



The Corporation of the Town of Milton

Report To: Council

From: Jill Hogan, Commissioner, Development Services

Date: November 13, 2023

Report No: DS-056-23

Subject: 2023 Halton Region Allocation Program

Recommendation: **THAT this report be received for information.**

EXECUTIVE SUMMARY

Halton Region's Allocation Program is a financing tool that supports the delivery of growth-related infrastructure. Developments in the greenfield areas are required to participate in the Allocation Program.

For Council's information, this report provides commentary on the proposed Allocation Program through a "Milton lens". The program, as presented, does not support Milton's approved growth planning to 2031.

In particular, this report discusses:

1. The Discrepancy Between Municipal Housing Pledges and Planned Growth to 2031
2. Why The Proposed 2023 Allocation Program Does Not Support Milton's Approved Growth to 2031
3. Milton's Critical Infrastructure Requirements
4. The Importance of Maximizing Program Subscription
5. Key Messages

REPORT

Background

In March 2023, through [Report No. LPS14-23/PW-13-23/FN-20-23](#), Regional Council directed Regional staff to explore servicing allocation options and take the necessary steps to engage the local municipalities and development community regarding anticipated or potential development and infrastructure demands and report back to Council no later than July 2023.

Background

In July, 2023, Halton Region provided [Report No. LPS56-23/PW-31-23/FN-29-23](#) on the Regional Council agenda for consideration with the following recommendations:

- THAT Regional Council direct staff to develop Allocation Program options based on the principles identified in Attachment #1 and bring it forward for a decision no later than October 2023.
- THAT Regional Council approve the financing of \$36.3 million in water, wastewater and transportation projects as set out in Attachment #2 of Report No. LPS56- 23/PW-31-23/FN-29-23 to facilitate the construction of infrastructure in support of residential growth objectives and Local Municipal Housing Pledges.
- THAT a copy of Report No. LPS56-23//PW-31-23/FN-29-23 be forwarded to the City of Burlington, the Town of Halton Hills, the Town of Milton, the Town of Oakville, and the Ministry of Municipal Affairs and Housing for information

At that time, Milton staff provided considerations about the above report, in the Milton context, via a briefing note to the Mayor and Regional Councillors. The briefing note emphasized that the delivery of critical infrastructure, such the Lower Base Line Pumping Station must be prioritized in the near term, to unlock planned growth between 2021 and 2031 in Milton. While recommendation “2” cited above does include the Municipal Class Environmental Assessment (EA) Study and associated EAs for the Lower Base Line Pumping Station, the monies collected to initiate these studies was previously collected through the 2020 Allocation Program. In other words, this work has been delayed.

In May of 2023, Region staff indicated that there would be no cap or limit to the Allocation Program. In Milton, the expression of interest from developers totaled approximately 36,724 units (or 23,001 single-detached equivalents). In late September, Region Staff advised Town Staff that this position had changed. The 2023 Allocation Program would now be based only on the availability of existing infrastructure. This means that any near term development in the Trafalgar, Britannia and Agerton Secondary Plan areas must rely on the residual servicing capacity available at the existing Britannia Pumping Station.

The Region has advised that the proposed Allocation Program limits the availability of new units in Milton to 12,816 in the near term. This is due to the delayed delivery of the Lower Base Line Pump Station - now estimated to be delivered by 2028. The development community was made aware of the change in direction on October 5, 2023.

Halton Staff presented the proposed 2023 Allocation Program to Region Council at a workshop held October 11, 2023. The associated staff [Report No. CA-08-23/PW-40/FN-36-23](#) was scheduled for consideration at the October 18, 2023 session of Halton Region Council.

On October 18, 2023, Region Council deferred consideration of the 2023 Allocation Program and directed the report be referred to the Halton CAO's and Local Municipalities for further discussion. The report will now be placed on the December 13, 2023 session of Regional Council.

Discussion

1. Provincial Housing Pledges and ROPA 38

From the Region's perspective, the housing pledges represent a significant acceleration of growth. The housing pledges total 92,500 units by 2031 which is an over 70% increase over the growth anticipated in the Region's Infrastructure Master Plans. The over 70% increase stems from Oakville and Burlington's pledges, which are higher than their planned growth to 2031. The opposite is true for Milton.

The Province requested Milton to pledge the delivery of 21,000 housing units by 2031. Milton's Housing Pledge is lower than the approved growth between 2021 and 2031 of approximately 30,000 units. While the Region has committed to ensuring the 2023 Allocation Program would accommodate the Housing Pledges of the Local Municipalities, location matters. Residential development will have to be based on where capacity exists. Milton requires new greenfield growth to ensure our Housing Pledge can be realized.

2. The Proposed 2023 Allocation Program Does Not Support Milton's Approved Growth to 2031

Halton Region is largely planned to 2031 through the Sustainable Halton comprehensive planning exercise implemented through Regional Official Plan Amendment No. 38 (ROPA 38) as approved by the Ontario Municipal Board in 2011.

The 2023 Allocation Program, as presented, does not support Milton's approved growth planning to 2031. A cap of 12,816 units is vastly lower than Milton's approved 2021- 2031 growth.

The Allocation Program, at a minimum, should facilitate infrastructure delivery to bring forward Milton's Sustainable Halton lands by 2031

- This would include all of Milton's Sustainable Halton lands (Phase 4), approximately 30,000 units, specifically within the areas of:
 - Trafalgar Secondary Plan
 - Britannia Secondary Plan
 - Milton Education Village
 - Agerton Secondary Plan

3. Critical Infrastructure Requirements

Milton's greenfield growth areas require the construction of the Lower Base Line Pumping Station. Despite the delay in its delivery (needed in Milton to support planned growth from 2021-2031), it is encouraging to see that construction of this pump station will be funded through the 2023 Allocation Program. In the interim, the Region should make any residual capacity at the Britannia Road Pump Station available. The Region should consider an

Discussion

expansion or upgrade to this station as an interim servicing solution to facilitate the delivery of housing units, in advance of the completion of Lower Base Line Pumping Station.

In addition, the extension of James Snow Parkway from Britannia Road to Highway 407 is required to serve Milton's growth areas. The 2023 Allocation Program, as proposed, would fund the Environmental Assessment (EA) Study and design work but not the actual construction of the road extension. To support Milton's planned growth, it is the essential for the 2023 Program to also include the construction funding for James Snow Parkway.

Furthermore, it would benefit Milton if Halton Region considered:

- Adding a capital project to service Downtown supportive intensification in the Bronte-Steeles area; and
- Advancing two additional projects that directly support growth in the MTSA - Milton GO station area. These two wastewater study projects (6515 and 6517) would facilitate the sewer upgrades required in the intensification area around the MTSA.

4. The Importance of Maximizing Program Subscription

Developments in the greenfield areas are required to participate in the Allocation Program. The Allocation program is the tool the Region uses to ensure the residential greenfield developers pay for growth related infrastructure. To make the new program financially feasible, a minimum subscription is required to assess the program for financial viability. The minimum greenfield allocation subscription was determined to be 29,797 units. As currently proposed, only 10,000 units are available for Milton's greenfields. Developers building infill developments in all ready built up areas are not required to purchase allocation. While there is no additional capacity beyond the housing pledges across the Region for development beyond 2031, essential water and wastewater plant expansions will need to be significantly accelerated to ensure additional capacity is available by 2031. Halton Region staff has committed to review the distribution of servicing capacity reserved through this program prior to 2027. That said, it is unclear why a cap is being placed on the current program (perhaps to manage timing expectations with the development industry). As mentioned, in Milton, the expression of interest from developers totaled approximately 37,000 units. Developers in Milton understand that there is finite capacity in the existing system, but are willing to buy allocation now to fund the acceleration of necessary infrastructure. As such, there should be no program cap, as it is the near term reality that Milton will deliver housing sooner in the greenfields. In Milton, and across the Region, it will take longer to realize the intensification potential within the built up areas.

Discussion

5. Key Messages

- The proposed 2023 Allocation Program does not support Milton's approved Growth to 2031.
- There should be no program cap, as it is the near term reality that Milton will deliver housing sooner in the greenfields. In addition, significant investment is required by the development community to accelerate the delivery of key infrastructure requirements to support growth, both greenfield and intensification Region-wide.
- Halton Region should immediately initiate the necessary works to construct the Lower Base Line Pumping Station. The pump station is required to service the 2021-2031 planned growth in the Britannia, Trafalgar and Agerton Secondary Plans and the southern portion of the MEV and the MEV Complementary Employment Lands as approved through ROPA 38 in 2011.
- The Region should make any residual capacity at the existing Britannia Road Pump Station available immediately to support near term growth in Milton's greenfields.
- The Region should consider an expansion or upgrade to the Britannia Road Pump Station as an interim servicing solution to facilitate the delivery of housing units, in advance of the completion of Lower Base Line Pumping Station.
- To support Milton's planned growth, it is the essential for the 2023 Program to also include the construction funding for the James Snow Parkway extension to the 407.

Furthermore, it would benefit Milton if Halton Region considered:

- Adding a capital project to service Downtown supportive intensification in the Bronte-Steeles area; and
- Advancing two additional projects that directly support growth in the MTSA - Milton GO station area. These two wastewater study projects (6515 and 6517) would facilitate the sewer upgrades required in the intensification area around the MTSA.

Financial Impact

The financial planning that the Town has undertaken through its Fiscal Impact Studies and annual Budget and Forecasts has considered the ROPA 38 growth targets, as well as the demand demonstrated by the development community through various secondary/tertiary plans, site plans and other approval processes. Constraints or reductions in the units



Financial Impact

available within the 2031 planning horizon (whether in the greenfield area or built boundary areas) have the potential to reduce revenue, which could result in the need for mitigation through changes in the timing of infrastructure or service delivery expansion, or the requirement for alternate funding sources. These factors will be monitored as the allocation program progresses with updates provided through future reports, forecasts and budget processes.

Respectfully submitted,

Jill Hogan
Commissioner, Development Services

For questions, please contact: Jill Hogan

Phone: Ext. 2304

Attachments

There are no attachments.

Approved by CAO
Andrew M. Siltala
Chief Administrative Officer

Recognition of Traditional Lands

The Town of Milton resides on the Treaty Lands and Territory of the Mississaugas of the Credit First Nation. We also recognize the traditional territory of the Huron-Wendat and Haudenosaunee people. The Town of Milton shares this land and the responsibility for the water, food and resources. We stand as allies with the First Nations as stewards of these lands.