

2006 OFFICIAL PLAN REVIEW
LAND NEEDS BACKGROUND STUDY

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**Official Plan Review 2006
Land Needs Background Study**

Table of Contents

1	INTRODUCTION.....	1
	1.1 Background	
	1.2 Study Context	
	1.3 Study Objectives	
	1.4 Working Groups and Consultations	
2	GROWTH PROJECTIONS (DEMAND).....	5
	2.1 Methodology	
	2.2 Results	
	2.2.1 Population Forecast	
	2.2.2 Housing Demand	
	2.2.3 Non-Residential Construction Projections	
	2.3 Conclusions	
3	OTHER DEMAND CONSIDERATIONS AND ASSUMPTIONS.....	12
	3.1 Construction by Type	
	3.2 Density	
	3.3 Intensification	
	3.3.1 Residential Intensification	
	3.3.2 Non-Residential Intensification	
	3.4 Non-Residential Floor Area Ratios	
	3.5 Contingency	
	3.6 Final Demands for Land Needs Analysis	
	3.7 Allocation of Demand	
4	LAND SUPPLY.....	19
	4.1 Residential Land Supply	
	4.1.1 Vacant Land Inventory	
	4.1.2 Intensification Opportunities	
	4.2 Industrial, Commercial, Institutional Vacant Land Inventory	
	4.2.1 Industrial Land	
	4.2.2 Commercial Land	
	4.2.3 Institutional Land	
	4.3 Other Supply Considerations - Vacancies	
5	LAND NEEDS ANALYSIS (Supply versus Demand).....	25
	5.1 City-wide Residential Supply vs. Demand	
	5.2 District Residential Supply vs. Demand	
	5.3 Industrial, Commercial and Institutional Land Needs	
6	CONCLUSION.....	29

7	REQUESTS FOR EXPANSION OF URBAN GROWTH BOUNDARY.....	30
7.1	Requests for Inclusion	
7.2	Criteria for Evaluation of Lands	
7.3	Conclusion	

APPENDICES

- A. Working Groups
- B. Employment, Population, Housing and Non-Residential Construction Projections, City of London, Ontario, 2006 Update (Clayton Research Associates)
- C. Residential Vacant Land Inventory (December 31, 2006)
- D. Industrial, Commercial and Institutional Vacant and Underutilized Land Inventory (December 31, 2006)
- E. Detailed Land Needs Analysis by District
- F. Alternate Scenario Land Needs Analysis by District

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1 INTRODUCTION

1.1 Background

Prior to 1993, the City was able to effectively manage growth by restrictions placed on the limited City boundary and therefore limited growth area.

In 1993, the City of London annexed 25,736 hectares of land from surrounding townships within the County of Middlesex. With annexation, the province issued the London-Middlesex Act (Bill 75) which required that the City "...prepare, adopt and forward to the Minister of Municipal Affairs for approval, an Official Plan that covers all of the land annexed to the City..." The Minister further required that the Plan include objectives relating to specific matters of provincial interest including, but not limited to: housing and intensification; servicing; the protection of the natural environment; and, the protection of agricultural uses. Most importantly, Bill 75 underscored the importance of growth management noting the significant expansion of the municipal boundary.

In response to these issues, the Vision '96 process was implemented in 1993 to develop a comprehensive amendment to the City's Official Plan (O.P.A No. 88). In terms of growth and land needs, the amendment included new policies pertaining to the establishment of a comprehensive growth management strategy, including the establishment of an Urban Growth Boundary. This boundary would define the amount of land required to accommodate the various types of urban growth (residential, commercial, industrial and institutional) that was forecast to occur over the twenty year planning period of the Plan (1996 to 2016). The population, housing and employment forecasts prepared in 1993 served as the basis for establishing the new Urban Growth Boundary through OPA 88. A substantial contingency factor was added to these forecasts to ensure that a more-than-adequate supply of land was afforded for the next twenty years. OPA 88 was adopted by Council in 1996, and following an exhaustive series of hearings before the Ontario Municipal Board, Official Plan Amendment No. 88 received Ministerial approval in 1999. This was only after the Board ordered the City to further increase the size of the Urban Growth Area by approximately 35% (this resulted in an increase in the amount of newly designated residential land by almost 40%).

The Vision '96 projections were proved to be significantly higher than actual housing and population growth since their adoption, as evidenced by the 1996 and 2001 Census results. Lower growth forecasts prepared in 1999 and 2003 have still not been met. Thus the preparation of new forecasts for the 2006 OP Review were necessary as a starting point for a the land needs analysis.

Consistent with the requirements of Section 26(1) of the Planning Act, the City undertook a review of the Official Plan in April of 2001. Noting that the Official Plan was the product of a comprehensive and fairly recent analysis of the issues, trends and current Provincial policies and guidelines; the review was limited to a number of scoped considerations including, but not

limited to: the revision of population, housing and employment forecasts; the expansion of the range of permitted uses within the Rural Settlement land use designation; the inclusion of new noise wall policies; and storm water management policies. The 2001 Official Plan Review process “closed” in December 2001.

Since this last OP Review four amendments to the Urban Growth Area have been approved by Council. The three that have received final approval have added a total of 151 hectares of land to the Urban Growth Area:

- OPA # 232 - to include 17 hectares of land located at 3803 and 3939 Cheese Factory Road (west side, south of Highway 401) inside the Urban Growth Boundary for industrial uses;
- OPA # 325 - to include 3.2 hectares of land located on the west Side of Wickerson Road, south of Baseline Road, inside the Urban Growth Boundary, for residential uses;
- OPA # 364 - to include 130.67 hectares of land bounded by Exeter Road on the north, Dingman Drive on the south, Highway 401 on the east and White Oak Road on the west, inside the Urban Growth Boundary for industrial uses; and

The fourth amendment, OPA # 370, involves realignment of the Urban Growth Boundary to exclude lands located east of Crumlin Road, south of Trafalgar Street. This amendment is currently under appeal, however, the reasons for appeal are such that the change to the Urban Growth Boundary is likely to be approved. This change would reduce the Urban Growth Area by approximately 120 ha of urban reserve industrial land.

1.2 Study Context

Early in 2006 the second, and current, five-year Official Plan review process began. Through consultation with various stakeholder groups, including the Official Plan Review Working Groups and Planning Committee, Land Needs was identified as one of the issues for further review.

An analysis of Land is required to implement the provisions of the 2005 Provincial Policy Statement (PPS), confirm land requirement projections and evaluate individual requests for adjustments to the Urban Growth Boundary. Policy 2.5.5 of the current City of London Official Plan provides a framework for the evaluation of land requirements to accommodate forecasted growth in population, housing and employment. Section 2.6 of the Plan provides a policy framework for growth management in the City of London, including specific policies that are identified under Growth Forecasting and Monitoring (2.6.5); Land Requirements Forecasting (2.6.6) and Identification of Growth Areas (2.6.7). Policy 2.6.6 establishes a target range of a fifteen to twenty year supply of vacant land designated for urban growth.

In addition to the policy framework provided in the Official Plan, modifications to the City’s Urban Growth Boundary must be consistent with the Provincial Policy Statement (2005). The Settlement Areas policies contained in Section 1.1.3 of the PPS, provide clear objectives and criteria to ensure that expansions to municipal growth boundaries will only be considered where it has been demonstrated that sufficient opportunities for growth are not available through

intensification, redevelopment and/or new development within designated growth areas (i.e., within the Urban Growth Boundary). The consideration of expansions to growth area boundaries must also consider the availability of infrastructure and public health facilities that are available or planned for the area; the consideration of alternatives that avoid development in prime agricultural areas; and, the mitigation of impacts from expanded growth area boundaries on adjacent agricultural operations.

The policies of local planning jurisdictions must now be “consistent with” Provincial policy and the 2005 PPS provides clear criteria that must be addressed before considering expansions to the Urban Growth Boundary. There is a stronger emphasis on growth management, phasing policies which ensure the orderly progression of development within designated growth areas, and the need to fully consider growth opportunities within currently designated areas. There is now a clear onus on municipalities to demonstrate that expansions are required to the Urban Growth Boundary in order to meet the forecast for land requirements during the planning period.

It is intended that this analysis will meet the requirements set out in the 2005 Provincial Policy Statement (1.1.2) which states that:

“Sufficient land shall be made available through *intensification* and *redevelopment* and, if necessary, *designated growth areas*, to accommodate an appropriate range and mix of employment opportunities, housing and other land uses to meet projected needs for a time horizon of up to 20 years.”

The Provincial Policy Statement also makes reference to municipalities maintaining a minimum supply of land for 10 years of growth. Section 1.4.1 states that “...planning authorities shall:

- a) maintain at all times the ability to accommodate residential growth for a minimum of 10 years through *residential intensification* and *redevelopment* and, if necessary, lands which are *designated and available* for residential development; and
- b) maintain at all times where new development is to occur, land with servicing capacity sufficient to provide at least a 3 year supply of residential units available through lands suitably zoned to facilitate *residential intensification* and *redevelopment*, and land in draft approved and registered plans.”

Council and staff have received several site specific requests for adjustments to the Urban Growth Boundary which have been referred to the 2006 Official Plan Review for consideration. These requests, which are identified in Section 7 of the report will be evaluated for inclusion if it is determined that adjustments to the Urban Growth Boundary are warranted at this time.

1.3 Study Objectives

- Review the 2005 Provincial Policy Statement as it directly and indirectly relates to land needs, in particular Section 1.1.3 (Settlement Areas). Formulation of revised policies that may be required in the Official Plan to ensure consistency with the provisions of the PPS will occur as part of the Official Plan Review.

- Establish an in-house technical review committee to test assumptions and review findings throughout the process.
- Establish Official Plan Working Groups with representation from the Development Industry, Community Groups and Relevant Government Agencies to review various stages of analysis of the land needs.
- Review and update forecasts for population, housing, employment and non-residential land requirements, and confirm that they are accurate and current for the 2006 Official Plan Review.
- Review past development patterns and test assumptions relating to usage of residential and non-residential lands in the City. (ex. density, housing mix, intensification, floor area ratios, past development patterns, etc.)
- Review and update the Vacant Land Inventories so they are accurate and current as of December 31, 2006.
- Formulate criteria to identify and prioritize areas for future development and inclusion in the Urban Growth Boundary based on corporate priorities and cost-effective servicing considerations.
- If necessary, itemize, define and evaluate proposals that have been referred by City Council, or received directly from landowners or their agents, for adjustments to the Urban Growth Boundary.

1.4 Working Groups and Consultations

Three Working Groups, comprised of members of government agencies, the development industry and community groups, were established early in 2006 to review the various steps in the preparation of the OP Review. A list of the organizations involved can be found in Appendix A. An internal technical review committee consisting of managers from Environment and Engineering Services, Finance and Planning was consulted for their expertise throughout the entire process of this analysis.

A preliminary meeting with the individual Working Groups was held in April of 2006 to outline the Terms of Reference of the Official Plan Review. In October and November of 2006 the growth projection reports and preliminary vacant land inventories were presented to the groups. They eventually endorsed both the demand (Clayton projection report) and supply (vacant land inventories) components allowing Staff to move ahead with the Land Needs analysis. Two meetings with the full working groups were held to discuss details surrounding the assumptions used in the analysis. A final presentation of the findings was completed in April of 2007 following which the completed report, along with any issues or concerns arising from the Working Groups, will be presented to Planning Committee.

2 GROWTH PROJECTIONS (DEMAND)

The foundation of this Land Needs Analysis is the employment, population, housing and non-residential construction projections for the twenty year planning period from 2006 to 2026.

Clayton Research Associates Limited was retained by the City in the Summer of 2006 to prepare an update to their original 2003 growth forecast report: *Employment, Population, Housing and Non-Residential Construction Projections, City of London, Ontario*. The 2003 report was originally prepared for the 2004 Development Charges Study and projects growth to 2031. A full description of methods, data and results can be found in the full report found in Appendix B and can be found on the City of London Web site. The following is a simple overview of this report.

Planning Committee, the three OP Review Working Groups, Planning Staff and members of the in-house technical committee reviewed the updated forecast report in October and November of 2006 and agreed the results of the growth forecasts stand the test of reasonableness relative to historic trends and future expectations. No major concerns were raised during their reviews.

2.1 Methodology

The growth forecast update reflects changes in underlying macro-economic conditions, federal policies affecting immigration and the general land-planning policy environment in Ontario since 2003. Four interrelated models were employed to generate the forecast: economic, population, housing demand and non-residential building space. The methods used to derive these models are well accepted across the industry and have been used by Clayton Research to model growth in many other cities across Canada.

In general, the forecast begins with an examination of the London economy within the context of the Canadian, Ontario, Southwestern Ontario and Middlesex County economies. Prospects for growth are considered by economic sector and an employment forecast was prepared. The employment forecast drives the population forecast (since employment drives net migration) within the context of a cohort survival model which is consistent with the population projection methodology guidelines set out by the Ministry of Municipal Affairs. Population forecasts were converted through Clayton's housing demand model to project anticipated household growth for the City of London. Potential household growth is a function of applying headship rates (percentage of people in each age group who are projected to head up a household) to projected population by age group. Demand by structure type was determined from historical housing start and completion data, examining the relationship between family type and dwelling type as the population ages.

The employment forecast in the economic model also drives the Non-Residential (Industrial, Commercial and Institutional) construction forecast. Floor space to employment ratios were derived from historical London factors.

These forecasts were prepared using the best information and data available at the time of publication and are only an informed estimation of the future. Such an estimation involves an understanding of past trends, established demographic and market constructs and a knowledge of

changes that are taking place, or likely to take place, in the future. They are not, however, assured predictions of the future.

2.2 Results

2.2.1 Population Forecast

Over the 20-year planning period examined in this Land Needs study, the population in the City of London is expected to grow by 67,300 persons to approximately 419,700 by 2026. Table 2.1 breaks down the projected population by age in five-year increments. It should be noted that since Clayton Research released this report, the 2006 Census population numbers were released. The actual 2006 population reported by Statistics Canada in March of 2007 was 352,395 – a difference of only five persons from Clayton’s projections. Therefore no adjustments to these baseline projections are necessary.

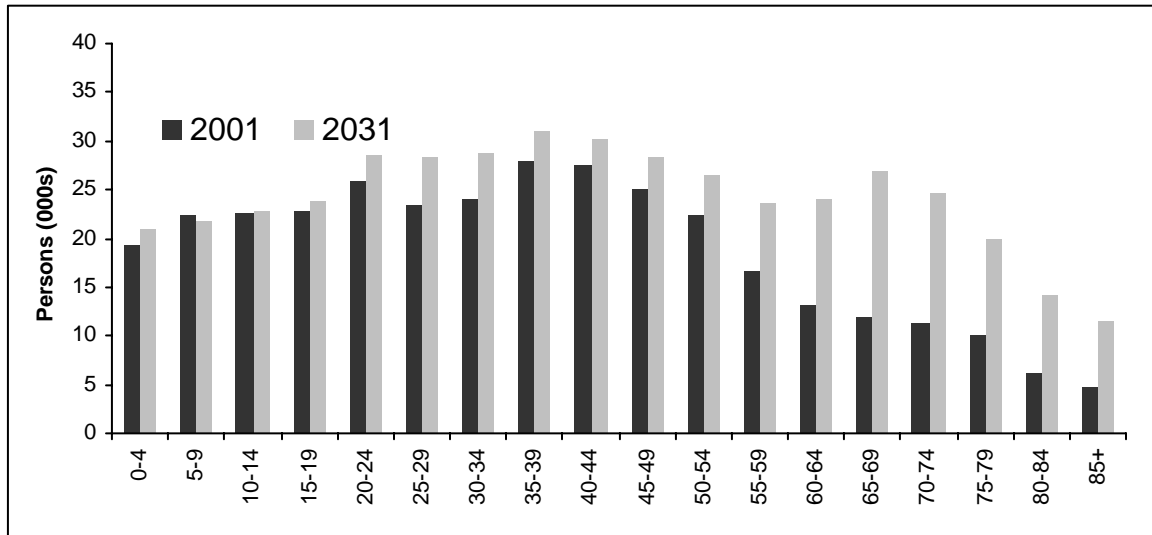
Table 2.1: Population by Age Group, City of London (Clayton Research, 2006)

	Census		Projections					
	1996	2001	2006	2011	2016	2021	2026	2031
Age Groups	<i>Number of Persons</i>							
0-4	22,665	19,235	18,100	18,700	19,700	20,600	20,900	20,900
5-9	22,245	22,330	19,800	18,800	19,500	20,600	21,400	21,800
10-14	21,670	22,600	23,300	20,900	20,000	20,700	21,800	22,700
15-19	20,525	22,720	24,100	24,900	22,600	21,700	22,600	23,700
20-24	24,515	25,880	27,200	29,300	30,500	28,100	27,600	28,600
25-29	25,850	23,360	25,700	27,300	29,700	30,900	28,800	28,300
30-34	29,285	24,025	23,000	25,400	27,100	29,400	30,800	28,700
35-39	27,685	27,975	24,300	23,300	25,700	27,400	29,700	31,000
40-44	25,175	27,390	28,400	24,700	23,800	26,200	27,900	30,200
45-49	22,710	25,015	27,800	28,700	25,100	24,300	26,700	28,400
50-54	16,865	22,295	24,600	27,300	28,300	24,800	24,000	26,400
55-59	13,620	16,530	21,700	23,900	26,600	27,600	24,300	23,600
60-64	12,345	13,140	16,300	21,200	23,400	26,100	27,100	24,000
65-69	11,910	11,955	13,100	16,100	20,900	23,100	25,700	26,800
70-74	11,355	11,215	11,600	12,500	15,400	20,000	22,100	24,600
75-79	7,965	9,995	10,100	10,200	11,200	13,800	17,900	19,900
80-84	5,255	6,155	8,000	7,800	8,000	8,900	11,000	14,200
85+	4,000	4,715	5,300	7,200	7,900	8,400	9,400	11,500
Total	325,640	336,530	352,400	368,400	385,300	402,600	419,700	435,000

Total may not add due to rounding. Source: Clayton Research (2006; Historical Census Data: Statistics Canada)

The graph below shows the age structure of the population in 2001 and projected to 2031. It highlights the significant aging of the population due to the declining birth rate and increasing numbers of retirees (baby boomers). Major implications of this aging population are recognized in both housing and labour needs in the forecast by Clayton.

Figure 2.1: Population by Age Group, 2001-2031



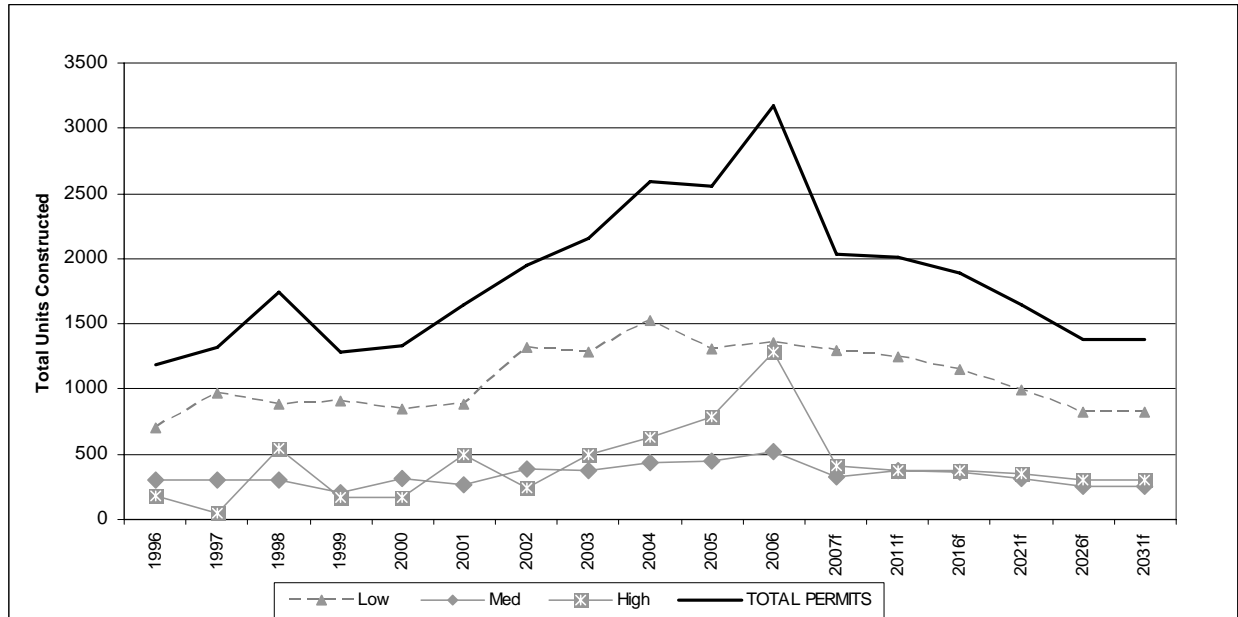
2.2.2 Housing Demand

The annual housing demand forecast is summarized by structure type in Table 2.2 below. Figure 2.2 shows a comparison of this forecast to actual housing construction in the previous 10 year period.

Table 2.2: Annual Housing Completions, City of London, 1991-2031 (Clayton Research, 2006)

	Singles & Semis	Row	Apartments	Total
Census Periods	<i>Occupied Dwelling Units</i>			
1996-2001	853	289	114	1,255
2001-2006	1,359	265	363	1,986
2006-2011	1,290	330	410	2,030
2011-2016	1,250	380	380	2,020
2016-2021	1,150	360	380	1,890
2021-2026	990	310	350	1,645
2026-2031	820	260	300	1,385
2001-2031				
Avg. Annual	1,140	320	360	1,830
Total	34,200	9,600	10,800	54,900

Figure 2.2: Residential Units Constructed (building permits) and Forecast



Total new residential construction in the 20-year planning period is expected to be around 37,950 new units. Housing construction peaks in the current period and declines gradually to 2031. The demand forecast indicates that 20,256 new units, or 2,026 units/year, are needed by 2016. For the following 10 year period (2016-2026) the unit demand falls slightly to 17,667 total units or 1,767 units/year.

Low density housing is expected to continue to account for the majority (about 62 %) of housing completions over the projection period, this is a drop from an average of 70% of unit construction from 1996-2001. The demographic shifts anticipated in the population profile, along with the natural pace of urban growth, suggest a gradual shift toward higher density housing demand in the City of London over the next three decades. We can expect medium and high density housing to account for about 19% of the total residential construction in the future.

The person per unit count declines in presently-developed areas over the projection period. This relationship relates to the traditional lifecycle of dwellings and neighbourhoods where average household size rises for the first several years of a dwelling's existence then falls off as dwellings reach 20 to 40 years old then stabilizes thereafter. This is in addition to the trend toward smaller households in general. This relationship holds for low and medium density dwellings only, high density household size remains similar for all ages of dwellings. Tables 2.3 and 2.4 summarize population by dwelling structure type and period of construction for the forecast ten-year periods and shows person per unit assumptions.

Table 2.3: Summary of Population By Dwelling Structure Type and Period of Construction at end of 10-year Planning Period (2016) (Clayton Research, 2006)

	Housing Structure Type					
	Total	Low	Med	High	High by Unit Type	
					<2 Bed	2+ Bed
Population						
In post-2006 dwellings	55,716	40,906	8,038	6,772	2,212	4,560
In pre-2006 dwellings	329,592	n/a	n/a	n/a	n/a	n/a
Total	385,307	n/a	n/a	n/a	n/a	n/a
Dwellings						
In post-2006 dwellings	20,256	12,727	3,546	3,983	4,608	2,375
In pre-2006 dwellings	148,471	82,070	18,537	47,864	19,146	28,718
Total	168,727	94,797	22,083	51,847	20,754	31,055
Persons Per Unit (ppu)						
In post-2006 dwellings	2.75	3.21	2.27	1.70	1.38	1.92
In pre-2006 dwellings	2.22	n/a	n/a	n/a	n/a	n/a
Total	2.28	n/a	n/a	n/a	n/a	n/a

Table 2.4: Summary of Population By Dwelling Structure Type and Period of Construction at end of 20-year Planning Period (2026) (Clayton Research, 2006)

	Housing Structure Type					
	Total	Low	Med	High	High by Unit Type	
					<2 Bed	2+ Bed
Population						
In post-2006 dwellings	104,115	75,469	15,728	12,918	4,134	8,784
In pre-2006 dwellings	315,596	n/a	n/a	n/a	n/a	n/a
Total	419,711	n/a	n/a	n/a	n/a	n/a
Dwellings						
In post-2006 dwellings	37,923	23,421	5,903	7,599	3,024	4,575
In pre-2006 dwellings	148,471	82,070	18,537	47,864	19,146	28,718
Total	186,394	105,492	25,439	55,463	22,169	33,293
Persons Per Unit (ppu)						
In post-2006 dwellings	2.75	3.22	2.28	1.70	1.37	1.92
In pre-2006 dwellings	2.13	n/a	n/a	n/a	n/a	n/a
Total	2.25	n/a	n/a	n/a	n/a	n/a

2.2.5 Non-Residential Construction Projections

Detailed employment growth projections, prepared by Clayton Research, provide the basis for determining land needs requirements for non-residential uses.

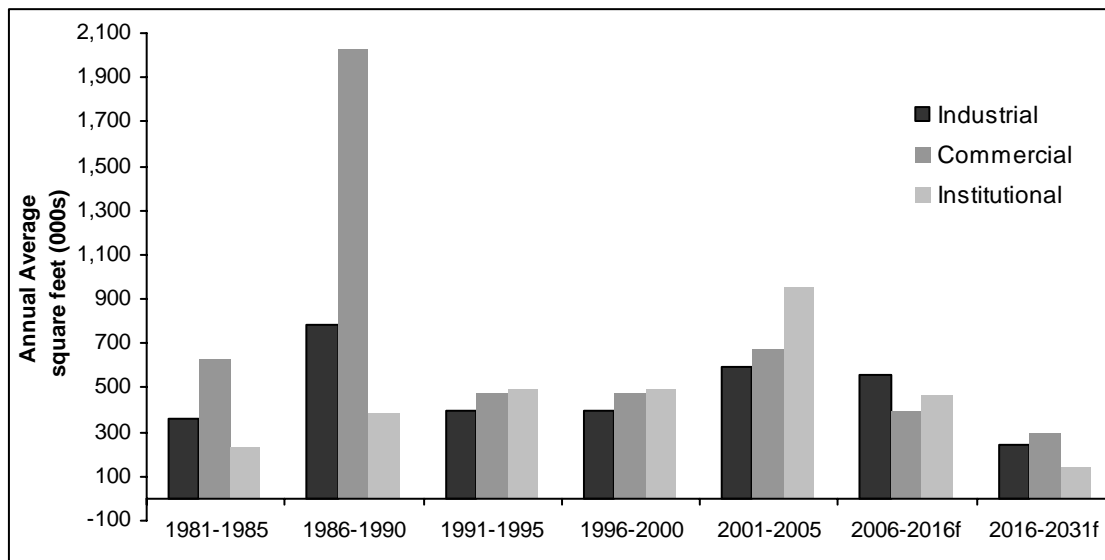
Nearly 32 million square feet of non-residential construction is expected over the projection period, two-thirds of which will occur in the first half. At just under 1.1 million square feet per year, the pace of non-residential construction is expected to be modestly lower than the average of 1.5 million square feet per year built during the 1991 to 2001 period. Figure 2.3 shows past and projected industrial, commercial and institutional construction.

It is expected that 38 per cent of the anticipated new non-residential construction will be industrial, with the remaining split between commercial (32 per cent) and institutional (29 per cent). This is indicative of a progressive shift toward more commercial construction away from industrial and institutional.

Commercial construction is predominantly linked to employment growth at retail and hospitality facilities (8.8 million square feet), but will also come from office and other commercial structures (1.7 million square feet).

Institutional construction will be split between long-term care facilities (685,000 square feet) and other types of institutional uses (8.5 million square feet).

Figure 2.3: Non-Residential Space Construction by Sector, 1981-2031



2.3 Conclusions

Vision '96 studies over-estimated growth significantly between 1991 and 2006. As of the 2006 Census release in March of 2007, the City of London had 30,563 fewer persons than predicted through the Vision '96 process, and approximately 14,000 fewer persons than the adjusted

forecast used in the 2001 Official Plan Review. Compared to the updated projections reported here, this over-prediction in Vision '96 climbs to 47,000 persons by 2016. The Vision '96 population projections did not extend beyond this date.

Vision '96 projected industrial land consumption to be in the order of 68 hectares per year to 2016. Actual industrial land consumption, as reported by LEDC, shows a consumption rate of approximately 30 hectares per year since 1993 (this number is based on all building permits adding or altering existing buildings and construction of new buildings, not necessarily a consumption of Greenfield land).

As will be shown later in this report these over-predictions through the Vision '96 process and the subsequent Ontario Municipal Board order to add even more lands to the Urban Growth Area, contribute to the large amount of vacant land still available to accommodate significant growth.

3 OTHER DEMAND CONSIDERATIONS AND ASSUMPTIONS

3.1 Construction by Type

Planning of new communities provides for a mix of housing types as demonstrated through the Community Plan Process. For the purposes of calculating housing mix on Urban Reserve Community Growth Lands (lands that have not been redesignated to specific urban land use designations through a community planning process), a split of 60% low density residential; 25% medium density residential and 15% high density residential was assumed in the vacant land inventory.

Running a simple comparison between housing demand and supply seems like a simple enough exercise, however, this assumes for instance, that all low density housing is built on low density designated land and all medium density types are built on medium density land. Upon examination of building permits between 2001 and 2006 it was discovered that a full 56 per cent of the units built on medium density designated land were of the low density type (singles and semis), and conversely 9.4 percent of the units built on low density designated land were of a medium density type (row or cluster townhouses). These findings are a direct result of the wide range of densities permitted in the new subdivision developments. Zone variations on medium density designated land permit densities up to a maximum of 75 units per hectare. Because there are no minimum densities applied to these lands a range of densities are permitted. This is quite desirable from the development industry's perspective, as it permits flexibility at the time of construction allowing for market demand to dictate construction types.

In response to this, and after consultation with the internal technical review committee and Working Groups, there was agreement that we would assign a portion (25%) of the low density demand to medium density land – taking into consideration that low density takes up more land than medium density a conversion ratio of .65 was used (low density takes up 65% more land than a medium density unit). It was felt this was a very conservative approach in that land available for low density types of development will be the limiting factor in the Land Needs Analysis (we will run out of low density land before medium or high).

It should also be noted that a portion of Institutional “type” construction is being built on commercial land – most notably commercial operations such as nursing and retirement homes. Between 2001 and 2006 approximately 10 hectares of vacant land identified as commercial was built for institutional type uses. This number is not significant but should be examined in future analyses of development charges and land needs.

3.2 Density

Based on a review of subdivision plans, recently completed or approved medium density blocks and apartment developments over the past six years, and after consultation with the Working Groups, the following density assumptions were made for the purposes of converting land area to housing requirements in the residential vacant land inventory (reported in Section 4):

Low (Singles and semis)	13 units per hectare
Medium Density	20 units per hectare
High Density (Apts.)	125 units per hectare

Urban Reserve Community Growth 16 units per hectare
(considers land to be set aside for commercial and institutional uses)

The most significant finding in our review was that medium density housing is being constructed at much lower densities than the 30 units per hectare assumed in the past. Because of the range of housing types that are now being built on medium density designated land a range of densities from 13 units per hectare for single storey, detached, vacant land condos to the more traditional 2-storey row townhouses at 34 units per hectare are being constructed. On average, city-wide, medium density structures are building at just under 20 units per hectare.

The potential exists for the Province to mandate for intensification in cities outside of the Greater Golden Horseshoe – this may lower the amount of single family dwellings constructed and increase densities across the board in the low and medium designations. There was an indication from the development community that this trend of building lower densities on medium density land is not likely to continue at these levels. They anticipate more intensive building in the MDR designation as demand for more affordable (two-storey row) and a more intense product (stacked towns) increases.

These higher density trends are already becoming evident in new Community Plans. The Draft Old Victoria Community Plan shows much more unit development in the medium and high density designations and a resultant higher overall density of the plan area is expected. These density trends will continue to be monitored.

3.3 Intensification

Not all of the forecasted demand for urban growth will be met through the development of lands included in the vacant land inventories. It is expected that a certain proportion of the demand will be met through intensification of other lands within the Urban Growth Area. Allowances for intensification are also consistent with the Provincial Policy Statement and smart growth initiatives promoted by the Province and the City of London.

According to the 2005 Provincial Policy Statement, intensification means:

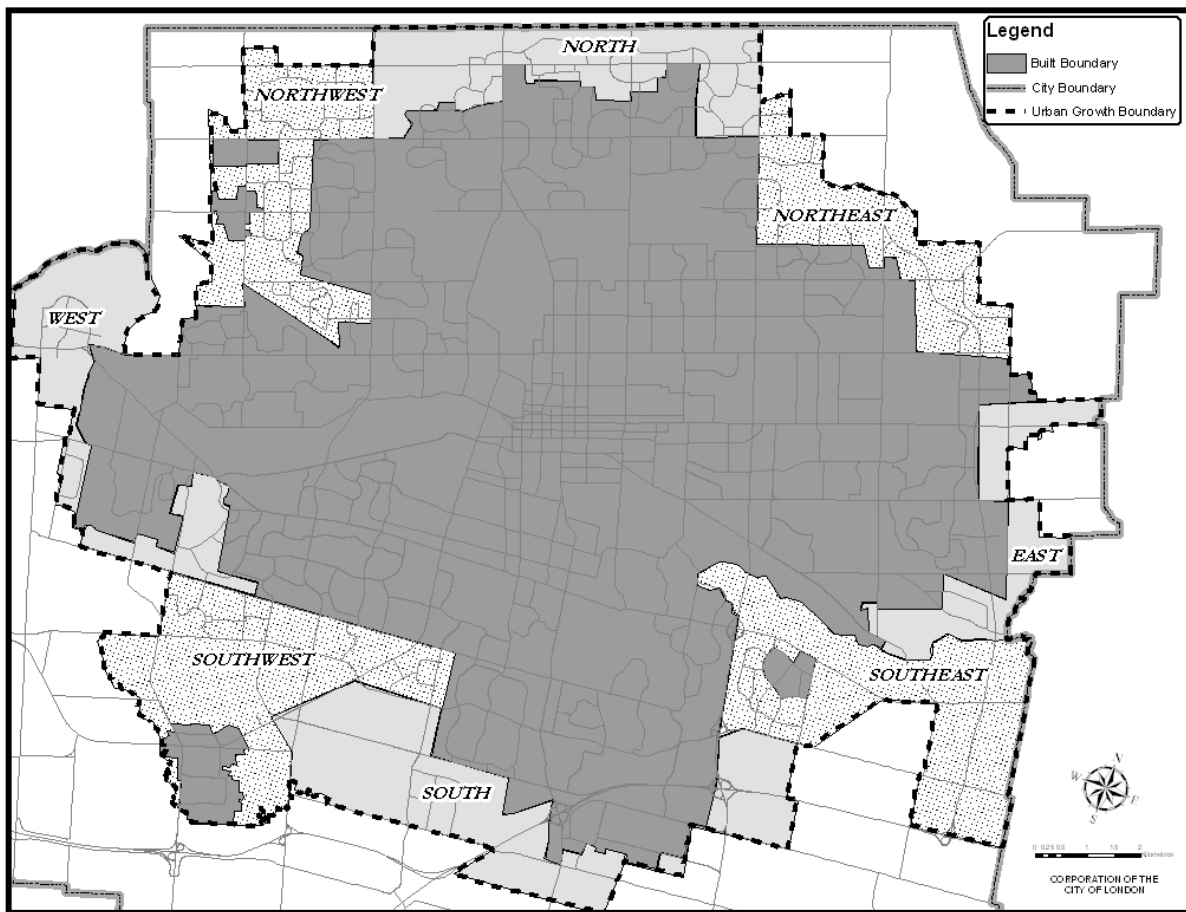
“The development of a property, site or area at a higher density than currently exists through:

- a) Redevelopment; including the reuse of Brownfield sites;
- b) The development of vacant and/or underutilized lots within previously developed areas;
- c) Infill development; and
- d) The expansion or conversion of existing buildings.”

In order to measure intensification we need to determine what constitutes the “previously developed area”. As part of mandating intensification targets for cities within the Greater Golden Horseshoe, the Province has recently released a draft methodology for defining a built boundary

– “*Technical Paper on a Proposed Methodology for Developing a Built Boundary for the Greater Golden Horseshoe, Fall 2006*”. Taking the same general principals used in this methodology, but on a much smaller scale, we have been able to define a “built boundary” for the City of London in order to define and monitor intensification. It should be noted that this is not a static boundary and will be adjusted at the next Official Plan Review to reflect new development and the actual built boundary at that time. This built boundary does not represent a land use designation, but for use as a planning and monitoring tool only. The graphic below (Figure 3.1) shows the built area (darker shading) for the City of London as of December 31, 2006. The remaining “Greenfield” areas (area between built area and urban growth boundary) have been divided into larger districts for analyses and allocation purposes discussed later in the report.

Figure 3.1: The Built Boundary and Districts for Analysis (December, 2006)



3.3.1 Residential Intensification

To determine the potential impact of intensification and associated assumptions for future yield, information provided in building permits was reviewed to determine the extent of permit activity within the built boundary. Based on this review it was determined that intensification accounted for 29% of the total dwelling units constructed between 2001 and 2006, as shown in Table 3.1.

This is down slightly from the 35% seen in the previous period 1996 to 2000, which represented more restricted growth as subdivision development in the annexed area was not begun until 1999. Examination of intensification by type found that, on average in the past 6 years, 5% of the total single and semi-detached dwellings, 32% of total row housing units and 75% of total apartment units were constructed within the intensification area.

Table 3.1: Building Permits in Intensification Area by % of Total Type

	Average 1996- 2000	2001	2002	2003	2004	2005	2006	Average 2001- 2006 TOTAL
Low	18%	12%	6%	5%	2%	3%	7%	5%
Medium	64%	49%	43%	18%	39%	26%	23%	32%
High	61%	100%	39%	100%	78%	47%	77%	75%
TOTAL	35%	44%	18%	28%	27%	20%	34%	29%

We recognize that the extent of housing demand that can be met by intensification is difficult to predict as it is affected by various factors including land costs/availability and of the market factors. However, based on past development patterns the intensification assumption for this Official Plan Review is that 5% of low density, 25% of medium and 75% of high density dwelling unit construction will occur as intensification over the 20-year planning period. Approximately 23% of the total housing demand is therefore expected to be accommodated through intensification – this is fairly low compared to past levels and those mandated by the Province for Greater Golden Horseshoe cities (40%). The approximate amount of land required to accommodate this level of intensification is about 222 hectares, assuming the typical densities reported in the previous section.

Concerns typically raised by the development industry regarding intensification include: lack of available land supply for intensification within existing built-up areas, fragmented land ownership patterns, compatibility with existing established neighbourhoods, the capacity of older municipal sewers and watermains to accommodate intensification, pressure on heritage buildings and most importantly NIMBYism. The London Development Institute requested the use of slightly lower intensification assumptions for medium density (15%) and high density (65%) in the land needs analysis. Although these are valid points to consider, these concerns will be addressed by identifying some of the larger intensification opportunities within the built City (Section 4.1.2) and by reporting the affect of these lower assumptions on the final land needs calculations in Section 5.

3.3.2 Non-Residential Intensification

In order to accurately measure industrial, commercial and institutional intensification we simply determined the amount of development since 2001 which occurred on vacant land identified in the 2001 ICI Vacant Land Inventory. This was only possible because of the very accurate inventory produced in 2001 – this was not the case for the 2001 Residential Vacant Land Inventory. Using this method as opposed to the built boundary method outlined above, removed discrepancies in the type of construction occurring and for instance focused solely on industrial

construction on industrial vacant land, commercial construction on commercial vacant land etc., this being the assumption of where development will occur in the future.

On review of the ICI building permits from 2001 to 2006, industrial floor space constructed on vacant land accounted for only 55% of the total industrial construction. 31% of commercial floor space was constructed on vacant land and 8% of institutional.

A large proportion of commercial demand will continue to be met through redevelopment or expansion of existing sites within the Urban Growth Area. A majority of the demand for growth of major institutional uses will be met through expansion of existing facilities on their current sites as well.

In the interest of consistency of approach to the residential demand analysis, very conservative intensification assumptions were applied to the ICI demand (Table 3.2). These assumptions represent the percentage of development by type forecast to occur outside of the ICI Vacant Land Inventory summarized in Section 4.2. These assumptions will be applied to the remaining demand only after the contingency and building permits to date have been factored into the equation (see Table 3.4 for the final demand calculation). Final calculations of ICI land needs will also be determined without these intensification factors.

Table 3.2: Industrial, Commercial and Institutional Intensification

	Actual Intensification 2001-2006	Intensification Assumption
Industrial	45%	25%
Commercial	69%	50%
Institutional	92%	80%

3.4 Non-Residential Floor Area Ratios

In order to convert the demand for ICI floor area to a demand for land, floor area ratio assumptions were examined. A floor area ratio is the area of a building to the total area of the site it occupies.

1,000 existing industrial buildings and their sites were inventoried and average floor area ratios were found to be on average of 0.23 City-wide. This was confirmed by the records of the Realty Services Division of the City of London.

Commercial floor area ratios were recently examined by the Planning Department and are on average 0.30.

Actual institutional floor areas of existing buildings in the City fall within a wide range. Schools, churches and nursing homes require more land and floor area ratios are typically in the area of 0.27. Buildings at the University of Western Ontario, Fanshawe College and the various hospital sites have floor area ratios closer to 0.60. In the past 5 years, construction at University/College and hospital sites made up 46% of total institutional construction. Therefore for the purposes of this analysis a proportional average floor area ratio of 0.42 will be used to calculate land

requirements for institutional demand.

3.5 Contingency

It is impossible to make precise predictions regarding future economic conditions and their impact on population, housing and employment growth. The farther into the future a prediction is made the greater the probability for deviations from the forecast – especially beyond 10 years. Upon consultation with the Province and other Ontario municipalities, there was consensus that the Official Plan monitoring program and periodic update (every five years) provides the means to adjust the forecast and revisit land needs over time and a contingency is therefore not warranted. However, after consultation with the Working Groups and having regard for the methodology used in the Vision '96 planning process, a contingency factor was considered to provide flexibility for future uncertainty and to guard against potential undersupply. As a certain level of flexibility has already been provided for in many of the assumptions discussed, a contingency factor of 10% of the demand for the first ten years of the planning period is added.

3.6 Final Demands for Land Needs Analysis

Taking into account all of the assumptions outlined in Section 3 and the development that has occurred in the last half of 2006, new Greenfield demand calculations were made. The following two tables show the final Greenfield demand for both residential (Table 3.3) and Industrial, Commercial and Institutional (Table 3.4).

Table 3.3: Calculation of Residential Greenfield Unit Demand for Land Needs Analysis

	Gross City-wide Unit Demand 2006-2026	Subtract units constructed June to Dec 2006	Add Contingency 10% 2006-2016	Total City-wide Unit Demand 2006-2026	Subtract Intensification & Rural Units	Allocate Greenfield Demand (25% LDR to MDR .65 conversion)	Final Greenfield Unit Demand 2006-2026
LDR	23,400	760	1,270	23,910	1,196 (5%) 239 (rural)	16,856 (75% of total LDR)	16,856
MDR	6,900	335	355	6,920	1,730 (25%)	5,190 + 8,645 (25% of total LDR)	13,835
HDR	7,600	850	395	7,145	5,359 (75%)	1,786	1,786
TOTAL	37,900	1,945	2,020	39,920	8,524		32,477

Table 3.4: Calculation of ICI Greenfield Demand, 2006-2026

	Total Construction Demand 2001-2026 (sq ft) (Clayton, 2006)	Add Contingency 10% 2006-2016 (sq ft)	Subtract Building Permits 2001-2006 (sq ft)	Subtract Intensification Construction on lands outside VLI (sq ft)	Total Construction Demand 2007-2026 (sq ft)	Divide by Floor Area Ratio	LAND DEMAND (hectares)
Demand considering intensification							
Industrial	8,400,000	560,000	3,153,306	1,451,674	4,355,020	.23	176
Commercial	6,000,000	240,000	4,095,679	1,072,161	1,072,161	.30	33
Institutional	7,050,000	400,000	5,224,770	1,780,184	445,046	.42	10
Demand without intensification							
Industrial	8,400,000	560,000	3,153,306	0	5,806,694	.23	235
Commercial	6,000,000	240,000	4,095,679	0	2,144,321	.30	66
Institutional	7,050,000	400,000	5,224,770	0	2,225,230	.42	49
Source: Clayton Research Inc. (2006), City of London Building Permits							

3.7 Allocation of Demand

It is not realistic or reasonable to expect residential development to occur uniformly in all areas of the City. The following spatial distribution of residential demand to the individual districts identified in Section 2, was prepared as a way of forecasting where and when residential development would generally occur. These district allocations were based on in-depth consultations with the Working Groups and further detailed analyses by the Development Industry technical committee (London Development Institute). Consensus was reached on the timing and allocation of low and medium density units across the City. High density residential unit growth was not allocated as these developments are fairly unpredictable in terms of timing and any allocation exercise would simply be speculation. As well it is the low and medium density land supply that is the limiting factor in terms of a land needs analysis.

In allocating residential demand, consideration was given to past development patterns, ownership of land and potential for development. The construction of the Southside Sewage Treatment Plant was identified as having major implications for the development of land in the Southwest area of the City (land South of Southdale Road). For the purposes of this analysis and based on direction from Council (Environment and Transportation Committee, May 29, 2006; “Timing of Southside Pollution Control Plant”), it is assumed that this plant will be operational by 2016. Therefore, any major development in the Southwest will not occur prior to that time.

The following tables show the distribution of low (Table 3.5) and medium (3.7) density residential development both in the past 6 years and forecast the proportional allocations for the 0 to 5 year period, 5 to 10 year and 10 to 20 year period. These proportions will be used in the land needs calculations in Section 5.

Table 3.5: Proportions of Total Low Density Residential Construction and Allocations

District	Actual	0-5 years	5 to 10 years	10 to 20 years
	2001-2006	2006-2011	2011-2016	2016-2026
Intensification	5%	5%	5%	5%
Northeast	5%	12%	15%	12%
North	33%	24%	20%	10%
Northwest	19%	21%	22%	22%
West	20%	14%	13%	10%
Southwest	11%	12%	11%	25%
Southeast	5%	10%	12%	15%
East	1%	1%	1%	0%
Rural	1%	1%	1%	1%

Table 3.6: Proportions of Total Medium Density Residential Construction and Allocations

District	Actual	0-5 years	5 to 10 years	10 to 20 years
	2001-2006	2006-2011	2011-2016	2016-2026
Intensification	23%	25%	25%	25%
Northeast	10%	9%	10%	11%
North	25%	22%	22%	15%
Northwest	13%	14%	10%	9%
West	9%	10%	12%	10%
Southwest	0%	5%	8%	18%
Southeast	10%	11%	12%	12%
East	10%	4%	1%	0%
Rural	0%	0%	0%	0%

4 LAND SUPPLY

This section of the report provides a summary of the supply and capacity of land within the Urban Growth Area (as of December 31, 2006) to accommodate forecast urban growth.

The supply of residential and industrial, commercial & institutional (ICI) lands are monitored on an ongoing basis by the Planning Division. In an effort to improve the quality of the information presented in these inventories, assumptions and site specific inventories were discussed with the Working Groups.

The residential inventory was circulated directly to the development community via the London Development Institute for site specific comments and corrections. Edits received from LDI were incorporated into the final version of the inventory used in our land needs analysis.

Appendix C provides a full copy of the Residential Vacant Land Inventory as of December 31, 2006 (available on the City of London web site).

The ICI vacant land inventory was reviewed by the Working Groups, London Economic Development Corporation and the City of London Realty Services Division for completeness and the final December 31, 2006 version (Appendix D) can be found on the City of London web site.

4.1 Residential Land Supply

4.1.1 Vacant Land Inventory

The residential VLI to December 31, 2006 is based on relevant building permit information, subdivision files (including those that have been registered, draft approved or under review), community/area plans, other associated planning data and checked against April 2006 aerial photography. Based on the status of the land (Registered plan, Draft approved plan, designated residential, urban reserve community growth), the potential for residential development was inventoried as follows:

Table 4.1: Residential Vacant Land Inventory – Units Available on December 31, 2006

Status/Category	Land Area (ha)	Low Density Units	Medium Density Units	High Density Units	Total Units
Registered subdivision plans	372*	2,758	3,197	836	6,791
Draft approved subdivision plans	847.8	5,643	4,436	2,326	12,405
Draft subdivision plans – under review	370.6	3,545	2,001	1,531	7,077
Designated residential lands	1,021	8,140	6,737	9,580	25,478
Urban Reserve Community Growth	966.4	8,662	4,850	2,384	15,896
Total	4,190.4	28,748	21,221	16,657	66,626
Byron Pits (will not develop before 2026)	81.0	791	308	185	1,284
Total available 2006-2026	4,109.4	27,957	20,913	16,472	65,342
Southwest (land South of Southdale Rd., outside Reg. & Draft Approved Plans)	714.1	6,345	3,273	1,983	11,601
Total available to 2006-2016	3,395.3	21,612	17,640	14,489	53,741
<i>*estimate only of vacant lot areas in registered plans of subdivision based on units per hectare assumptions.</i>					

The designated and urban reserve lands located within the Byron Pits area have been excluded from the final supply as it is unlikely there will be any opportunity for redevelopment to residential uses within the 20-year planning period (personal communication with pit operator, Feb. 2007).

Also, since the Southside Sewage Treatment Plant will not be operational until 2016, the lands that are affected by this, in the Southwest district (south of Southdale Rd. W.) that are not within registered or draft approved plans of subdivision, have been excluded from the land needs calculation until 2016. The total unit supply available until 2016 city-wide declines to 21,612

low density units, 17,640 medium density units and 14,489 high density units for a total of 53,741 units.

The London Development Institute again reviewed portions of the vacant land inventory and note some discrepancies in the total units available for development. They indicate there are 1,427 less low density units, 879 less medium density and 292 more high density units than reported in the Vacant Land Inventory. Some of this discrepancy can be explained by timing of the recording of building permits, but is nevertheless well within any contingency being added.

The inventory of low and medium density unit potential by District is outlined in Tables in the next section.

4.1.2 Intensification Opportunities

Intensification has become a fairly significant contributor to residential development as outlined in Section 3.3. In response to the assumptions made in Section 3 that assigns a proportion of the demand to intensification, some of the Working Group members requested an examination of potential intensification opportunities within the built-up areas of the City. This is a demanding task as most infill and intensification-type developments occur in areas that are difficult to predict prior to their actual development. However, many opportunities are evident throughout the built City for intensification projects.

The vacant land inventory does list approximately 105 hectares of residentially designated vacant land in the built-up/intensification area of the City. However, the inventory does not account for small vacant parcels that are held outside of plans of subdivision, nor does it recognize lands which are underutilized or available to support intensification (either through new development or expansion).

Portions of the City, primarily in establish inner-city neighbourhoods that are pre-zoned within either a Residential R2 and/or R3 Zone variation, permit the conversion of a single detached dwelling by adding one or two units as of right (subject to minimum lot area requirements). There are approximately 16,000 single detached dwellings (of one unit only) located within parcels zoned either Residential R2 or Residential R3 that could potentially add one or two dwelling units. No detailed analysis of building permits was undertaken to determine exact numbers of these types of conversions within R2 and R3 zones, however, we do know that in the last 6 years there have been on average 44 units constructed per year by addition or alteration to existing residential structures. These units have been included in the building permit analysis in determining intensification. There may also be illegal conversions occurring of which there is no record.

Many areas within the built-up area are designated for medium or high density residential use but are presently used for low density residential or non-residential purposes. Although such areas may be costly to develop because of land assembly requirements, they are likely to have locational advantages, such as serviceability, proximity to the Downtown or open space areas that will attract developers. We know this to be true as there has been significant intensification occurring within the City in the recent past.

Below are examples of larger sites that have the potential for redevelopment/intensification, that are not currently designated residential:

- London Psych Hospital (owned by Ontario Realty Corp.) at Highbury Avenue North and Oxford Street East have not been included in the residential inventory as they are still designated institutional. A design ‘charette’ has indicated the potential exists on this site for at least 1,000 units. If this site develops the potential for residential construction on surrounding lands, not currently designated residential, increases as well.
- Child and Parent Resource Institute (CPRI) lands on Oxford Street West have the potential for residential development in the future – these are currently designated institutional.
- Old South Street Campus of Victoria Hospital has the potential to be redeveloped for residential or institutional residential uses. This site is currently designated institutional.

Other smaller sites are known to staff on the basis of enquiries, previous applications and the consideration of Brownfield redevelopment potential.

4.2 Industrial, Commercial and Institutional Vacant and Underutilized Land

The ICI inventory details the supply of vacant and underutilized lands located in areas traditionally defined as industrial districts, business parks, commercial and institutionally designated areas that are available, or potentially available, to accommodate future employment growth. This inventory does not include lands available or potentially available to accommodate future employment growth through infill, intensification, adaptive re-use or redevelopment in urban core areas, along major arterials, in residential areas or outside the urban growth boundary (ex. Airport lands, Tempo industrial use area). A complete copy of the ICI inventory can be found in Appendix D on the City of London web site.

4.2.1 Industrial Land

Lands designated for industrial use comprise approximately 4,100 hectares or 17% of the total land area within the Urban Growth Area. To put the industrial inventory into perspective, just over half (2,215 ha) of the total industrial land found within the Urban Growth Area is either vacant or underutilized. The majority of this vacant land is concentrated in areas in the East and South, accessible to both the Airport and Highway 401. A total of 832 hectares of industrial vacant and underutilized land is currently serviced with another 300 hectares readily serviceable within the next 5 years if demand warrants its development.

Approximately 53% of vacant and underutilized industrial land is located within the Veteran’s Memorial Parkway corridor (formerly Airport Road) extending from Highway 401 to the larger tracts of industrial land west of London Airport. A substantial portion of this land is currently serviced (529 ha) with the potential to service another 120 hectares within 5 years as needed. Recent upgrades to Veteran’s Memorial Parkway have made the lands along this eastern corridor more attractive to businesses as it is more readily accessible to Highway 401.

Industrial lands in the Wilton Grove Road corridor east of Wellington Road with immediate access to Highway 401, account for 20% of the total industrial land supply.

Along the White Oaks Road / Exeter Road corridors is located another 20% of the industrial inventory. Most of these lands are not fully serviced and their availability for industrial developments that have a heavy water usage and require municipal sanitary services is uncertain pending completion of the Southside Sewage Treatment Plant. Current developments not requiring intensive servicing (heavy water and sewer usage) are currently able to develop in this area.

A small cluster of industrial land is located in the Hyde Park area in the Northwest (approx. 37 ha). It is not anticipated that there will be demand for large amounts of industrial land in this area because of the distance from the 400 series highways or major transportation corridors in the City.

In order to inventory the true industrial land supply available for development a determination of servicing of the sites was required. The Environmental and Engineering Services Department identified all industrial vacant and underutilized sites as either serviced or unserviced. Serviced land had storm water management ponds and, in most cases, land set aside for road construction. Unserved land requires these services to be in place before construction can begin. Recently built industrial parks were examined and it was determined that 17% of the gross land area is required for servicing. Table 4.2 breaks down the industrial vacant land by servicing and calculates the amount of land needed to be set aside for future servicing. After taking servicing demands into consideration the total industrial land available for development is 1,978 hectares.

Table 4.2: Vacant and Underutilized Industrial Land by Servicing

	Supply	Serviced	Unserviced	Land req. for Servicing	Land Avail
	(Ha)	(Ha)	(Ha)	(Ha)	(Ha)
Vacant Industrial					
General Industrial	369	211	158	27	342
Light Industrial	887	359	528	90	797
Office Business Park	75	25	50	9	66
URIG	603	43	560	95	508
Underutilized Indust.	280	194	86	15	265
TOTAL INDUST.	2,215	832	1383	236(17%)	1,978

Industrial parcel size is also an important consideration in the supply analysis and is shown in Table 4.3. The average parcel size of industrial lots sold between 2001 and 2006 was 1.95 hectares (Realty Services, 2007). The maximum size of lot sold was 6.3 hectares. However, of significant interest are the number of large parcels of industrial land available in anticipation of attracting a major manufacturing / assembly facility looking for vacant land. There are currently 54 vacant industrial parcels greater than 10 hectares in size available in the City, 22 of which are currently serviced. Significant potential for land assembly exists in most industrial areas of the City as many of these parcels are contiguous.

Table 4.3: Industrial Vacant Land by Parcel Size

Lot Size (hectares)	# Of Parcels	# of Parcels currently or readily serviced within 5 years
< 1.0	128	139
1.0 – 1.9	42	34
2.0 – 4.9	68	40
5.0 – 9.9	25	17
> 10.0	54	22

While it is immediately evident that the supply of industrially designated land is sufficient, concerns were raised by London Economic Development Corporation that there may be some issues regarding the immediate availability of some industrial lands based on permitted uses (i.e., zoning). These issues, however, can easily be addressed through rezoning of existing industrial lands and not through addition of land to the Urban Growth Area.

4.2.2 Commercial Land

There are many different types of commercially designated land, as outlined in the Vacant Land Inventory. Flexibility of use exists within these commercial areas and instances of redesignation from one commercial land use designation to another are quite common. Commercial developers have also demonstrated the ability to reformat commercial space over time as demand changes, ex. Galleria, Westmount, Oakridge malls. Therefore, no examination by type of commercial designation is necessary.

Total commercial vacant and underutilized land accounts for 218 hectares of land of which approximately 75% is currently serviceable. The vacant land inventory does not consider small sites set aside within residentially designated areas for commercial uses (convenience commercial or office conversion). However, we know from examination of recent Greenfield developments that approximately 2.5% of vacant residential land will develop as commercial – considering urban reserve community growth lands this would supply an additional 24 hectares of vacant commercial land to the inventory. Total commercial land supply in the City is 311 hectares of which there are 5 large parcels, greater than 10 hectares in size, available for large commercial opportunities.

Table 4.4: Commercial Vacant Land by Parcel Size

Lot Size (Ha)	# parcels
< 1.0	70
1.0 – 1.9	29
2.0 – 4.9	27
5.0 – 9.9	6
> 10.0	5

4.2.3 Institutional Land

There are currently 177 hectares of vacant institutional land in the inventory. Most of the major institutional uses within the City perform a regional function and significant investment and expansion potential in place and are not expected to expand or relocate into Greenfield areas. However, the potential for smaller scale institutional uses such as churches, schools, libraries, municipal construction and nursing homes is limited within designated institutional areas. The Greenfield supply of school and church sites is currently not inventoried, however, on urban reserve community growth lands it can be assumed that institutional uses will consume 5% of the total land area. This amounts to an additional 48 ha of vacant institutional land for a total of 364 hectares.

4.3 Other Supply Considerations - Vacancies

Vacant industrial, office and retail space within the City is monitored by CB Richard Ellis on a quarterly basis. As of the fourth quarter of 2006 the following vacancies were inventoried:

Industrial – 1.2 million sq. ft (3.9%)

Office – 815,620 sq. ft (15.5%)

Retail – 3,873,940 sq. ft (8.7%)

(Source: CB Richard Ellis, Fourth Quarter, 2006 Market Reports)

While this vacant space may accommodate some employment growth, it should be noted that a substantial portion of this space may be in obsolete, poorly located or site constrained buildings that would not meet the minimum requirements of businesses seeking to locate or expand in London. Determination of the usability of these sites is beyond the scope of this study and therefore none of the demand has been applied to these vacant buildings.

5 LAND NEEDS ANALYSIS (Supply versus Demand)

5.1 City-Wide Greenfield Residential Supply versus Demand

The total supply minus demand yields an oversupply of 28,092 greenfield units remaining after 20 years of forecast development. However, this supply is not the same for the three forms of residential development. When broken down by type this translates into an additional 9 years of low density supply, 20 years of medium density supply and 30 years of high density supply.

Table 5.1: Greenfield Land Needs Calculation (Supply minus Demand)

	Low	Medium	High	Total
Greenfield Supply	27,429	20,725	12,415	60,569
*20-year Greenfield Demand	16,856	13,835	1,786	32,477
Greenfield units remaining at 2026	10,573	6,890	10,629	28,092

*adjustments for LDR built on MDR, Intensification & Contingency (refer to Section 3.6)

Table 5.2: Estimated Years of Supply Available

	Low	Medium	High
Estimated Total Years of Greenfield Supply beyond 2006	29 years	40 years	50 years
Estimated Total Years of Greenfield Supply beyond 2026	9 years	20 years	30 years
Calculation of years of supply based on an estimate of further yearly demand beyond 2026 of 1,200 units low, 350 units med & 350 units high density – assumptions (intensification, allocations etc. not considered in these simple calculations beyond 2026).			

5.2 Greenfield District Residential Supply versus Demand

The residential unit demand allocation by district outlined in Section 3.4 is compared to the Vacant Land available in each of the districts in this section. Table 5.3 summarizes the detailed land needs calculations found in Appendix E. Again only low and medium density housing is considered in these calculations as these are the limiting supplies and because of the very large amounts of high density land available in all districts with a potential demand.

Table 5.3: Residential Units Remaining at 2016 and 2026 by District

District	Units remaining at 2016 (10 years)		Units remaining at 2026 (20 years)	
	Low	Medium	Low	Medium
North	2,726	2,937	1,924	2,023
Northwest	3,672	3,364	1,906	2,158
West	1,155	1,321	352	575
Southwest	228*	123*	4,303	1,631
Southeast	2,342	1,007	1,138	-12
East	62	18	62	18
Northeast	1,849	1,361	886	498
Total	12,034*	10,132	10,572	6,891
*supply of vacant land outside registered and draft approved plans turned off until 2016.				

Much choice in unit supply continues to exist city-wide after the 20-year period examined here.

Residential land becomes depleted in the East, as expected, as this area contains a majority of the industrial lands in the City. There will continue to be little, if any, Greenfield demand for residential uses in this area – instead any demand in the East can be met by the vast tracts of residential land available in the Southeast and Northeast. In fact the Draft Community Plan for the Old Victoria Area already shows more units than anticipated through the vacant land analysis.

The need for land in the Southwest becomes noticeable by 2016, by which time low and medium supply in registered and draft approved plans of subdivision (as of December 31, 2006) will be depleted. As soon as the Southside Sewage Treatment plant becomes functional, vast tracts of residential land in the Southwest can begin to develop. A large supply of both low and medium

density land in the Southwest will be available for construction well beyond the 20-year planning period outlined here when the new treatment facility is built.

Less choice exists for residential land in the West at the end of the 20-year period and depending on the pattern of development over the next ten years, this could be an area to consider for future expansion of the Urban Growth Boundary, if demand persists and cost-effective serviceability is established. A detailed analysis of the actual take-up of land and examination of demand is needed for the next 5-year Official Plan Review, particularly in this area.

The Southeast becomes depleted of medium density land by the end of the planning period, however, it must be noted that over a 1,000 units of low density land remains – the assumptions made regarding amount of low density built on medium density won’t hold to the end of the planning period in this area – if there is a greater demand for medium density land for townhouse-type development then the low density will not be built on this MDR land. And as noted above, there is the potential for greater unit availability on the lands in the Southeast as evidence by the Draft Old Victoria Community Plan.

In response to a request from the London Development Institute, these calculations were rerun using lower intensification values, low density residential remaining at 5% and medium density at 15% (compared to the 25% used in the previous analysis). The calculation tables are shown in Appendix F with the summary of unit supply remaining in the Table below.

Table 5.4: Alternative Scenario Proposed by London Development Institute
(Intensification: 5% for low density and 15% for medium density)

District	Units remaining at 2016 (10 years)		Units remaining at 2026 (20 years)	
	Low	Medium	Low	Medium
North	2,726	2,937	1,924	2,023
Northwest	3,672	3,350	1,906	2,076
West	1,155	1,265	352	485
Southwest	228	51	4,303	1,526
Southeast	2,342	873	1,138	-246
East	62	-45	62	-112
Northeast	1,849	1,343	886	448
Total	12,034	9,775	10,572	6,199

This alternative scenario shows a 672 unit difference compared to the previous calculations. Even with the lower intensification scenario there is still an excess of supply for the 20 year planning period. According to this scenario Greenfield oversupply is on the order of 16,700 units of low and medium density housing, 672 units less than the scenario used for the land needs analysis and within the 10% contingency factor applied to the demand.

5.3 Industrial, Commercial and Institutional Land Needs

As evidenced by the calculations in Table 5.5 there is no demonstrated need for further expansion to the Urban Growth Boundary to accommodate growth on industrial, commercial or institutional land in the next 20 years.

Table 5.5: ICI Land Needs Calculation

	Supply	Demand	Supply minus Demand	Demand	Supply minus Demand
	(ha)	(ha)	(ha)	(ha)	(ha)
		Intensification Assumptions		No Intensification Assumptions	
Industrial	1,978	176	1,802	235	1,567
Commercial	242	33	209	66	176
Institutional	225	10	215	49	176

From an economic development perspective (both public and private sector), it is critical that appropriately located and serviced industrial and business park land be consistently available for sale if the City is to remain competitive in the surrounding marketplace. The cyclical nature of demand, the length of time to get planning approvals, the varying land requirements of potential businesses, the need for a variety of ownership and tenure options and the important role municipalities can play in ensuring consistency in the availability of an adequate and appropriate supply, are among the many factors that need to be considered in determining appropriate response to the land needs of new and expanding businesses. As a result there is a particularly strong focus on the availability of municipally owned industrial and business park land to meet such needs. Both the London Economic Development Corporation and the City of London Realty Services division maintain current, detailed inventories of industrial land development in the City as part of their Industrial Land Strategy. For the purpose of this land needs analysis, and zoning issues aside, we can quite confidently conclude that there are sufficient industrial lands available for the 20-year time horizon.

There is a considerable supply of commercial vacant land available to accommodate all potential demand for commercial growth within the next 20 years. It has been demonstrated that much of the commercial development occurs through redevelopment or replacement of existing uses and has little impact on the overall land requirements for urban growth purposes. There will be a need of convenience, neighbourhood and community scale shopping facilities and a limited amount of service commercial land to support development in the Greenfield areas. There is more than sufficient land in all areas of the City to accommodate this type of development when demand arises. There is also sufficient land in both the north and south ends of the City to accommodate larger regional scale facilities when necessary. Given the substantial inventory of vacant office space and of opportunities for new office development, as well as the City’s intent to focus general office development in the Downtown, it is assumed that there will be minimal need for new office commercial in Greenfield areas of the City.

As demonstrated in the intensification measure, much of the demand for the growth of major institutional uses will likely be met through the expansion of existing facilities on their current sites. In fact it is anticipated that a large proportion of the inventoried institutional lands have the potential to be redesignated and developed as residential land.

6 CONCLUSION

Based on the empirical analysis set out in this report, and having regard for the Provincial Policy Statement, there is no need to consider the addition of new lands into the City's Urban Growth Area through the 2006 Official Plan Review process. As demonstrated, the City of London has a more than adequate supply of both residential and non-residential land to meet development needs in the 15 to 20-year time horizon set out in the Official Plan and the 2005 Provincial Policy Statement. In fact, based upon current trends and assumptions, the City currently has enough residential land to last 29 years, meaning that there would still be a 9-year supply of low density residential lands (the limiting factor in the analysis) at the end of the 20-year planning period.

An adequate supply of land is available in all districts of the city allowing for the provision of choice in market location. In the interests of 'smart growth' an urban boundary expansion is not warranted in the short term.

This issue will be closely examined again at the next Official Plan Review in 2011. However, if significant policy changes result in, for example, restrictive phasing of residential development or substantial changes in servicing are realized prior to the next OP review, then on request by Council, an earlier comprehensive review of the land needs may be warranted.

The following section identifies parcels where land owners or their agents made requests for their land to be included within the Urban Growth Area. As a next step Council may request a further investigation of, and determination of priority areas for expansion should the need arise in the near future.

7 REQUESTS FOR EXPANSION OF THE URBAN GROWTH BOUNDARY

7.1 Requests for Inclusion

During the 2006 Official Plan Review process and as of May 8, 2007, 39 requests were made by land owners, or their agents, for lands to be included in the Urban Growth Area. These requests are shown in Figure 7.1 and a full list can be found in the following table along with preliminary comments by Environmental and Engineering Services on serviceability.

Table 7.1: Requests for Inclusion in the Urban Growth Boundary, 2006 OP Review

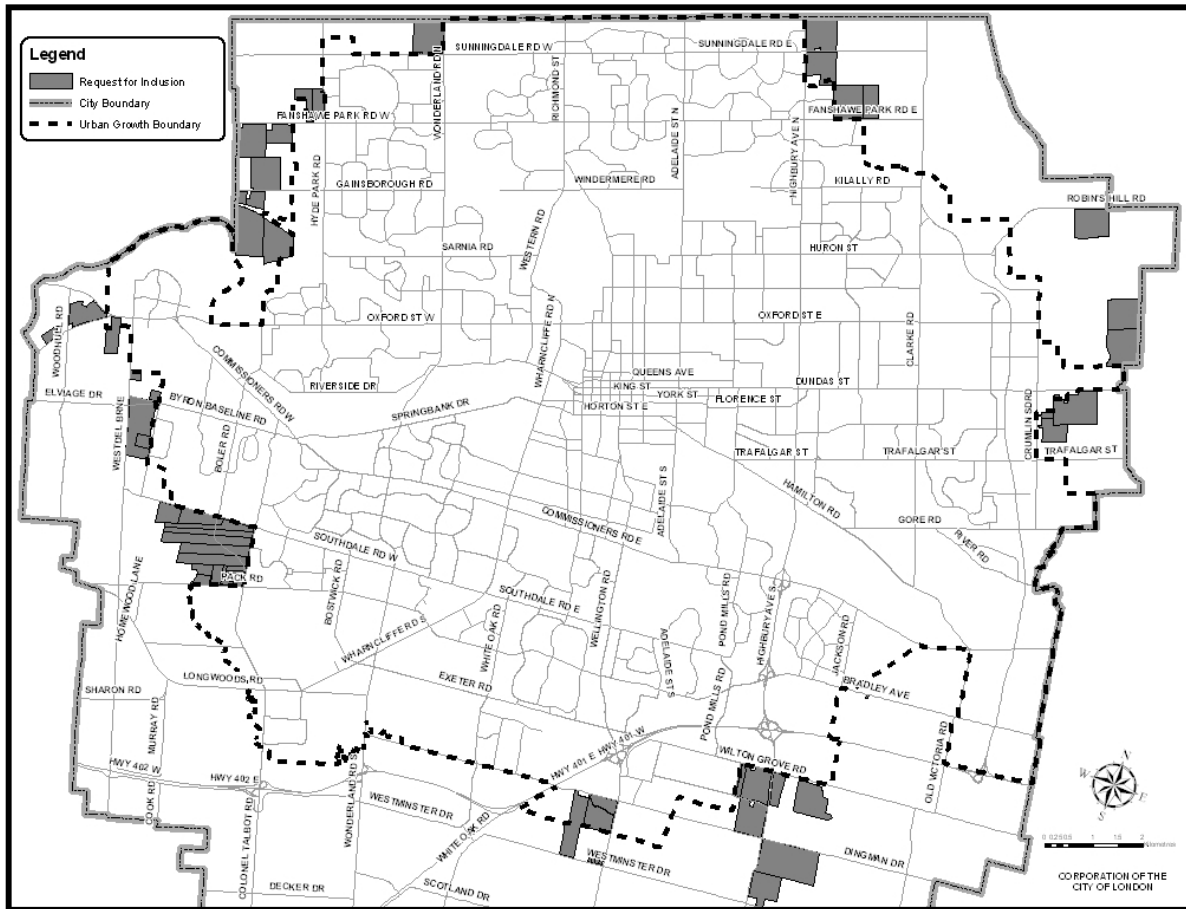


Table 7.1: Requests for Expansion of Urban Growth Boundary and Potential Serviceability

(*Note: Limitations on servicing reflects preliminary engineering estimates on service limitations as of May 1, 2007. Detailed limitations may exist in adjacent service systems. Proponent developers and their agents may have to prepare other analysis concerning their detailed servicing needs prior to advancement of their development.)

Name of Owner or Agent making request	Description of Land	Engineering Comments on Serviceability*
NORTHEAST		
Development Engineering	1870 Fanshawe Park Rd E	No sanitary sewers
Matt Falls, John Aarts Group	1620-1640 Fanshawe Park Rd E	
Z Group on behalf of: 312185 Ontario Ltd., Heriot Bay Investments & Sabel Holdings Inc.	2380 Highbury Ave. N.	
Sifton Properties Ltd.	2270 Highbury Ave. N.	
Robert Smeenk	20685 Rebecca Rd.	
NORTHWEST		
Corlon Properties Inc.	S half of Lot 21, Conc. 6 – NW corner of Wonderland Road N & Sunningdale Rd	Low pressure water service only. No sanitary sewers. Requires sanitary trunk SD7 to be built.
Barry Card on behalf of Feher, Hornyak, Carruthers & Szicsak	1525 Fanshawe Park Rd W	
M.J. Chester on behalf of S. & L Hornyak	1557 Fanshawe Park Rd W (Property is currently bisected by the UGB)	
Sergio E. Pompilii & Assoc. Ltd on behalf of Southside Construction	1802 & 2034 Fanshawe Park Rd W	No water service. Storm water management issues. No sanitary service, requires HP8 and HP6. Routing issues within the golf course. Sanitary sewer issues in 0-20 year period.
Sergio E. Pompilii & Assoc. Ltd on behalf of Southside Construction	1269, 1364 & 1440 Gainsborough Rd	
Sergio E. Pompilii & Assoc. Ltd	1240 Staffordshire Place	
Sergio E. Pompilii & Assoc. Ltd. On behalf of Bellamere Winery	1260 Gainsborough Rd	
Vista Valley Ltd.	1410 Gainsborough Rd.	
Amrit & Kiran Nahata	SW corner Sunningdale & Hyde Park Rd	
WEST		
Barbara Reid Langtvet	1641 Byron Baseline	Sanitary trunk required RB3. No water service. No capacity at pollution control plant. Likely storm management issues.
	2012 Oxford St W, S side, W of Westdel Bourne	
Aldo Liberatore	407 Gideon Dr	
Zelinka Priamo Ltd.	1530 Westdel Bourne	
Phyllis M. Matthews	1820 Woodhull Rd.	
Jack E. Davis Holdings Ltd. On behalf of 2090864 Ontario Inc.	2291 Wickerson Road	
Sifton Properties Ltd.	Parts 1 to 16 Reference Plan 33R-16471, 1682 Byron Baseline	
SOUTHWEST		
Stantec Consulting, West Talbot Land Owners Assoc, A Brown, P&B Verheeil, L Cornell, B Frezell, E Smith	Lands south of Southdale Rd., West of Colonel Talbot Rd.	Sanitary sewer required. To be served by Southside Sewage Treatment Plant (allocation issues and lack of Trunk Sewers, SS17, SS15, SS14)
SOUTH		
Barry R. Card on behalf of 774401 Ontario Ltd.	Lots 14 & 15, Concession 4, Westminster	No sanitary service. Requires sanitary trunk on Dingman Drive.
Barry R. Card on behalf of Tim Dan	Lot 17, Concession 4, Westminster	

Holdings Inc.		Requires Southside Sewage Treatment Plant operational.
Barry R. Card on behalf of Richleigh Investments Ltd.	Lot 17, Concession 4, Westminster	
Barry R. Card on behalf of Richleigh Investments Ltd.	Lot 14, Concession 4, Westminster	
Barry R. Card on behalf of Howard Darwin Enterprises	N part of Lot 16, Concession 4, Westminster	
Barry R. Card on behalf of M Laidlaw, G Laidlaw & R McCracken	E half of the S half of Lot 16, Concession 2, Westminster	
Jack E. Davis Holdings Ltd. On behalf of Greens Galore	NW corner of Westminster Dr. & Wellington Rd. S	
Barry R. Card on behalf of G.M.S, Mortgage Investment Corp.	4423 Highbury Ave.	Transportation issues may be generated by proximity to Highway 401. Permanent servicing through SS9 Trunk Sewer. Some water services issues (require construction of reservoir). Potential storm water management impact.
Barry R. Card on behalf of Karen Baker	1577 Wilton Grove Rd.	
Jack E. Davis Holdings Ltd.	SE corner of Wilton Grove Rd & Highbury Ave	
Carol M. Wiebe, MHBC on behalf of Sumner family	S of Bradley, E of Jackson Rd. (1913 Bradley Ave)	
Barry R. Card on behalf of Richard Laidlaw	1355 & 1361 Wilton Grove Rd.	
Sergio E. Pompili & Assoc. Ltd. On behalf of Sun Life Financial	1577 Wilton Grove Rd	
EAST		
Jack E. Davis Holdings Ltd. On behalf of Ted Deboer	1084 Crumlin Rd	No sanitary sewer. No Trunk sewer. Existing built up area served by septic beds.
Stantec Consulting on behalf of Farhi Holdings	2679 Dundas St.	
Erna Drankowsky	1176 Crumlin Rd	
Barry Hunter	1640 & 1820 Creamery Rd.	No sanitary services.

7.2 Criteria for Evaluation of Lands

If expansion were to occur before the next review in 2011, Official Plan Policies 2.6.7 and 2.6.7.1 provide criteria intended to guide the evaluation of potential growth area expansions. The following summarizes those criteria which may be relevant to future considerations for expansion:

- i. Is there a demonstrated need to add lands to the Urban Growth Area now?
- ii. Associated with criteria i, and the City's target inventory of vacant land, are there negative implications of the proposed addition on the current supply of vacant land?
- iii. Does the proposed expansion of the Urban Growth Area support an emergent opportunity (eg. A unique and substantial economic development opportunity of regional significance)?
- iv. What are the costs of servicing the proposed additions to the Urban Growth Area?
- v. What are the potential impacts on existing communities?
- vi. What are the potential effects on natural features and ecological functions?
- vii. What are the potential impacts on agriculture?
- viii. Does the proposed expansion represent a logical extension of the existing urban area?
- ix. Can the proposed expansion area be integrated with existing and future communities?

7.3 Conclusion

Results of the land needs analysis clearly demonstrate there is no need for additional land to be added to the Urban Growth Area at this time. None of the submissions received represent immediate “emergent opportunities” that cannot be reasonably accommodated elsewhere on lands already designated for urban uses. Adding these lands to the Urban Growth Area at this time would not represent sound planning.

However, the Provincial Policy Statement does provide an opportunity for the addition of lands to the Urban Growth Area subject to the completion of a comprehensive review, consistent with the process undertaken for this review. If significant changes to the underlying assumptions used in this review result from the ongoing Blue Ribbon Panel Implementation Committee studies of growth related policies, then a review of the land needs may be warranted prior to the next five year Official Plan Review. With this in mind a detailed review of the potential future servicing opportunities and cost effectiveness of these areas for inclusion will be compiled jointly by the City of London Environmental and Engineering Services and Planning Departments.

APPENDICES

Appendix A

2006 OP Review Working Groups

Community Groups	Development Industry	Agencies
<ul style="list-style-type: none"> ▪ Urban League of London ▪ London Housing Advisory Committee ▪ Planning and Development Housing Division ▪ Advisory Committee on the Environment ▪ Transportation Advisory Committee (TAC) ▪ London Advisory Committee on Heritage (LACH) ▪ Creative Cities Task Force ▪ Environmental Ecological Planning Advisory Committee (EEPAC) ▪ Agricultural Advisory Committee ▪ Main Street London ▪ Old East Village BIA ▪ Downtown BIA ▪ Covent Garden Market ▪ University of Western Ontario 	<ul style="list-style-type: none"> ▪ London Development Institute ▪ London Home Builders Association ▪ London St. Thomas Real Estate Board ▪ London Economic Development Corporation ▪ London Chamber of Commerce ▪ London Area Planning Consultants ▪ London Area Professional Engineers ▪ London Society of Architects ▪ Utilities Co-ordinating Committee ▪ London Transit ▪ Heritage Homes ▪ London Hydro ▪ City of London - Realty Services 	<ul style="list-style-type: none"> ▪ Ontario Ministry of Municipal Affairs and Housing ▪ Ontario Ministry of Environment ▪ Ontario Ministry of Natural Resources ▪ Ontario Ministry of Agriculture, Food & Rural Affairs ▪ Middlesex County ▪ Township of Middlesex Centre ▪ Municipality of Thames Centre ▪ Elgin County ▪ Southwold Township ▪ Central Elgin Township ▪ Upper Thames River Conservation Authority ▪ Lower Thames Valley Conservation Authority ▪ Kettle Creek Conservation Authority ▪ Thames Valley District School Board ▪ London District Catholic School Board ▪ Conseil Scolaire de District du Centre Sud-Ouest ▪ Conseil Scolaire de District Catholique du Sud-Ouest

Appendix B

**Employment, Population, Housing and
Non-Residential Construction Projections,
City of London, Ontario
2006 Update**

Clayton Research Associates Ltd.

Available at City Hall, 6th Floor Planning Division and online at:

[http://www.london.ca/Planning/OfficialPlanReview/officialPlan
Review.htm](http://www.london.ca/Planning/OfficialPlanReview/officialPlanReview.htm)

Appendix C

RESIDENTIAL VACANT LAND INVENTORY December 31, 2006

Available at City Hall, 6th Floor Planning Division and online at:

<http://www.london.ca/Planning/OfficialPlanReview/officialPlanReview.htm>

Appendix D

INDUSTRIAL, COMMERCIAL & INSTITUTIONAL VACANT AND UNDERUTILIZED LAND INVENTORY December 31, 2006

Available at City Hall, 6th Floor Planning Division and online at:

<http://www.london.ca/Planning/OfficialPlanReview/officialPlanReview.htm>

Appendix E

Detailed Land Needs Analysis by District

Appendix F

Alternate Detailed Land Needs Analysis by District