



**SUBJECT: Regional Allocation Program update**

**TO: Committee of the Whole**

**FROM: Community Planning Department**

Report Number: PL-26-24

Wards Affected: All

Date to Committee: March 4, 2024

Date to Council: March 19, 2024

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**Recommendation:**

Direct the Director of Community Planning to confirm the prioritization of specific property-based requests as contained in table 1, and to forward this report and any comments from Committee of the Whole regarding the 2023 Regional Allocation Program to Regional Staff; and

Authorize the Director of Community Planning to make minor adjustments as part of the subsequent agreement process, where those minor adjustments align with program parameters, the interests of both the Region and the City and where they benefit the administration of the program.

**PURPOSE:**

To provide updated information about the status of the Region's 2023 Allocation Program. Further this report seeks Council direction with respect to the prioritization of specific property-based requests and the distribution of units within the Built Boundary and within the Designated Greenfield Area.

**Vision to Focus Alignment:**

- Increase economic prosperity and community responsive city growth
  - Improve integrated city mobility
  - Support sustainable infrastructure and a resilient environment
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## **Background and Discussion:**

On November 2, 2023 the CPRM Committee considered a staff report titled [City of Burlington's growth-related work and the Joint Best Planning Estimates \(PL-64-23\)](#). The report provided a general overview on the Joint Best Planning Estimates, the Region's Allocation Program and the City of Burlington's approach to local growth management planning forecasting.

### **2023 Regional Allocation Program**

The Region's Allocation Program is a financing tool to support timely delivery of regional growth-related infrastructure in order to increase housing supply.

In staff report [PL-64-23](#) staff provided a high level introduction to the Region's 2023 Allocation program as it was currently understood. The report provided details regarding both the October 11, 2023 Council Workshop and the October 18<sup>th</sup>, 2023, Council meeting where Regional Staff Report [CA-08-23/PW-40-23/FN-36: 2023 Allocation Program](#) was considered. At that time recommendations 1 through 5 of the 2023 Allocation Program report, were referred to the Halton CAO's and Local Municipalities for further discussion, with a request to report back to Regional Council in December 2023.

The November PL-64-23 report included staff's comments on the Regional Allocation Plan to date. The current allocation program differs from previous programs as a result of the accelerated growth introduced by respective housing pledges committed to by each local municipality. Previous allocation programs were based on the BPEs which specified the amount of greenfield growth that was appropriate and created a cap on the amount of greenfield growth allowed. Given the recent legislative changes and the accelerated growth introduced by the Housing Pledges, the JBPEs won't be used as a cap in terms of greenfield growth as with previous plans. It was understood that this allocation program will allow for local municipal flexibility in determining the allocation of units between the Built Boundary and Greenfield.

The report provided the following discussion (page 13) in answer to the following questions:

1. *Is the Proportion of Designated Greenfield Area to Built Boundary Units appropriate?*
2. *What are the City's priorities?*

*The distribution calculated as an outcome of the JBPEs was a split of 85:15 (built boundary to greenfield units). Staff indicated that Council's priority is to plan to achieve, inclusive of building permit issuance, the 29,000 unit Housing Pledge by 2031. Council direction for the creation of new units within the ROPA 38 boundary remains the City's highest priority. Staff advised that it is the interest of the City of*

*Burlington that the Region adjust the near-term priority to ensuring there are no gaps in servicing capacity within the Built-Up Area with a critical focus on MTSAs. Very critically, the City requests that the Region set out a path for continued discussions to allow for policy and process to unfold on new Designated Greenfield Area and allow for new information to inform the Region's work. A more dynamic and iterative approach will be required to deal with the challenges ahead.*

The report also highlighted a number of key questions and concerns raised by staff which can be found on pages 13 and 14 of [PL-64-23](#).

### **2023 Allocation Program Update – February 2024**

On February 7, 2024 a Regional Council Workshop was held where Regional Staff provided an update on the Region's 2023 Allocation program, identifying refinements that were incorporated from the discussions with local municipalities and the development and landowner communities. Subsequently on February 14, 2024 Regional Council considered and approved Regional Report [CA-02-24/PW-04-24/FN-05-24](#) titled Revised 2023 Allocation Program. This approval allows Regional Staff to:

- Work with Local Municipalities who will set the distribution of servicing capacity to enable pledges to be met;
- Work with the development community to finalize the program agreement based on the Infrastructure and Development Financing Plans, and terms and conditions discussed in report [CA-02-24/PW-04-24/FN-05-24](#) with flexibility to finalize implementation details and non- significant program parameters;
- Work with Local Municipalities and the development community on allocating Infrastructure Dependent Units (IDUs); and
- Expeditiously launch a program within the second quarter of 2024 in order to support the objective of advancing development to meet housing pledges.

The revised Allocation Program considered 6 key themes as a result of feedback. Please find each theme captured below from [CA-02-24/PW-04-24/FN-05-24](#) (see pages 10 through 14). City staff comments are provided in italics after each theme. For more information [Attachment #5 to CA-02-24/PW-04-24/FN-05-24](#) provides a useful 2023 Allocation Program overview.

#### **1. Request for additional units in the program, and further clarity around how IDUs will support this.**

*From [Attachment #6 to CA-02-24/PW-04-24/FN-05-24](#) an "Infrastructure Dependent Unit is a new term defined as units above and beyond existing servicing capacity in the W/WW [Water / Waste Water] systems, to be allocated as part of this program, subject to the requirement that a PWCN [Public Works Commissioner's Notice] is required to be issued once Regional Infrastructure*

*necessary for a project to proceed is within 12 months of completion. Once the PWCN is issued, the project may proceed to permit and completion.”*

*The ability to assign Infrastructure Dependent Units allows Local Municipalities to proceed through the planning approvals process. Staff believe this approach incorporates flexibility to identify longer-term units. As staff understand, IDUs represent capacity above and beyond the 29,000 units identified through the current infrastructure analysis as set out in LPS56-23/PW-31-23/FN-29-23 “Allocation Program and REOI Update”. The identification of IDUs in excess of the 2031 system capacity provides flexibility to:*

- leverage “found” capacity through the enhanced monitoring report;*
- shift distribution of units between the Built Boundary and Greenfield; or*
- to leverage the Region’s Special Purpose Pool.*

*City staff are supportive of the introduction of IDUs.*

## **2. Enhanced Growth Monitoring and Moving IDUs and SDEs<sup>1</sup>**

*In principle staff are supportive of the development of the annual enhanced growth and service capacity monitoring program. This approach responds well to concerns highlighted in [PL-64-23](#) which highlighted the need for the Region to:*

*set out a path for continued discussions to allow for policy and process to unfold on new Designated Greenfield Area and allow for new information to inform the Region’s work. A more dynamic and iterative approach will be required to deal with the challenges ahead.*

*Staff understand that the enhanced monitoring report will be drafted in consultation with Local Municipalities and community builders using the most current development pipeline data and will include:*

- Water and Wastewater Capacity Analysis*
- Growth Management Analysis*
- Update on all active Allocation Programs (2012,2020,2023)*

*City staff request that Local Municipalities be engaged in working with the Region to establish the approach for developing this reporting to make best use of Local Municipal data and existing reporting protocols.*

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<sup>1</sup> SDE refers to a Single Dwelling Equivalent.

### **3. Timing of Next Allocation Program**

*Staff understand that the Region has identified the following steps must occur before the next allocation program:*

- *Completion of the Integrated Master Plans*
- *Development of the next Development Charges By-Law, and*
- *Development of the new Infrastructure Phasing Plans.*

*There is a risk that through this Allocation Program (2023) individual properties may not have been in a position to secure all of the SDEs required to advance to registration and permit. The Allocation Program will allow for small top ups of SDEs however this will only be granted if servicing capacity can be found through the enhanced monitoring process. There is a chance that where a property has requested less units through this program than required for the full release of all blocks that allocation for the remaining units would be delayed to a future allocation program. The Region's staff report indicates that it is difficult to provide a definitive answer but noted that it is "likely that the next program will not be for another 6+ years once key infrastructure projects begin to come online and servicing capacity becomes available". At this time City staff must rely on the submissions from individual property owners in response to the updated REOI as being the best information and informed by their business needs and their understanding of the program. While the City is not in a position to require this there may be a need to request that developers identify the IDUs that would be required in excess of their current submission (SDEs + IDUs) to reflect their long term expectations on properties. This would need to acknowledge that this total unit figure could change and would be informed through appropriate local visioning and planning approval processes. In all cases development may proceed only once 100% of the required SDEs are allocated to that phase within a block to the satisfaction of Regional staff.*

*Staff are cautiously optimistic that given the commitment to work with developers Regional staff have addressed this risk as much as is possible at this time.*

### **4. Allocation Agreement and Program Parameters**

*The program parameters are included for information purposes only as [Attachment #6 to CA-02-24/PW-04-24/FN-05-24](#). Regional staff note that these details will inform the development of the agreement this information does not supersede the agreement once prepared.*

*The Regional report does reinforce that the only time for refinement is through the agreement development in stating that*

Any further refinements will be in alignment with the approved principles of this report and will be adjusted as agreements are finalized through the terms of the allocation agreement as described in the report.

*City Staff would like to understand how the enhanced monitoring report might influence amendments to existing agreements and how that will be dealt with over time as new data becomes available.*

*As set out in the recommendation a key element of ensuring sufficient flexibility to move from the general program parameters and agreement is the authorization of the Director of Community Planning to work through minor changes to support the finalization of agreements.*

*City staff have highlighted any other concerns with the program and allocation summary in other sections.*

## **5. Acceleration of Growth-Related Infrastructure**

*[Attachment #2 to CA-02-24/PW-04-24/FN-05-24](#) identifies the project list associated with the 2023 Allocation Program. The Region has responded to Local Municipalities and developer requests to consider expanding the scope of the program to allow for additional roads and water/wastewater infrastructure projects. The Region has noted the opportunity to confirm through consultation with the Local Municipalities or through discussion with the development industry that accelerating construction funding or identifying additional projects will support growth in the near term. This approach appears to provide the ability for the Region to adapt to needs in a timely manner.*

*City staff support this approach and support the commitment to review the current Design and Construction of Regional Projects by the Development Industry (DCPDI) policy.*

## **6. Program Financial Schedule**

*The Region has proposed enhanced flexibility to support Local Municipalities to meet their respective housing pledges. Staff understand that key changes were made to the financial schedule to include incentivizing developments proceeding within the first 3 – 4 years of the program.*

## **City of Burlington – Results of the February Expressions of Interest**

The City along with the other Local Municipalities have been asked to identify priorities for development that can be readily serviced while aligning with their visions for growth. The request for or confirmation of allocation does not release property owners or developers from the appropriate planning approvals process. This is the case for a

number of areas within the City. City support for allocation acknowledges the role of local planning approval processes and does not predetermine outcomes of those processes.

The following tables provide additional, property-specific information of the results of the February Expressions of Interest with respect to the 2023 Allocation Program.

Appendix A to this report provides the geographic location of each.

Note: All tables below are provided in units so that it can be more easily aligned with the housing pledge. Where the term SDE is used it refers to the SDE stream of units. Once units have been assigned the Region will convert both the SDE and IDU streams of units to SDEs. This may result in further adjustments.

**Table 1: Allocation Requests: Total Units, SDEs and IDUs**

<b>Property/Development</b>	<b>Total Units Requested</b>	<b>Total SDEs Requested</b>	<b>Total IDUs Requested</b>
1200 King Road	2,320	2,320	0
Bronte Creek Meadows	1,695	1,695	0
Eagle Heights	794	794	0
Evergreen	760	0	760
Bridgeview (1511 Old Plains Road)	84	84	0
Bridgeview (1535 Plains Road West)	3,499	0	3,499
<b>Total Units Requested</b>	<b>9,152</b>	<b>4,893</b>	<b>4,259</b>

**Table 2: Allocation Requests: Single/Semis, Multiple Units and Apartment Units**

<b>Property/Development</b>	<b>Singles/Semis*</b>	<b>Multiple Units*</b>	<b>Apartment Units*</b>
1200 King Road	0	0	2,320
Bronte Creek Meadows	701	994	0
Eagle Heights	358	436	0
Evergreen		115	645
Bridgeview (1511 Old Plains Road)	0	84	0
Bridgeview (1535 Plains Road West)	0	0	3,499
<b>Total Units</b>	<b>1,059</b>	<b>1,629</b>	<b>6,464</b>

\*Dwelling unit types are based on definitions from Halton Region Development Charge By-law 25-22.



City staff is supportive of the requests in general.

The supported allocations represent a slight shift from the ratio of Built Boundary units to Designated Greenfield units which was previously presented as 85:15. As noted above the supported SDE unit stream is currently 4,893 units. Represented as a ratio of the number of units with reserve interim water and wastewater capacity the ratio is now 83:17. This slight shift represents an opportunity to support development community requests to provide flexibility and support each to move through the planning approvals process. The 85:15 ratio is likely still relevant over the long term, but this short-term adjustment is appropriate to address new opportunities for Designated Greenfield Area development.

The introduction of Infrastructure Dependent Units makes a significant difference. IDUs represents capacity above and beyond the reserved interim water and waste water servicing figure of 28,452 (+500 already committed units from previous Allocation Programs). The total allocation request includes 4,259 IDU units. The City can support the identification of these IDUs to allow planning processes to proceed for developments that are in the longer horizon to ensure a continuous stream of growth once capacity becomes available.

Staff note that the Region retains the role of water and waste water service provider. The City expects that the Region will confirm, in the case of the proposed SDEs listed above that capacity exists in the system, specific to those geographic areas. City and Regional staff will work closely to understand infrastructure capacity information and ensure close communication with land owners /developers.

### **Strategy/process/risk**

A number of actions are currently underway or about to be undertaken that will position the City to better inform future discussions and support the enhanced monitoring approach set out in the Allocation Program. The Official Plan Targeted Re-alignment Project, including the City of Burlington Population and Employment Analysis together will provide a basis for new Burlington specific information to consider in subsequent monitoring cycles.

Staff will provide a separate update with respect to the Joint Best Planning Estimates.

### **Servicing capacity**

As noted in the Region's work a capacity review of Halton's water and wastewater systems was conducted to determine whether the housing pledges could be supported to 2031.

*The review confirmed that there will be sufficient system capacity for each Local Municipality to meet their housing pledges. Infrastructure to accommodate additional growth beyond 2031 will be planned and confirmed through the*



*forthcoming Infrastructure Master Plans. While the system as a whole has the capacity to service the equivalent of 92,500 units and to meet the housing pledges, where the additional units are built matters. There is sufficient system capacity to 2031, however there are limitations in the conveyance of this capacity (pumping and pipes) in some areas. Further local infrastructure outside this review is required by developers and depending on circumstances can impact timing of development. This means that while overall pledges can be met, residential development will have to be based on where capacity exists. Halton will continue to work with Local Municipalities to prioritize infrastructure based on local priority areas.*

Staff note that consideration of the issue of determining sufficient capacity in specific locations could be considered as the City refines the work required to deliver Initiative 7 of the Housing Accelerator Fund: Infrastructure Analysis. Work is being initiated to refine the scope of the Infrastructure Analysis and staff commit to working with Regional staff to understand the nature of analysis that could have the potential to support more certainty and support building better information about existing issues related to conveyance and where local infrastructure improvements may be required.

### **Options Considered**

Not applicable.

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### **Financial Matters:**

The Region's Allocation Program is a financing tool to support the timely delivery of Regional growth-related infrastructure to increase housing supply. Future planning approval processes and subsequent local infrastructure planning along with development charge study updates will be required to ensure sufficient local infrastructure is planned and developed to support new growth.

### **Total Financial Impact**

Not applicable.

### **Source of Funding**

Not applicable.

**Other Resource Impacts**

Not applicable.

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**Climate Implications:**

Not applicable

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**Engagement Matters:**

Significant engagement on the Region’s allocation program has occurred at Regional Council. Senior City staff have attended several meetings led by the Region with the development community, including property specific meetings.

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**Conclusion:**

The Region has responded to a wide variety of local municipal and developer feedback to present an Allocation Program that builds in flexibility, monitoring and informed decision making to support local municipalities in achieving their respective housing pledges. Pending Regional confirmation of servicing City staff recommend that Council support the allocation requests as set out in Table 1.

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Respectfully submitted,

Alison Enns, MCIP,RPP  
Manager of Policy and Community  
905-335-7600 ext. 7787

Kate Hill-Montague  
Supervisor, Planning Policy  
905-335-7600 ext. 7508

**Appendices:**

Appendix A: Burlington – Confirmation of Expression of Interest Properties

**Notifications:**

Jane MacCaskill, Region of Halton  
Curt Benson, Region of Halton

**Report Approval:**

All reports are reviewed and/or approved by Department Director, the Chief Financial Officer and the Executive Director of Legal Services & Corporation Counsel.