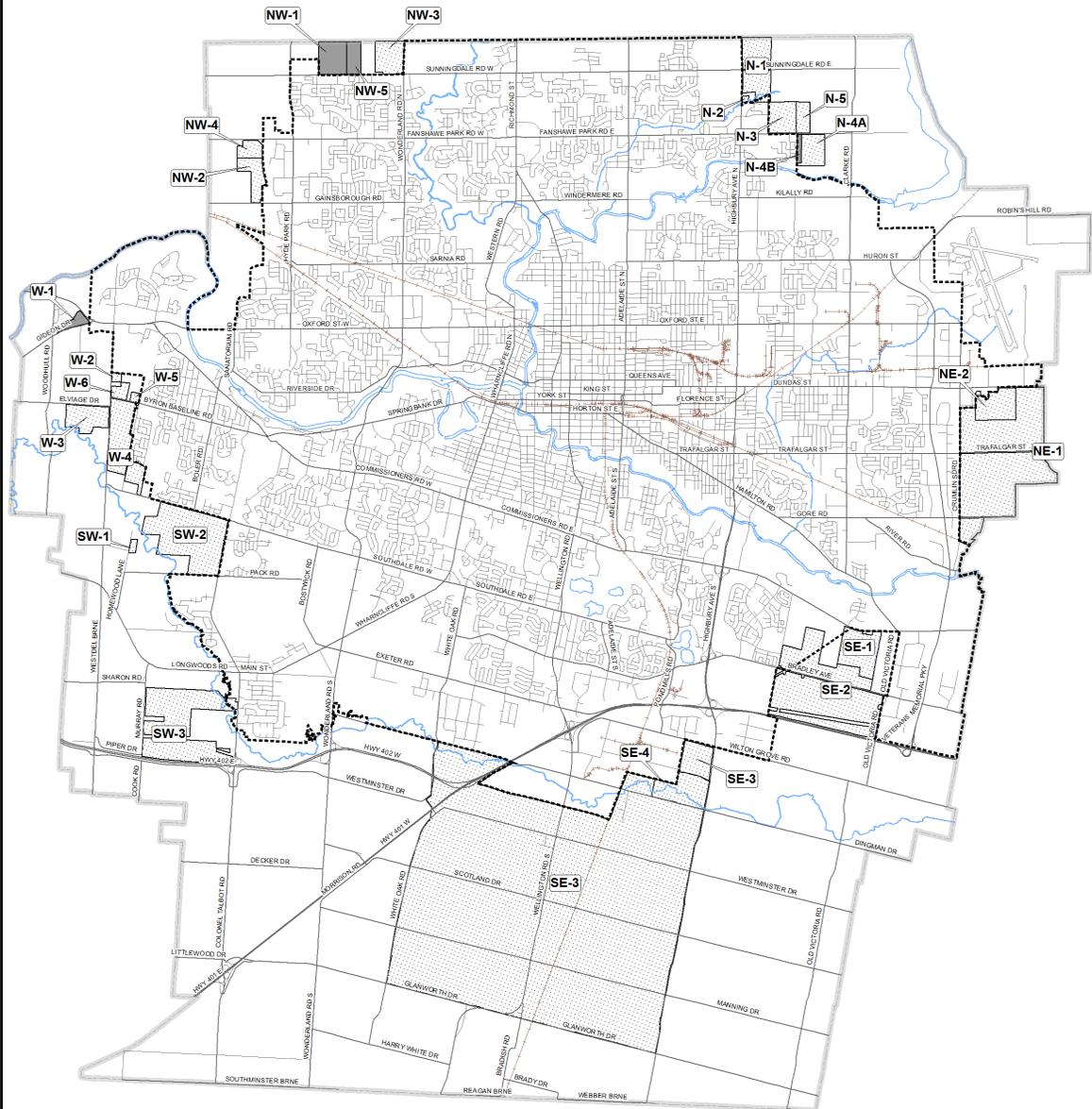
#### Planning Assessment

A planning assessment was undertaken to evaluate requests for inclusion that are categorized as Tier 1 proposals. Tier 2 and Tier 3 proposals were not evaluated since they represent requests that do not satisfy the evaluation criteria in identified in the infrastructure and financial assessment, and thereby do not provide for near-term development opportunities (i.e. 0-5 year time horizon). The following table outlines the planning assessment undertaken to determine if any of the requests represent good planning, and therefore, are appropriate sites to be brought into the Urban Growth Boundary.

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### RESULTS OF URBAN GROWTH BOUNDARY INCLUSION REQUESTS

	Urban Growth Boundary
	UGB Inclusion Requests
	Tier 1 Proposals



PROJECT LOCATION:  
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Criteria	Description	Tier 1 Proposals			
		Habitat Farms Ltd. - 1885 Fanshawe Park Road E	Phyllis Matthews - 2166 Oxford Street	Ali Jomaa - 1431 Sunningdale Road	Randy Clarke - 1185 Sunningdale Road
Social	Is the proposed inclusion contiguous to the Urban Growth Boundary?	yes	small portion of site is contiguous	yes	yes
	Is the boundary of the proposed inclusion logical, readily identifiable?	adjacent to existing community	adjacent to rural settlement	adjacent to existing community	adjacent to existing community
	Is the proposed inclusion consistent with goals, objectives and policies of this Plan?	does not contain mix of uses	potential agricultural conflicts	does not contain mix of uses	does not contain mix of uses
	Is the expansion of sufficient size to be developed as a complete community by itself, or can it be integrated with existing development to contribute to a complete community?	able to integrate	mix of uses will facilitate complete community	able to integrate	able to integrate
Environmental	Is the expansion located on prime agricultural lands (Canada Land Inventory Class 1-3 soils)?	primarily NR and class 4 lands	primarily class 4 lands, some class 2	class 1 and 2 lands	class 1 and 2 lands
	Does the expansion comply with the minimum distance separation formulae?	N/A	agricultural facilities within 1000 m	agricultural facilities within 1000 m	agricultural facilities within 1000 m
	Are there potential impacts on aggregate resources?	no	aggregate resource area	no	no
	Are there impacts on municipal drinking water supplies and designated vulnerable areas?	ground water recharge area	ground water recharge area	no	no
	Are there potential impacts on natural heritage features and ecological functions?	No	No	unevaluated wetland and unevaluated veg patch	unevaluated veg patch
	Is the proposed expansion located within an area containing natural hazards or human-made hazards?	no	no	within C A Regulation Limit	Within C A Regulation Limit

The assessment of the Tier 1 proposals based on planning criteria has revealed that the following requests for inclusion within the Urban Growth Boundary are appropriate sites to be brought into the Urban Growth Boundary:

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<b>Name of Owner/Group</b>	<b>Description of Land</b>	<b>Developable Area (ha)*</b>
Habitat Farms Ltd.	1885 Fanshawe Park Road E	5.9
Ali Jomaa	1431 Sunningdale Road	42.7
Randy Clarke	1185 Sunningdale Road	17.7

\*Developable land is net of natural heritage features

Of the three sites, the two sites on Sunningdale Road do have potential development limits based on adjacent agricultural operations and the presence of natural heritage features on the land.

**POSSIBLE LANDS TO BE REMOVED FROM UGB**

As indicated previously, the Land Needs Background Study demonstrated that there is no justification to consider the expansion of the City's Urban Growth Boundary through the 2011 Official Plan Review process. However, Council can at their discretion consider bringing in lands into the Urban Growth Boundary as long as lands are removed from the Urban Growth Boundary to ensure that there is no change in size of the boundary. It should be noted that none of the inclusion requests that are considered appropriate sites to be brought into the Urban Growth Boundary also include associated lands that the landowner has controlling interest in to enable them to be removed from the boundary. Therefore, the only way additional lands can be considered for inclusion is to remove lands that are currently within Urban Growth Boundary. As a result, City staff have conducted a high-level review of possible land that could be removed from the Urban Growth Boundary. Upon review of possible options for removal it has been determined that the first group of lands to be considered to be removed first would be lands designated Urban Reserve Community Growth (see Appendix C). There are also designated lands that will not be developed within the near term. Some of these lands may also be considered as potential lands to be removed. As noted above, Staff first considered lands within the UGB that have not yet been designated. The following section summarizes the review of Urban Reserve Community Growth lands evaluated by DC-eligible future infrastructure costs.

Infrastructure Required to Support the Development of the URCG Lands

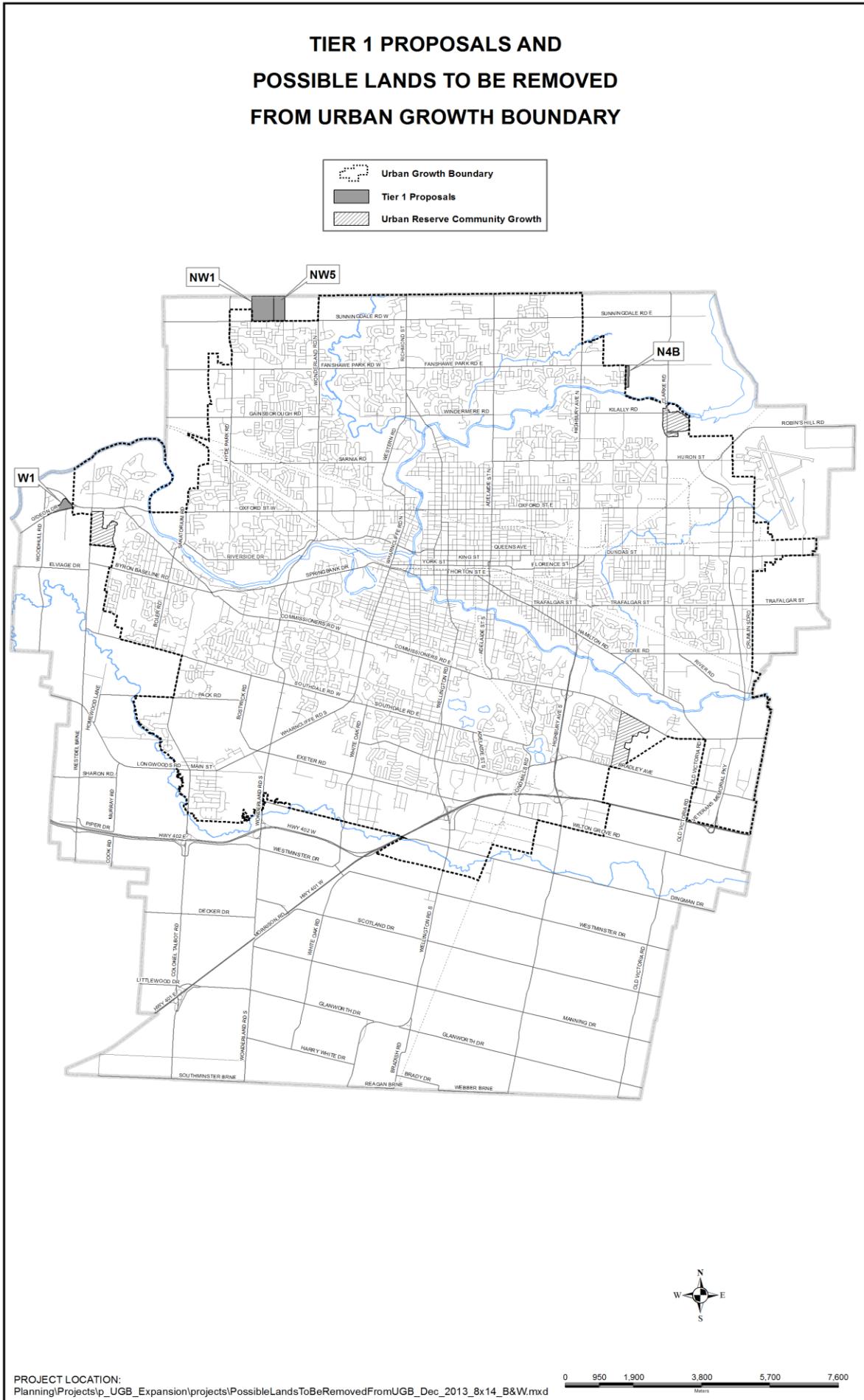
To assess the candidate lands for consideration for removal, Staff conducted a high-level review of the required DC-eligible future infrastructure to support the development of the Urban Reserve Community Growth Lands. It should be noted that there is provision in the current Development Charge rate quantum for the construction of these projects. The requirements are as follows:

- **Parker/Jackson Lands:** A stormwater management facility is needed to develop these lands. The catchment area for the stormwater facility does not include other lands to the west of Jackson Road or to the north of Commissioners Road. Cost estimates for this facility (Parker SWMF Phase 1) are \$3.3 million.
- **Riverbend South:** DC-eligible sanitary and stormwater servicing is planned to support the development of these lands. The oversized sanitary sewer is estimated to cost \$258,000. The estimated cost of the stormwater management facility is \$3.3 million. It should be noted that the RB South lands are presently being studied through a Council-approved Secondary Plan process, however, they are still designated as Urban Reserve Community Growth.
- **South-east Corner of Clarke Road/Kilally Road:** Sanitary and stormwater servicing is required for these lands to develop. Cost estimates for the stormwater management facility (Kilally South East Basin SWMF) are \$4.6 million and \$333,000 for the oversized sanitary sewer. These projects, however, support the development of additional lands to the west of the subject properties. There would be no benefit to the DC rate of removing

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these lands from the Urban Growth Area as the infrastructure servicing these lands is required for other designated lands west of Clarke Road to be developed.



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<b>CONCLUSION</b>
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As determined by the analysis of the requests that were submitted by landowners and/or their agents to be included within the Urban Growth Boundary there are a limited number of requests that could to be brought into the Urban Growth Boundary that provide immediate, near-term development opportunities. Additionally, possible sites to be removed from the Urban Growth Boundary have been put forward as options if Council were to decide that any of the appropriate sites should be brought in. If Council is to consider bringing in lands into the Urban Growth Boundary it has to also remove lands from the boundary as part of the decision-making process, as it has been demonstrated by the Land Needs Background Study that there is no justification to consider the expansion of the City's Urban Growth Boundary through the 2011 Official Plan Review process.

<b>PREPARED BY:</b>	<b>REVIEWED BY:</b>
<b>MARK JOHNSON PLANNER II POLICY PLANNING AND PROGRAMS</b>	<b>PAUL YEOMAN MANAGER I, DEVELOPMENT FINANCE FINANCE AND CORPORATE SERVICES</b>
<b>SUBMITTED BY:</b>	<b>RECOMMENDED BY:</b>
<b>GREGG BARRETT, ACIP MANAGER, POLICY PLANNING AND PROGRAMS</b>	<b>JOHN M. FLEMING, MCIP, RPP MANAGING DIRECTOR, PLANNING AND CITY PLANNER</b>

November 19, 2013  
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**Appendix A**

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## **Appendix B**

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## **Appendix C**