

Report to/Rapport au :

**Planning Committee
Comité de l'urbanisme**

and Council / et au Conseil

**November 2, 2012
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**Submitted by/Soumis par : Nancy Schepers, Deputy City Manager/Directrice
municipale adjointe, Planning and Infrastructure/Urbanisme et Infrastructure**

Contact Person / Personne ressource: *Lee Ann Snedden, Manager/Gestionnaire, Policy
Development and Urban Design/Élaboration de la politique et conception urbaine,
Planning and Growth Management/Urbanisme et Gestion de la croissance
(613) 580-2424, 25779 Leeann.Snedden@ottawa.ca*

CITY WIDE / À L'ÉCHELLE DE LA VILLE

Ref N°: ACS2012-PAI-PGM-0246

SUBJECT: RESIDENTIAL LAND SUPPLY AND DEMAND TO 2031: 2012 UPDATE

**OBJET : OFFRE ET DEMANDE DE TERRAINS RÉSIDENTIELS JUSQU'EN
2031 – MISE À JOUR DE 2012**

REPORT RECOMMENDATION

That the Planning Committee recommend Council confirm the position that the City of Ottawa Official Plan has identified sufficient residential lands to be consistent with the Provincial Policy Statement.

RECOMMANDATION DU RAPPORT

Que le Comité de l'urbanisme recommande au Conseil de confirmer la position voulant que le Plan officiel a relevé un nombre suffisant de terrains résidentiels pour être conforme à la Déclaration de principes provinciale.

BACKGROUND

The purpose of this report is to respond to the Official Plan (OP) policy to review the supply and demand for housing land. Adoption of the recommendation of this report

means that no lands will be added to the Urban Area for residential purposes as part of the 2013 Comprehensive OP Review.

A separate report dealing with the employment and other land under the policy will be brought to the Committee in 2013.

Section 2.2.1, Policy 7 of the OP states in part that:

“7. Council shall provide funding in 2012 to permit an examination of the supply of / demand for land for employment, housing and other purposes to meet the requirements of the Provincial Policy Statement with the results to be submitted to Council no later than June, 2014.”

This report summarizes the research report, attached as Document 1, prepared in response to the requirement to review supply and demand for housing land. Consistent with Council’s direction on the 2013 OP Review, the examination is done in the context of a 2031 planning horizon.

In addition, a staff report to the April 24, 2012 Planning Committee (“2011 Census Results and Relation to Population Projections”) concluded that the population projections in the OP are tracking closely with Census results. On that basis there is no need to revise the current projections to 2031 contained in the OP.

Projections of housing demand and supply for the period 2006 to 2031 were extensively researched and debated as part of the process leading up to Council’s adoption of Official Plan Amendment No. 76 (OPA 76) in June 2009. Extensive evidence on residential land supply and demand was also presented during Phase 1 of the urban boundary Ontario Municipal Board (OMB) hearing on OPA 76 in 2011. Given that the 2013 OP Review maintains a 2031 planning horizon and that projections in the OP for population and household growth to 2031 are unchanged from those adopted by OPA 76, it would appear that the urban land additions resulting from the OMB rulings are sufficient to provide for requirements to 2031. However, the review warrants taking account of recent information to provide an updated analysis.

DISCUSSION

The review was divided into two parts; demand and supply.

Demand was assessed in two ways:

1. Housing starts and completions by unit type were compared to what had been projected for the six-year period 2006 to 2012; and
2. Recent housing data from the 2011 Census was reviewed for trends it showed in the preference for single-detached housing among key age groups.

Supply was assessed by:

1. Updating the inventory of housing supply on vacant urban land to 2012; and
2. Including the potential housing supply on urban expansion lands added as a result of OMB decisions on OPA 76.

Major findings of the report are summarized below.

Housing Demand Changes

- The housing market is changing more quickly than had been projected in the last Official Plan review.
- There were 2620 fewer single-detached units built since 2006 than projected, 16% lower than projected.
- There were 1625 more apartments built than projected, 17% higher than projected.
- Single-detached had a 36% share of total units in the last six years, even lower than what had been projected for 2031 (37%).
- Apartments' share has been 30% since 2006, the level it was projected to reach in 2021.
- 2011 Census data showed continuing declines in single-detached housing preference among key age groups 55 to 74.

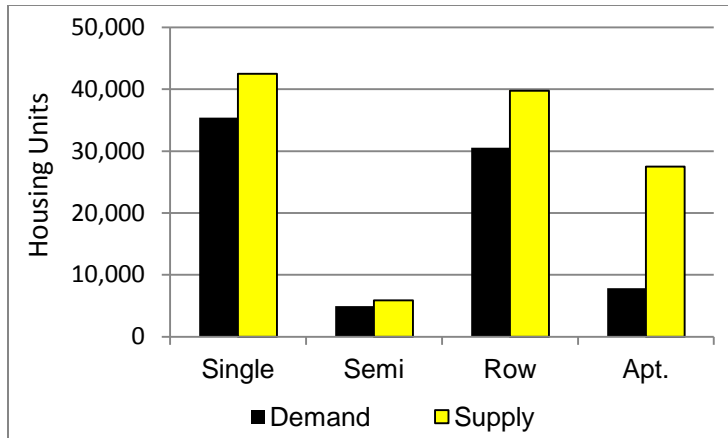
Owing to the significant changes observed in the housing market, it was concluded that an update to projected housing unit types to 2031 was warranted. This resulted in changing the projected demand for single-detached dwellings over the 2006-2031 period from 40% of total units to 35%. Shares of row and apartment units were revised upward.

Housing Supply

- Supply of vacant urban land outside the Greenbelt is approximately 96 000 units.
- Urban expansion land added in 2012 has a further potential for almost 18 000 units.
- Total housing supply is estimated at almost 116 000 units, comprised of 37% single-detached, 5% semi-detached, 34% row units, and 24% apartments.

In the final stage of the analysis, after subtracting housing units allocated to the rural area (9%) and units targeted for intensification (40% of new urban units), supply on vacant greenfield land was compared to demand. Over the 2006-2031 projection period in the OP, supply exceeded demand for all dwelling unit types (Figure 1).

Figure 1
Housing Supply compared to Demand by Unit Type to 2031



Conclusion

The supply of housing land meets the requirements of the Provincial Policy Statement for up to a 20-year supply of land (S. 1.1.2) and for a minimum 10-year supply of land for housing at all times (S. 1.4.1a).

Given that there is at least a 20-year supply of housing land for all dwelling types, there is no need for Council to consider changes to the urban boundary for housing purposes as part of the 2013 Comprehensive Review of the Official Plan.

RURAL IMPLICATIONS

The housing land supply analysis also considers housing needs in rural Ottawa where the predominant housing form is single-detached dwellings. The recommendation not to change the urban boundary to add residential land avoids losses of rural land to urban development, including the loss of agricultural and environmental land.

Council will be considering staff recommendations in relation to the rural area as part of the Comprehensive Review, including whether to extend the moratorium on country lot approvals. There is sufficient surplus housing supply within the current urban boundary to accommodate any increase in urban demand regardless of any extension of the moratorium.

CONSULTATION

Notification of the November 27, 2012 Planning Committee meeting under Section 26 of the *Planning Act* was given on October 5 and October 12, 2012. A meeting of the Sponsors Group with the Development Industry Panel was held on November 9, 2012 and with the Community Panel on November 15, 2012, to discuss the proposed report on this issue.

COMMENTS BY THE WARD COUNCILLORS

This is a City-wide report – not applicable.

LEGAL IMPLICATIONS

Conclusions reached in the Official Plan Review process are not final until the end of the process. However, it is the opinion of Legal Services that one of the lessons learned from the hearings on the Urban Boundary question with respect to OPA 76 is that the Board will give significant weight to the interim conclusions reached through the process where such interim conclusions were based sound planning rationale. Thus, while it is possible to revisit decisions made earlier in the process, and Members of Committee and Council must always be “capable of being persuaded” as new information and submissions are brought forward, it is to be expected that the final decisions made by Council in 2014 will build upon the determinations made through the process.

RISK MANAGEMENT IMPLICATIONS

There are no risk management implications associated with the recommendation in this report.

FINANCIAL IMPLICATIONS

There are no direct financial implications.

ACCESSIBILITY IMPACTS

There are no accessibility impacts associated with this report.

ENVIRONMENTAL IMPLICATIONS

There are no environment implications associated with this report.

TECHNOLOGY IMPLICATIONS

There are no technology implications associated with this report.

TERM OF COUNCIL PRIORITIES

This report impacts the following priorities within the City’s Strategic Plan:

- ES3 Reduce environmental impact
- GP3 Make sustainable choices
- TM2 Maximize density in and around transit stations

SUPPORTING DOCUMENTATION

Document 1 Residential Land Supply and Demand to 2031: 2012 Update (issued separately and held on file)

DISPOSITION

Council adoption of the recommendation of this report would mean that no lands will be added to the Urban Area for urban residential purposes as part of the current Official Plan review.