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IGAP - INTERGOVERNMENTAL ACTION PLAN FOR SIMCOE, BARRIE AND ORILLIA – RECOMMENDED GROWTH OPTION

The Planning and Economic Development Committee recommends the adoption of the recommendations contained in the following report July 27, 2006, from the Commissioner of Planning and Development Services, subject to replacing the words “closer to” in recommendation 2 with the word “of” as follows:

- 2. The Province be requested to support the approved Places to Grow Plan by establishing the City of Barrie as the sole urban growth area in the County, establish Barrie intensification targets of 40% and limit all other settlement area boundaries to those existing on the day the Growth Plan came into effect in the same manner as York Region and other GTA municipalities, providing the growth pattern and level of development does not adversely impact the Assimilative Capacity of Lake Simcoe.**

1. RECOMMENDATIONS

It is recommended that:

1. The Regional Chair and Chief Administrative Officer request a meeting with the Minister of Municipal Affairs and Housing to discuss the issues outlined in this report.
2. The Province be requested to support the approved Places to Grow Plan by establishing the City of Barrie as the sole urban growth area in the County, establish Barrie intensification targets closer to 40% and limit all other settlement area boundaries to those existing on the day the Growth Plan came into effect in the same manner as York Region and other GTA municipalities, providing the growth pattern and level of development does not adversely impact the Assimilative Capacity of Lake Simcoe.
3. This report be sent to the Minister of Municipal Affairs and Housing, the Minister of Public Infrastructure and Renewal and their staff, adjacent Regions, the County of Simcoe, area municipalities and the Lake Simcoe Region Conservation Authority.
4. Regional staff continue to analyse the impact of the Intergovernmental Action Plan for Simcoe, Barrie, and Orillia (IGAP) on York Region Growth Management, the Infrastructure Master Plan initiatives and plans and programs, provide comments to Provincial agencies where possible and report back to Committee and Council on an as needed basis.

2. PURPOSE

The purpose of this report is to advise Committee and Council of the recommendations of the IGAP study as publicly released in July 2006 and delivered to Simcoe County and York Region representatives at the AMO Conference on August 14, 2006. Further, this report raises issues of interest to York Region in terms of the IGAP work and growth management in the Lake Simcoe watershed.

3. EXECUTIVE SUMMARY

The Intergovernmental Action Plan for Barrie, Simcoe and Orillia (IGAP) was initiated in late 2004, to address 4 key issues:

- The health of the Lake Simcoe and Nottawasaga River watersheds.
- Examine the development applications status in Simcoe.
- Examine the fiscal health of the municipalities in Simcoe.
- Examine the need to manage growth in Simcoe.

The first phase of IGAP was an Assimilative Capacity Study (ACS) for Lake Simcoe and the Nottawasaga River. Regional staff has been involved in this study as members of the Steering Committee and Regional Committee and Council have been advised of the study's progress over the past year. The final versions of these studies are now available on the LSRCA website and are briefly discussed in Section 4 of this report.

Phases 2 through 4 of IGAP deal specifically with growth in Simcoe County.

The Recommended Growth Option for Simcoe County, released on July 26, 2006, includes:

- Barrie as the single growth node with 15% intensification (as it was felt that 40% was unachievable in the near term) and downtown densities of 150 people and jobs per ha.
- Some growth in all communities but redistribution of designations will be needed between some municipalities because of over-designations.
- As part of the Barrie single growth node option, 1785 ha of new greenfield growth (specific locations and designation yet to be determined) at densities of 50 persons and jobs per ha will be required in the Town of Innisfil, the south Barrie boundary, accommodating an additional population of 91,460 persons and an additional 36,585 residential units.
- Employment growth to be accommodated on 350 ha of new employment lands in the Hwy 400 corridor south of Barrie and 72 ha of new employment growth at 400 and Hwy 88 in Bradford/Bond Head (specific locations and designations yet to be determined).

York Region has several issues with the IGAP results and process, including, impact on water quality of Lake Simcoe, planning process with the Provincial Places to Grow

legislation and Plan and impact of Simcoe County growth on the growth management and transportation initiatives already underway in York Region.

Regional staff recommends that a meeting be sought with the Minister of Municipal Affairs and Housing to discuss York Region's issues and this report be widely circulated.

4. BACKGROUND

In late 2004, faced with growing development pressures in Simcoe County, and the separated Cities of Barrie and Orillia, the Province of Ontario announced the initiation of the Intergovernmental Action Plan for Simcoe, Barrie, and Orillia (IGAP). This four-phase Plan was to be completed by mid 2006 by the Province in partnership with area municipalities, separated cities, the County and the Conservation Authorities in the area.

IGAP was intended to address 4 key issues:

- The health of the Lake Simcoe and Nottawasaga River watersheds.
- Examine the development applications status in Simcoe.
- Examine the fiscal health of the municipalities in Simcoe.
- Examine the need to manage growth in Simcoe.

The first phase of IGAP was an Assimilative Capacity Study (ACS) for Lake Simcoe and the Nottawasaga River. Since York Region is within the Lake Simcoe watershed, Regional and Municipal staff was invited to participate as members of the Steering Committee. Regional Planning and Economic Development Committee and Council have been advised of the study's progress over the past year. The final version of these studies is now available through the LSRCA website.

Phases 2 through 4 of IGAP dealt specifically with growth in Simcoe County. York Region was not involved in this process. The general results of the background studies are briefly discussed in Section 4 following.

4.1 Previous Council Recommendations and Correspondence on Growth in South-Central Ontario outside of York Region

Issues of growth in south-central Ontario have been discussed by Committee and Council many times over the past several years in dealing with the Greenbelt Plan, Places to Grow, the ACS and IGAP. Regional Council's position has been consistent on the issue of growth in South Simcoe County.

More specifically, Regional Council, at its meeting of January 26, 2006 endorsed a recommendation dealing with the IGAP as follows:

"It is recommended that Council of the Regional Municipality of York request the Minister of Municipal Affairs and Housing to keep York Region apprised of the progress of IGAP and involve the Region at key decision points in the process."

(Clause 5, Report 1, Planning and Economic Development Committee, January 11, 2006)

Regional Council has also consistently expressed its position with respect to potential growth in Simcoe County in its review of the Places to Grow Plan. In addition to the IGAP report, Council on January 26, 2006 also received a report on the Proposed Places to Grow Plan and made the following recommendation relating to growth north of the Greenbelt Plan:

“The Growth Plan for the Greater Golden Horseshoe should prevent “leap-frogging” of development north of the Greenbelt Plan into Simcoe County. The Province is requested to undertake a formal, comprehensive review, similar to the process found in the GTA, which includes all of the elements found in the Greenbelt Plan, and this review should specifically address the impacts on York Region.” *(Clause 1, Report 4, Planning and Economic Development Committee, April 21, 2005)*

On May 2, 2006, Chief Administrative Officer Michael Garrett wrote to Ministry of Municipal Affairs and Housing Deputy Minister John S. Burke to express York Region’s concern about development approvals elsewhere in the Lake Simcoe watershed and their potential to impose restrictions on York’s planned growth. The Region also requested in this letter that the Region be part of the overall decision-making process. This letter is appended to this report as *Attachment 1*.

5. ANALYSIS AND OPTIONS

York Region has had a strong commitment to the health of Lake Simcoe for many years and supports Conservation Authority programs, including programs undertaken through the Lake Simcoe Environmental Management Strategy. In the past 5 years York Region funding of LSEMS has been approximately \$2.5 million. Lake Simcoe plays an important role in the quality of life that York Region residents enjoy and contributes approximately \$200 million to the economy of the Province. It is therefore imperative that development around the Lake be undertaken sustainably and that growth and Lake Simcoe health be balanced.

IGAP is a 4-phased study conducted over the past 18 months. Phase 1 of the study detailed the Assimilative Capacity Study of Lake Simcoe and the Nottawasaga River (ACS), while Phases 2 through 4 relate to capacities and context in Simcoe County.

5.1 IGAP Phase 1 - Assimilative Capacity Study of Lake Simcoe and the Nottawasaga River (ACS)

The Assimilative Capacity Study for Lake Simcoe and the Nottawasaga River Watershed (ACS) commenced in early 2005.

Of the 4 scientific studies conducted as part of the ACS, there are 3 that are of major interest to the Region:

- The CANWET model has developed a predictive model that will enable the LSRCA and its partners to predict the impact changing land uses will have on Nitrogen, Phosphorous and Suspended Solids loading to Lake Simcoe.
- The Berger report on Water Quality Target Setting and Total Monthly Maximum Loads which establishes recommended loading targets on a sub-watershed basis.
- The Baird and Associates reports on Lake Simcoe Hydrodynamic and Water Quality Model has determined mixing patterns in Lake Simcoe and may have some residual benefit in assisting in determining point source impacts from sewer outfalls into the Lake.

The fourth study involved a mixing zone model for the Nottawasaga Bay and is external to the Region's area of interest.

In general terms, the ACS has shown that:

- Water quality in Lake Simcoe has improved slightly over the past several years (loading down to 62 tonnes) because of reduced precipitation, resulting in lower stream and storm runoff to the Lake and lower atmospheric contributions of Phosphorus to the Lake.
- Should precipitation levels return to normal, Phosphorous loading could increase again due to the impacts of growth.
- With additional growth in future, the Lake Simcoe Phosphorous target of 75 tonnes per year may be achievable only with enhanced storm water management for urban runoff, improved sewage treatment technologies and/or additional agricultural runoff remediation.
- The potential for additional growth in both Simcoe County and York Region (such as within East Gwillimbury on lands outside of the Greenbelt Plan Area and outside of existing designations) will need to be assessed to determine its impacts on Cook Bay and Lake Simcoe and decisions made on a watershed basis on the amount of growth that can be accommodated.

The final version of these studies is now available on the LSRCA website, and MOE appears to be applying the ACS methodology, results and findings in their review of Environmental Assessments for Wastewater Treatment facilities underway within the Lake Simcoe watershed (Barrie and Keswick).

In this latter regard, recent comments from MOE have requested the Region to undertake more detailed assimilation studies for the outfall of the Keswick wastewater treatment plant to model its impact on water quality in Cook Bay. Regional staff and consultants and LSRCA staff have discussed these requirements with MOE and a draft work plan

formulated for MOE review. The results of the additional work requested will be submitted to MOE as part of the Environmental Assessment process.

5.2 IGAP - Phases 2 through 4 - Simcoe County Detailed Studies

Over the course of the spring, consultants have undertaken a series of reports which inventory and highlight the current development situation in the County of Simcoe. These reports include:

Simcoe County Existing Capacities Assessments:

- Communities Report
- Infrastructure Report
- Resources Report
- Rural Development Potential
- Housing Market pressures Report
- Physical Intensification Report
- Demographic, Housing and Employment Trends in Barrie, Orillia and Simcoe County.

Studies already conducted for Simcoe show:

- 98% of the projected Places to Grow 2031 population of 667,000 persons, or all but 5,000 persons, can be accommodated through existing development approvals and approved OP planning commitments.
- On top of this, an additional 75,000 persons can be accommodated through existing OP “policy permissions” with the resulting population of 737,000 people exceeding the 2031 Places to Grow population forecast.
- On top of the approved and policy permissions, developers in Simcoe have applications for an additional 240,000 persons (including the Bradford -Bond Head, Innisfil development areas.
- There is an outstanding employment land shortfall in Barrie and in South Simcoe and a need for serviced employment lands at strategic locations to attract investment. This need is not included in the previous approvals of applications.
- On the water and waste water servicing side, some settlement areas have sufficient residual capacity to accommodate their planning commitments, but most others would require major capital expansions to accommodate commitments.

Not yet included in the studies is a comprehensive transportation analysis as well as further studies on implementation and service delivery.

From the initial studies, five main growth options were identified and taken to the public in June 2006. The five options are described in *Attachment 3* to this report. Of these growth options, Regional staff is of the opinion that only Option 3 with the 40% intensification target, fully complies with the intent of the approved Places to Grow. Option 2 is similar to Option 3 except for the reduction in the intensification target to 15%.

5.3 Recommended Growth Option - July 26, 2006

In accordance with the Minister's direction to Simcoe County, Simcoe County municipalities met with the study consultants over the summer to determine a preferred option. The preferred growth option was presented to the public in July 2006 and discussed with the Rural Ontario Mayors and Chairs group (ROMA) at the AMO conference in August 2006.

The recommended growth option (a slightly altered Option 2) is shown on *Attachment 4* and provides for the following:

- Barrie as the single growth node with 15% intensification (as it was felt that 40% was unachievable in the near term) and downtown densities of 150 people and jobs per ha.
- Some growth in all communities (66% of new residential growth and 82% of employment growth to existing communities presumably to existing development commitments) but there will be a redistribution needed in some municipalities because of over designation. This redistribution is the subject of further work.
- As part of the Barrie single growth node option, 1785 ha of new greenfield growth (specific locations and designation yet to be determined) at densities of 50 persons and jobs per ha will be required in the Town of Innisfil, the south Barrie boundary, accommodating an additional population of 91,460 persons and an additional 36,585 residential units.
- Employment growth to be accommodated on 350 ha of new employment lands in Hwy 400 corridor south of Barrie and 72 ha of new employment growth at 400 and Hwy 88 in Bradford/Bond Head (specific locations and designations yet to be determined).

IGAP further estimated the costs of needed water and wastewater infrastructure improvements as follows:

Table 1

Total Capital Infrastructure Improvements Required - Growth and Non-Growth

Municipality	Water Improvement Costs	Wastewater Improvement Costs
Barrie	\$105.9 M	\$296.3 M
Bradford- West		
Gwillimbury	\$19 M	\$28.5 M
Balance of Simcoe		
County municipalities	\$97.54 M	\$104.8 M
Total	\$222.5M	\$429.6 M

In addition to infrastructure capital costs, the Recommended Growth Option will require Best Management Practices be instituted for Phosphorous removal to Lake Simcoe. The costs and removal rates have been estimated at:

Table 2
Best Management Practice Costs and Phosphorous Removal Rates

Total Urban and Agricultural BMP costs	Total Urban BMP Costs	Total Urban Kilograms removed per year	Total Agricultural BMP Cost	Total Agricultural Kilograms removed per year
\$84.2M	\$74.1 M	2.064 tonnes	\$10.1 M	3.3 tonnes

Further detailed reports and study recommendations will be forthcoming on implementation options which will focus on service delivery and public works and will include a transportation analysis. Final detailed reports are scheduled for the end of August.

5.3.1 Staff Comments on the Recommended IGAP Growth Option - July 2006

5.3.1.1 Growth Plan Conformity

While the IGAP Recommended Growth Option generally supports the approved Provincial Growth Plan framework there appears to be some exceptions. The recommended intensification target for Barrie, while in compliance with the Growth Plan provisions allowing outer ring municipalities to have lower targets, is disappointing. Regional staff is of the opinion that it would be more appropriate to establish the intensification target closer to 40%. Further work, as part of a growth management initiative may be required to determine the means and capacity of achieving intensification in Barrie, but this is the same issue facing York Region. In York, the ability to achieve the 40% will be explored as part of the Region's on-going growth management work.

The addition of employment lands along 400 south of Barrie and at Hwy 88 and 400 in Bradford recognizes an employment land deficit identified in the consultants' community studies. The additional designations however are not recognized in the approved Places to Grow Plan and Regional staff is unsure how they are to be implemented given the primacy of Places to Grow and the requirement that local planning documents to comply with its direction.

Further analysis of the impact this recommendation may have on forecasts, patterns of development and impact on facilities and services in York is also required.

5.3.1.2 Impact on the Assimilative Capacity of Lake Simcoe

The chart shown at the open house (and summarized in Table 2 above) indicates that approximately 3 tonnes of Phosphorous can be removed from runoff with the use of Best Management Practices on agricultural lands. The cost of this removal is approximately \$10.1 million.

In watersheds subject to urban development, using Best Management Practices, consultants for the Study have advised that approximately 2 tonnes of Phosphorous, at a significantly higher estimated cost of \$74.1 Million can be removed.

Even with these rates of removal however, the Phosphorous targets for the individual sub-watersheds affected by development (established by the Assimilative Capacity Study) and for Lake Simcoe (established by LSEMS) are likely to be exceeded. Further it is not known whether further reductions (beyond those already identified) can be achieved within the Simcoe County portion of the Lake Simcoe watershed to balance these additional Phosphorous inputs. Until this can be determined and sites secured for mitigation, this recommended level and pattern of growth should not be approved.

5.3.1.3 Lake Simcoe Watershed Growth Co-ordination and Balancing

There are several implementation issues relating to growth in the Lake Simcoe watershed that the IGAP Study has not resolved. These issues are significant when considered in the context of the overall growth anticipated in south central Ontario over the next 25 to 30 years and the fragility of Lake Simcoe. Regional staff has identified these issues as follows:

Implementation Uncertainty

It is the York Regional Council position that growth in Simcoe County should be required to conform to the principles and policies contained in Places to Grow, in the same manner as future growth is required to in York Region, Durham Region and other Greater Golden Horseshoe municipalities.

Since IGAP is a Study, as opposed to a Provincial Plan or Regulation, implementation is proposed to be the responsibility of the County of Simcoe and its area municipalities and the Cities of Barrie and Orillia through growth management work.

This results in a process that lacks certainty of implementation and results in an inability to challenge or appeal the assumptions and recommendations unless, or until, they find their way into adopted planning documents. This process lacks the transparency and checks and balances that are the hallmark of the Ontario Planning process.

York Region would have preferred to see the Province impose the same planning framework of the Greenbelt Plan applied to Simcoe County in an effort to direct and change the way growth and development occurs.

Implementation Details within Simcoe County

A number of issues and implementation details have not yet been analysed or addressed through the IGAP process. These include:

- The proposed mechanisms to redistribute currently designated lands in communities and permit Barrie to be the focus of growth. It is anticipated that land use designations will not be relinquished without strong directions or requirements from the Province. Regional staff is concerned that the Study may not ultimately be implemented or may result in protracted OMB hearings with uncertain outcomes.
- Financial and operational issues relating to the servicing improvements required.
- A detailed transportation analysis which Regional staff feels is necessary and has not been analysed to the same degree as water and wastewater infrastructure. Growth in Simcoe County will have significant impacts to regional roads in the northern part of York Region.
- The means and location to implement further Phosphorous reductions and removal.

Prior to any decisions being made on growth in Simcoe County these will need analysis and review.

Implementation Impacts on Adjacent Municipalities

There is no defined mechanism to coordinate the competing growth options and aspirations in the Lake Simcoe watershed between Simcoe County and other watershed municipalities and balance these to ensure no net impacts on Lake Simcoe water quality.

The Places to Grow Plan contains references (policies 3.2.5.6 and 3.2.5.7) requiring municipalities that share inland water sources or receiving bodies to coordinate their planning for potable water, storm water and wastewater systems to ensure maintenance of water quality and quantity and are encouraged in conjunction with Conservation Authorities to prepare watershed plans to guide development and servicing decisions. The Recommended Growth Option likely results in increased Phosphorus loading to Lake Simcoe and remediation opportunities to offset this have not been identified.

Should growth in Simcoe County ultimately result in Phosphorous increases to the Lake which cannot be mitigated, there may need to be offsets elsewhere. No mechanism or program for these complex trade-offs exists at this time.

The Region of York has been an active participant and funding partner of the Lake Simcoe Conservation Authority for many years. The Region's funding of LSEMS over the past 6 years, since the commencement of Phase 3 of LSEMS (2001 to 2007), will amount to approximately \$2.5 million. This is a significant financial commitment to the health of Lake Simcoe, and gains that have been made, should not be lost through future development

It is essential that the Minister of Municipal Affairs and Housing support a sustainable approach to growth and assist in implementation and balancing growth and development around the Lake in keeping with the Provincial Growth Plan

5.4 Recommended Next Steps

Regional Council is on record with the Minister of Municipal Affairs and Housing as having issues with growth in south-central Ontario insofar as it may impact York Region.

In addition, the Chief Administrative Officer wrote to the Deputy Minister in May 2006 expressing concerns and requesting continued consultations on the IGAP initiative (*Attachment 2*).

The IGAP Recommended Growth Option was released in July and presented to the Rural Ontario Mayors Association at the AMO Conference on August 14, 2006.

Since York has no direct commenting role in the finalization and implementation of IGAP, it is recommended that the Regional Chair and Chief Administrative Officer meet with the Minister of Municipal Affairs and Housing, to discuss:

- Ministerial support for a sustainable approach to growth in the Lake Simcoe Basin and assistance in implementation and balancing growth and development around the Lake and request that future development around Lake Simcoe be subject to comprehensive watershed planning and begin the process to analyse and have discussions with York and Durham Regions to ensure this occurs.
- The implications of IGAP on York Region's ability to meet its obligations under the Growth Plan, and express the Region's issues with the unfolding IGAP process. These issues have been conveyed to the Ministry before in previous Council reports requesting that York be apprised of on-going IGAP work.
- Request that the Province support the approved Places to Grow Plan by establishing the City of Barrie as the sole urban growth area in the County, establish Barrie intensification targets closer to 40% and limit all other settlement area boundaries to those existing on the day the Growth Plan can into effect in the same manner as York Region and other GTA municipalities, providing the growth pattern and level of development does not adversely impact the Assimilative Capacity of Lake Simcoe.

6. FINANCIAL IMPLICATIONS

There are no direct financial consequences of this report and the wider financial impact of IGAP on the Lake Simcoe watershed and York Region's plans and programs cannot be determined at this time.

7. LOCAL MUNICIPAL IMPACT

IGAP has the potential to impact planning and development in communities in the Lake Simcoe Watershed, including the Towns of Georgina, East Gwillimbury, Newmarket and Aurora. While portions of the Township of King and Whitchurch Stouffville are also within the Lake Simcoe watershed, these areas are not considered candidates for significant future growth.

8. CONCLUSIONS

The principles of protecting Lake Simcoe water quality and carefully managing growth in the Lake Simcoe watershed are especially important given the significant development pressures in Simcoe County and the lack of a comprehensive plan for the area. York Region has a vested interest in Lake Simcoe and has invested approximately \$2.5 million over the past 5 years into the LSEMS program. This investment of public funding should not be lost through future development.

York Region has previously requested consultation on the IGAP process. This request remains valid. While the Recommended Growth Option released in July, appears to generally conform to the intent of the approved Growth Plan, the intensification target of 15% established for Barrie is too low in the opinion of Regional staff. Further, employment designations recommended along the Hwy 400 corridor, while potentially necessary based on community studies, were not included in the approved Growth Plan and implementation is likely contrary to the Growth Plan. As well, only very limited transportation analysis has been undertaken both for Simcoe County and adjacent municipalities including York Region. As such, the impact of growth will need to be assessed.

There are also apparent impacts on Phosphorous loads to Lake Simcoe from the Recommended Growth Option and the means of mitigating this loading have not yet been articulated.

It is recommended that the Regional Chair and Chief Administrative Officer discuss the issues highlighted in this report at a meeting with the Ministers of Municipal Affairs and Housing and Public Infrastructure and Renewal.

Further, the Province be requested to support the approved Places to Grow Plan by establishing the City of Barrie as the sole urban growth area in the Count, establish Barrie intensification targets closer to 40% and limit all other settlement area boundaries to those existing on the day the Growth Plan came into effect in the same manner as York Region and other GTA municipalities, providing the growth pattern and level of development does not adversely impact the Assimilative Capacity of Lake Simcoe.

Finally, it is recommended that this report be circulated to the Minister of Municipal Affairs and Housing, Minister of Public Infrastructure and Renewal and their staff, adjacent Region's, the County of Simcoe, area municipalities and the Lake Simcoe Region Conservation Authority; and that Regional staff be directed to continue to analyze the impact of the Intergovernmental Action Plan for Simcoe, Barrie, and Orillia (IGAP) on York Region Growth Management work, the Infrastructure Master Planning initiatives, plans and programs and provide comments to Provincial agencies where possible. Reports will be prepared for Committee and Council on an as needed basis.

The Senior Management Group has reviewed this report.

(The attachments referred to in this clause are attached to this report.)