

To:	Warden McQueen and Members of Grey County Council
Committee Date:	March 12, 2020
Subject / Report No:	PDR-CW-17-20
Title:	Municipal and Growth Boundaries Planning Report
Prepared by:	Grey County Planning Staff
Reviewed by:	Randy Scherzer
Lower Tier(s) Affected:	All municipalities within Grey County
Status:	Recommendation adopted by Committee as presented per Resolution CW62-20; Endorsed by County Council April 9, 2020 per Resolution CC40-20;

Recommendation

1. That Report PDR-CW-17-20 be received for information purposes;
2. That the Report be shared with member municipalities in Grey County for their information;
3. That staff be directed to begin working with member municipalities, neighbouring municipalities, and neighbouring counties on identifying future growth and infrastructure needs and the challenges therein where two or more municipal boundaries are involved; and
4. That staff bring back a report summarizing findings and recommendations for next steps.

Executive Summary

Through the work on Recolour Grey, the County examined our growth needs for the coming years, which was informed by the 2018 Growth Management Strategy (GMS), as well as input from municipalities and stakeholders. A key tenant of land use planning is ensuring that municipalities have adequate lands designated and serviced to meet their projected residential and employment growth needs, generally over a 20-year planning horizon. It is recognized that land cannot be designated and serviced 'over-night', and therefore advanced planning is crucial; as in some cases these processes can take years before land is ready to be built upon. On the opposite end of the spectrum, over-investing in lands and services that are not needed for growth is an inefficient use of municipal money and infrastructure.

In recent years, County staff have been approached by various municipalities and developers about lands that abut a municipal boundary which may have future development potential. In

some cases, these growth discussions also extend to lands outside of Grey County. Staff have also heard concerns from some municipalities that their growth is occurring at a much faster rate than is contemplated in current planning documents. Through this Report staff will examine this issue, and recommend that County staff work with municipalities on solutions, and areas for collaboration between municipalities.

Background and Discussion

In a two-tier municipal planning system, counties and regions are responsible for coordination and growth allocation, in consultation with member municipalities. This responsibility is laid out in section 1.2.4 of the new 2020 Provincial Policy Statement (PPS) as quoted below.

“Where planning is conducted by an upper-tier municipality, the upper-tier municipality in consultation with lower-tier municipalities shall:

- a) identify and allocate population, housing and employment projections for lower-tier municipalities. Allocations and projections by upper-tier municipalities shall be based on and reflect provincial plans where these exist and informed by provincial guidelines;*
- b) identify areas where growth or development will be directed, including the identification of nodes and the corridors linking these nodes;*
- c) identify targets for intensification and redevelopment within all or any of the lower-tier municipalities, including minimum targets that should be met before expansion of the boundaries of settlement areas is permitted in accordance with policy 1.1.3.8;*
- d) where transit corridors exist or are to be developed, identify density targets for areas adjacent or in proximity to these corridors and stations, including minimum targets that should be met before expansion of the boundaries of settlement areas is permitted in accordance with policy 1.1.3.8; and*
- e) identify and provide policy direction for the lower-tier municipalities on matters that cross municipal boundaries.”*

Note the 2020 PPS does not come into effect until May 1, 2020; however this particular section of the PPS reads very similarly to the 2014 PPS that is currently in effect.

As part of Recolour Grey, the County updated our [Growth Management Strategy](#) (GMS) in May 2018. Throughout the Recolour Grey process, County staff received questions from municipalities and landowners about the rate of growth, and the speed in which development is occurring in some parts of the County. Although the 2018 GMS noted that the County currently has enough lands to meet our growth needs within the 20-year planning horizon; it did note that the County would have to closely monitor development, to determine if the projections are ‘on target’ or if growth is progressing more quickly. County staff recognize the value in ‘planning ahead’, and not waiting until there’s a land shortage, before we start to address future needs. ‘Opening up’ new lands for development is not as simple as designating lands on a map, infrastructure planning and environmental assessments, can add years onto the process before the lands are ‘shovel-ready’ for development. Financing the infrastructure upgrades (including water or wastewater treatment facilities, the transportation network, recreation facilities, etc.) can take years to plan for, and may also require updates to Development Charges by-laws and background studies.

Municipalities across Grey County do an excellent job of planning for their own growth and infrastructure needs within their boundaries. Where it becomes more difficult for municipalities,

are the lands outside of their municipal boundaries that may; (a) also experience growth or increased infrastructure demands, or (b) be needed for the future growth of a settlement area. This coordination role between municipalities is stressed in the PPS and the County Official Plan, and is a key component of planning for the County's future growth needs. Policies were included in Recolour Grey to facilitate coordination between municipalities, including the possibility for future boundary adjustments.

There are a number of areas across the County where municipalities are seeing growth pressures on both sides of the municipal boundary. Some examples of this include but are not limited to;

- a) Hanover – West Grey,
- b) West Grey – Southgate – Mount Forest,
- c) The Blue Mountains – Collingwood,
- d) Georgian Bluffs – Wiarton,
- e) Dundalk – Melancton,
- f) Owen Sound – Georgian Bluffs,
- g) Meaford – Owen Sound,
- h) Meaford – The Blue Mountains, and
- i) Markdale – West Grey.

In a number of the above examples, municipalities have collaborated on issues around these boundaries, and in some cases even shared municipal services (e.g. Wiarton and Georgian Bluffs). In some cases, there are designated growth areas on both sides of the municipal boundary (e.g. The Blue Mountains and Collingwood). Whereas in other areas, designated lands only occur on one side, but the neighbouring municipality is facing similar growth pressures. In the past, as is the case in Hanover – West Grey, there have been studies completed which recommended that the logical location for the future growth of Hanover is into West Grey, which has resulted in the Hanover-West Grey Secondary Plan, Official Plan Amendment (OPA) 122. There are further scenarios where municipally owned infrastructure or lands are located in the neighbouring municipality, as is the case with the Markdale sewage lagoons in West Grey. Finally, there have been cases where a 'land swap' has occurred, where lands were 'traded' for either other lands or the expansion of municipal services (e.g. the Municipality of Meaford giving lands to the City of Owen Sound in exchange for the delivery of water services to Leith).

Opportunities and Challenges

These cross jurisdictional boundary issues can be challenging, time consuming to deal with, and in some cases can negatively impact economic development. However, with the right approach staff see great opportunity for;

- collaboration between municipalities, including the ability for shared services or facilities (e.g. municipal water that feeds two municipalities, or a recreation centre shared by two municipalities),
- adjustment of settlement area or municipal boundaries, that may or may not include land-swaps, and
- long-term planning to ensure that our collective growth and economic development needs are met moving forward.

It is important to note that there may be some areas where growth can be facilitated on both

sides of the municipal boundaries. However, there may be other areas where that boundary needs to remain 'firm' for the foreseeable future.

Staff are also aware of areas whereby future employment needs may depend on the ability for the County, and one or more member municipalities ability to 'act quickly'. For example, if a current manufacturer was looking at an expansion, but their business is near a municipal boundary whereby the most logical direction for expansion is from municipality 'A' into municipality 'B', it's not practical to ask them to seek out other locations that would have them remain solely in municipality 'A', provided there was a solution that could facilitate their expansion into municipality 'B'. Similarly, it is also not practical to ask the business to 'wait' 2-3 years, while the County and municipalities 'sort out' the planning in this situation. Possible solutions may take a variety of forms, including;

- a shared services agreement between municipalities 'A' and 'B',
- an adjustment of municipal boundaries between municipalities,
- a possible 'land swap' between municipalities, or
- another mutually agreeable approach.

One of the challenges, with the above scenario is that it can sometimes be viewed as a 'win-loss' scenario i.e. one municipality will get the development, including the associated assessment increase, and therefore be the 'winner', while the other may thus be considered the 'loser'. County staff would however stress that in most cases employers, residents, and visitors to Grey do not notice or respect municipal boundaries. A large business will have employees and customers from multiple municipalities, and therefore the economic benefits are not limited to only the host municipality of that business. If the County can facilitate growth within our boundaries, or even in neighbouring communities then there are 'spin-off' benefits to our residents, employers, and ultimately the County's assessment base. In framing the discussions moving forward, staff hope to approach these situations not as a win-loss scenario, but as a 'how can we all win' opportunity.

The facilitation of future growth needs, and infrastructure expansion is a 'win-win-win' for the County, our member municipalities, and residents/businesses, where it can be facilitated in an efficient and responsible fashion.

Proposed Work Plan

County staff have been approached by some municipalities and developers who have started hiring consultants to justify possible future boundary adjustments. Prior to proceeding further on these matters, staff are seeking direction from County Council to work with municipalities, including those inside and outside Grey, to better plan for and coordinate with these areas that span municipal boundaries. Staff believe that this type of planning calls for a comprehensive examination, rather than a piece-meal approach to each individual settlement area or boundary.

The policies of Recolour Grey provide some direction on this topic moving forward. Through the recently approved 2020 Provincial Policy Statement, there are some new policies which may help to provide some further flexibility for settlement area boundary adjustments. These changes include the ability to plan for up to 25 years, versus the previous standard of 20 years, as well as the ability to adjust settlement area boundaries where there would be no net increase in land (e.g. swapping undevelopable land in favour of developable land).

The workplan will need to be cognizant of both County and municipal staff resources and

pressures. County staff recognize that this workplan cannot immediately address all of the cross-boundary examples listed in the Background and Discussion section of this report. Furthermore, County staff realize that what may be a priority to one municipality may not be a priority to their neighbouring municipality. Through the feedback on this report, Council may choose to offer additional input on this workplan including prioritization of individual elements. Staff would also note that issues may arise from Council Task Forces that could further inform the workplan (e.g. the Hanover – Owen Sound Task Force).

At this preliminary stage, should Council provide direction to move forward, the proposed workplan will require;

1. researching coordinated efforts between municipalities across the province, as well as seeking input from Ministry of Municipal Affairs and Housing staff on this topic,
2. examining numerous alternatives (e.g. the ability to meet growth within current settlement area boundaries, intensification, sharing services, annexation, etc.) to ensure adequate land supply,
3. monitoring current and projected growth rates, and
4. consulting with municipalities on both sides of the municipal boundary.

Legal and Legislated Requirements

Various pieces of legislation such as the *Planning Act*, and the *Municipal Act*, govern both settlement area and municipal boundaries respectively. The Provincial Policy Statement provides further policy guidance on this topic. There are also policies in Recolour Grey, as well as in municipal official plans, that will need to be considered in moving forward here. Staff will work with municipalities, within the confines of the current legislative and policy framework, to explore opportunities and solutions to cross-boundary growth and development.

Financial and Resource Implications

There are no anticipated financial, staffing or resource considerations associated with this report at this time. Should the need for additional resources, or unbudgeted expenses arise, further reporting will be brought back to County Council.

Relevant Consultation

- Internal: Planning, Economic Development, Transportation Services, CAO, Legal Services
- External: Member municipalities, Provincial staff, neighbouring municipalities, landowners and developers

Appendices and Attachments

None