

To: Warden and Members of County Council

From: Director of Community Planning

Potential Options for Increasing Residential Density

RECOMMENDATIONS

- 1. That Report No. CP 2022-397 be received for information;
- 2. And further, that Report No. CP 2022-397 be circulated to the Area Municipalities for their information.

REPORT HIGHLIGHTS

- This report was prepared in response to a resolution passed by County Council earlier this
 year requesting that staff bring forward a report to provide further information and options that
 could be considered by the County and Area Municipalities to better accommodate projected
 residential growth through increased density within fully serviced settlement areas and
 minimize the need for settlement area boundary expansions.
- This report contains further information and potential options that could be considered in this regard, with the intent of providing an initial basis for discussion and consideration of potential next steps.
- Given anticipated Provincial announcements with respect to potential housing related policy changes, which could significantly impact municipal options for encouraging and facilitating intensification and increased density, Planning staff are advising that formal consideration of potential municipal actions be postponed until we have a better indication as to what the Province is proposing.

Implementation Points

The further consideration and/or implementation of the options outlined in this report could involve a range of potential municipal actions including, but not limited to, the undertaking of various studies and further analysis, updates to Official Plan policies, and revisions to various other planning related documents, programs and/or processes.

Financial Impact

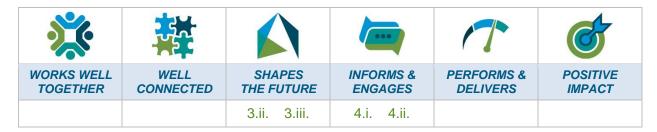
Adoption of the recommendations contained in this report will not result in any financial implications beyond this year's approved budget.



Communications

There are no specific communications being proposed as part of this report, beyond those associated with the posting of this report as part of the Council agenda and circulation to the Area Municipalities for their consideration. However, additional communication may be required in order to further pursue and/or implement any Council direction and/or actions that may result from their consideration of the various options outlined in this report.

Strategic Plan (2020-2022)



DISCUSSION

Background

Earlier in 2022, a number of Area Municipalities reached out to County staff to get a better understanding of potential options for facilitating and encouraging increased residential densities in their communities and the County as a whole. Following these initial discussions, the following motion was presented to County Council for consideration, and approved, at their May 11, 2022 meeting:

'Whereas Oxford County recognizes that there is a need for increased quantity, variety, and attainability of housing, and;

Whereas Oxford County is a prudent manager of its finances and intends to make the most effective and efficient use of municipal infrastructure in the long term, and;

Whereas Oxford County values its prime agricultural land and its natural spaces, and;

Whereas Oxford County values sustainability in the delivery of all services, and;

Whereas Oxford County strives to create complete communities providing opportunities for all to work, live, play, and learn;

Therefore be it resolved that staff be directed to bring a report to County Council to provide further information and options that could be considered by the County and Area Municipalities to better accommodate their projected residential growth through increased density within fully serviced settlement areas and minimize the need for settlement area boundary expansions.'

As a starting point for this discussion, it is noted that the County's Official Plan policies currently require that forecasted growth be directed primarily to fully serviced settlement areas to, among other objectives, ensure efficient use of land, infrastructure and public services and support the development of complete communities.

Further, the current Official Plan policies for fully serviced settlement areas (i.e. Large Urban Centres and Serviced Villages) provide more comprehensive and detailed direction on minimum residential density, intensification and unit mix requirements, as well as flexibility and support for various forms of residential intensification (i.e. converted dwellings, re-purposing of older non-residential buildings for residential use, encouraging and promoting various forms of residential intensification in residential and mixed use areas and downtowns, criteria for establishing new medium and high density residential development sites etc.) than many other municipalities, particularly those located outside of the Greater Golden Horseshoe (GGH) growth plan. As such, the existing Official Plan policy framework provides a solid foundation upon which to build, recognizing that there are always opportunities for updates and improvement.

To this end, County staff have been working on a range of initiatives and measures to facilitate and encourage increased residential density and intensification in the County's fully serviced settlement areas including, but not limited to:

- Advocating for changes to Provincial housing policy through review and comment on various housing related initiatives (i.e. PPS updates, Housing Task Force Report, Bill 109, ARU regulations etc.) and consultation with various professional groups (e.g. Ontario Professional Planners Institute, County Planning Directors etc.).
- Maintaining up to date building and land supply information (including identification of underutilized lots that may have potential for intensification) and monitoring the density of all new residential development being approved throughout the County;
- Initiating updates to the County's growth forecasts and land supply analysis, including consideration of opportunities to accommodate forecasted growth through intensification.
- Updating policies and zoning to facilitate the establishment of Additional Residential Units (ARUs) in a single detached, semi-detached or row house dwelling and/or within a building or structure ancillary to such dwellings throughout the County, where appropriate;
- Requiring the consideration and identification of appropriate residential density targets and unit mix requirements as part of all municipally initiated secondary planning studies, particularly those being undertaken to inform and support proposed settlement expansions;
- Development of a County Water and Wastewater Master Plan to, among other matters, ensure that the County can plan for the servicing capacity/infrastructure investments that are anticipated to be required to sustainably accommodate the forecasted housing and other growth in the County; and
- Continuing to leverage the County's existing policies to encourage higher densities and greater mix of uses as part of the review of new development in fully serviced areas.

In addition to the above noted initiatives, this report sets out to provide further information and options that could potentially be considered by the County and Area Municipalities to better accommodate their projected growth through increased density and intensification to minimize the need for settlement area boundary expansions. This report summarizes and expands upon a number of ideas that have been previously identified by Planning staff and is simply intended to provide a starting point for initial consideration of potential options.

Comments

The following commentary provides additional information and context to help facilitate the consideration of potential options for encouraging further intensification and increased density in the County.

Current Residential Density Context in Oxford

The current Official Plan policies establish a permitted <u>net</u> residential density range for development in each of the existing residential density designations (i.e. Low, Medium and High), in all eight Area Municipalities, as follows:

Large Urban Centres

Woodstock

- Low Density Minimum overall residential density of 22 units/ha (9 units/ac) and no development shall exceed 30 units/ha (12 units/ac)
 - For comparison, 30 units/net ha equates to an average lot size of 333 m² (i.e. 11 x 30 m), which is roughly the min. R2 zone lot size for a single detached dwelling in the County's three Large Urban Centres.
- Medium Density 31 to 70 units/ha (13-30 units/ac) with maximum height of 4 storeys
- High Density 70 to 150 units/ha (31 to 60 units/ac)

Ingersoll and Tillsonburg

- Low Density 15-30 units/ha (6-12 units/ac)
- Medium Density 31-62 units/ha (13-25 units/ac)
 - High Density 63-111 units/ha (26-45 units/ac)

Serviced Villages

- Low Density 15-22 units/ha (6-9 units/ac)
 - For comparison, 22 units/net ha equates to an average lot size of approx. 450 m² (i.e. 15 m x 30 m), which is the minimum lot size for a single detached dwelling in an R1 zone in most of the Serviced Villages.
- Medium Density 23-50 units/ha (10-20 units/ac), maximum 4 storeys.
- High Density Not currently permitted.

The policies for the three Large Urban Centres also generally encourage and allow for residential intensification and higher densities in their Central Areas (i.e. in the Entrepreneurial District and Central Business District but, for the latter, typically with a ground floor commercial requirement).

Based on recent development monitoring activities, it appears that the overall average residential densities in the County have been trending gradually higher, with a shift toward smaller single detached lots and a higher proportion of multiple unit type building forms (i.e. street fronting townhouses, stacked townhouses, apartments etc.). Over the last 3 years (i.e. 2019-2021), the County has achieved an average overall residential density (i.e. comprising all unit types and both greenfield development and intensification) for new development of approximately 35 units/net ha (14 units/net ac) in the Large Urban Centres and 21 units/net ha (8.5 units/net ac) in the Serviced Villages.

Although these average densities appear to be substantially higher than the minimum density requirements set out in the Official Plan, it is important to note that they include infill/intensification type developments which tend to be denser than greenfield development and, therefore, raise the overall average. Further, the average density being achieved in the County's various communities still varies considerably.

Potential Options for Increasing Density

a) Establishing overall residential density and/or unit type mix requirements

Given its larger size and level of existing transit services, the Official Plan policies for the City of Woodstock currently contain requirements with respect to overall residential density and unit mix for new communities, which are generally outlined as follows:

New Communities - a variety of dwelling types will be accommodated within each Community Planning District such that the following dwelling mix is attainable:

- Low Density 55%
- Medium Density 30%
- High Density 15%

The overall <u>net</u> residential density for the Community Planning District will approximate **30 units per hectare (12 units per acre)**

The above noted density targets are generally in keeping with the density requirements and targets currently set out in the Provincial Greater Golden Horseshoe (GGH) Growth Plan which are summarized as follows:

- Standard minimum greenfield density target of 50 people/jobs per ha for most communities (i.e. for exclusively residential, roughly the equivalent of 22 units/ha).
- The target for some smaller, outer ring GGH municipalities (e.g. Brant and Haldimand Counties) is 40 people/jobs per ha.
- Due to the lower employment land densities (i.e. jobs per ha) in most municipalities, residential density often needs to be higher than the 40-50 people per hectare target, in order to achieve the overall blended people/jobs target.

Provincial communication material indicates that these densities tend to support walking, cycling and transit, a diverse mix of land uses, high-quality public open space and reduced greenhouse gas emissions.

For the other Area Municipalities in the County, the Official Plan policies pertaining to minimum residential density requirements are currently focused on establishing separate minimum density requirements for each of the residential land use designations (i.e. Low, Medium and High), with no overall minimum blended density target. However, planning staff typically require the identification and establishment of minimum residential density and unit mix requirements/targets as a component of any comprehensive review and secondary planning process being undertaken in support of a proposed settlement expansion. As a recent example, the secondary planning process being undertaken for the Village of Drumbo is aiming to increase the overall residential density for new development by pre-designating specific areas for medium density residential development, increasing the permitted density range for both low and medium density residential designations, and requiring that a minimum 20% of all units on sites larger than 2 ha be dwelling types other than single and/or semi-detached (e.g. townhouses or apartments).

While the establishment of overall density targets and unit type splits forms part of the current standard planning process for most settlement expansions, the County and Area Municipalities may also choose to consider establishing more consistent and comprehensive Official Plan policy direction on overall density and unit mix requirements (i.e. similar to those in Woodstock) for all of the County's fully serviced settlement areas. That said, given the numerous considerations and potential impacts associated with broad implementation of such measures (i.e. planning for infrastructure and public services, community character and urban design etc.), it is something that should be comprehensively reviewed and considered (i.e. as part of the development of a new Official Plan or a major review).

Therefore, if this is an option that Council wishes to see further considered, Planning staff can include the consideration of such measures in the work plans for the upcoming updates to the County's growth forecasts and land needs analysis, as well as the development of a new County Official Plan, which is anticipated to begin in early 2024.

b) Establishing Area Specific Density Targets

The only area specific density targets (e.g. for downtowns/central area and transit nodes and corridors etc.) currently contained in the Official Plan are for the Central Area (i.e. downtown area) designations in the Large Urban Centres and the transit supportive density requirements in the City of Woodstock (e.g. a minimum net residential density of 25 units per hectare for new residential communities located within 200 m of an arterial or collector road).

Many of the fully serviced settlement areas in the County have sites and/or areas that have been pre-designated for medium and/or high density residential development in the Official Plan, which also serves to establish specific density requirements for those lands.

Some other examples of area specific density targets include:

- The GGH Growth Plan establishes a standard density target of 150 people/jobs per ha for a number the outer ring 'urban growth centres/downtowns' (i.e. equivalent of approx. 60 units/ha, for exclusively residential) and a similar target for major transit station areas and priority transit corridors.
- The Ministry of Transportation's (MTOs) Transit Supportive Guidelines recommend the following minimum densities within 400-800 m of a transit route:

- 22 units/ha (50 residents/jobs/ha) basic bus transit;
- o 37 units/ha (80 residents/jobs/ha) frequent transit service;
- 45 units/ha (100 residents/jobs/ha) very frequent bus service (with potential for light rail transit, or bus rapid transit)

In the Oxford context, the residential density range permitted in the Central Area designation (i.e. downtown area) for all three Large Urban Centres (i.e. Woodstock, Tillsonburg and Ingersoll) would generally encompass the above noted GGH targets for strictly residential uses and be in addition to any job related density present in that area. That said, the minimum residential density that could be developed within the permitted density range for the Central Area designation could be considerably lower than the above noted GGH target. Further, there is no minimum density currently specified in the Official Plan for residential development within the Village Core designated areas of the Serviced Villages. With respect to transit supportive density requirements, Woodstock's current requirements are generally in keeping with the minimums recommended by the MTO guidelines for supporting basic transit service.

The identification of such target areas and establishment of appropriate densities, height, unit types and/or other development criteria and requirements would typically be reviewed and considered through a detailed area or urban design study and/or secondary planning process, or through comprehensive background studies undertaken in support of the development of a new Official Plan. This may also involve identifying and pre-designating additional sites and areas for increased height and density, establishing more permissive and/or supportive zoning (e.g. more 'as of right' type zoning and appropriate and flexible standards for denser forms of development, or considering the pros and cons of a potential development permit system approach for specific areas) and/or developing other supportive tools and measures (i.e. streamlined processes, design standards, financial incentives etc.) to support and encourage the density and intensification desired.

Therefore, if there is Area Municipal interest in further pursuing the potential for establishing new and/or updated density supportive policies and other measures for specific areas in their communities, Planning staff can follow up to discuss the various studies and planning analysis that would generally need to be initiated to consider and support such potential changes. Further, Planning staff would be able to assist the Area Municipalities in initiating and coordinating any such studies and analysis, where requested.

c) Reviewing the residential density requirements and criteria for specific designations

As previously noted, the current Official Plan policies establish various development criteria, including <u>net</u> residential density ranges and, in some cases maximum height requirements, that must be met for development in the various residential designations (i.e. low, medium and high) in all eight Area Municipalities. Further, the policies for the Central Area designation in all three Large Urbans Centres also generally encourage and allow for residential intensification and higher densities (i.e. in the Entrepreneurial District and Central Business District, but for the latter, typically with a ground floor commercial requirement).

Following are some examples of the policy requirements and criteria for these land use designations that could potentially benefit from further review to facilitate increased intensification and density:

- Minimum and maximum density requirements;
- Permitted height and built form requirements; and
- Criteria for the establishment of new sites/designations.

Similar to the discussion on establishing overall residential density and unit mix requirements, given that there are numerous considerations and potential impacts that may be associated with the implementation of such measures in a particular settlement or area (i.e. planning for and design of infrastructure and public services, community character and urban design etc.), these matters should be comprehensively reviewed and considered (i.e. as part of the development of a new Official Plan or a major review).

Therefore, if this is an option Council feels would benefit from further consideration, Planning staff can undertake a review of some or all of these policy requirements to determine if there are any initial amendments that could be considered within the scope of the County's current Official Plan review process. That said, comprehensive review and update of these policy requirements is expected to be undertaken as part of the development of a new County Official Plan (i.e. beginning in early 2024).

d) Other Potential Tools and/or Measures

The following are some other tools and measures that could potentially be considered to facilitate and encourage increased density in the County and reduce the need for settlement expansions to accommodate forecasted growth:

- Continuing to ensure that all new housing growth, other than minor infilling and minor rounding out within existing settlement boundaries, is directed to the County's fully serviced settlement areas to ensure efficient use of land and infrastructure;
- Reviewing local zoning provisions and site plan requirements, infrastructure and development standards and other municipal requirements and processes, to ensure they provide the necessary flexibility to accommodate the form of development and density desired in each community and/or area;
- Review of Community Improvement Plan (CIP) programs, Development Charges and other financial tools, to identify potential further opportunities to support, and where possible encourage, intensification and increased density (i.e. in downtowns and other potential target areas);
- Working to ensure each Area Municipality has sufficient water and wastewater servicing capacity to sustainably accommodate their forecasted housing growth in a fully serviced settlement area. Further, that a reasonable amount of servicing capacity is reserved for infill and intensification projects and that the allocation of servicing capacity for such projects is generally given priority over greenfield development;
- Ensuring appropriate phasing of development and infrastructure to help ensure intensification objectives in each community are being achieved prior to, or concurrent with, development of greenfield lands.

Potential Provincial Actions and Changes

It is Planning staff's understanding that the Province is in the process of considering further actions to eliminate potential barriers to the provision of increased housing supply in the Province. This is expected to include further consideration and implementation of the various recommendations contained in the Report of the Ontario Housing Affordability Task Force (February 8th, 2022), a number of which relate directly or indirectly to facilitating increased density. Planning staff will ensure Council is kept apprised of any Provincial announcements in this regard, which are currently anticipated before year end.

It is expected that the above noted Provincial actions could potentially have a substantial impact on the Provincial legislative and policy framework within which the municipal options for encouraging and facilitating increased density, as outlined in this report, would need to be considered. As such, Planning staff would suggest that any formal consideration of specific changes be delayed until early in the new year to hopefully get a clearer understanding of any proposed Provincial changes, and their potential implications for municipal level actions, before proceeding with any local changes.

Conclusions

As requested by Council resolution, the purpose of this report is to provide background information and potential options that could be considered by the County and Area Municipalities to better accommodate their projected growth through increased density and intensification in order to minimize the need for settlement area boundary expansions. The intent is that this report will provide the basis for initial discussion and consideration of potential options and next steps.

As noted in this report, the County and Area Municipalities are already undertaking a number of actions to facilitate and encourage increased density in the County. However, it is also recognized that more could be done. As such, Planning staff have set out some potential initial options for Council's consideration, with the understanding that some of these measures may take more time and effort to consider and implement than others, and that there are Provincial changes anticipated to be announced in the near future that could impact potential municipal actions.

Therefore, Planning are recommending that this report be received for information and circulated to the Area Municipalities for their consideration and, where requested, further discussion with Planning staff on some of the potential options. Once further information is available with respect to any proposed Provincial actions with respect to housing policy, planning staff will prepare a follow report for Council's further consideration.

SIGNATURES

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