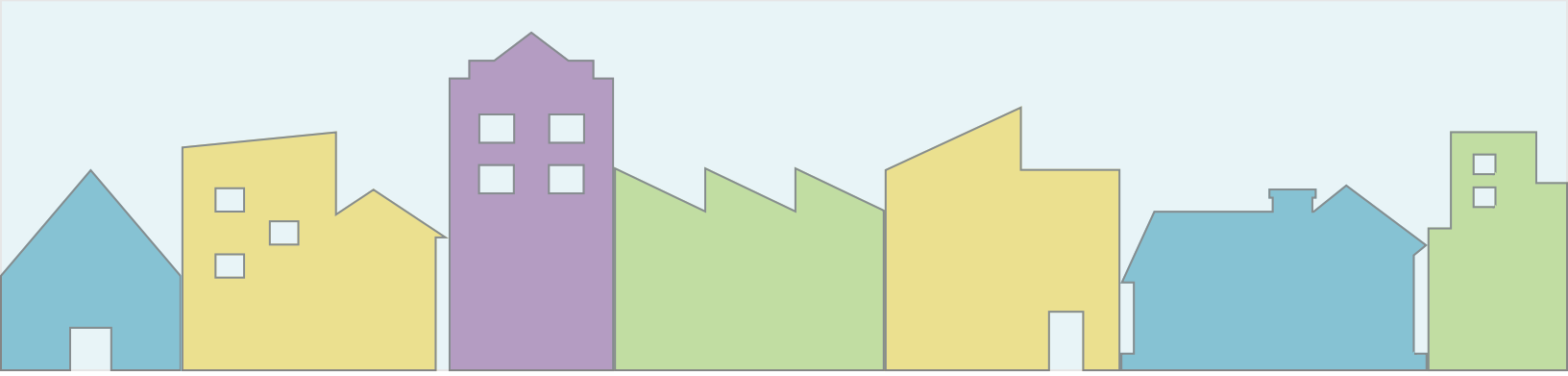

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Housing Supply Mix Strategy 5: Building In, Not Out

Canada needs an “intensification-first” strategy to curb sprawl development

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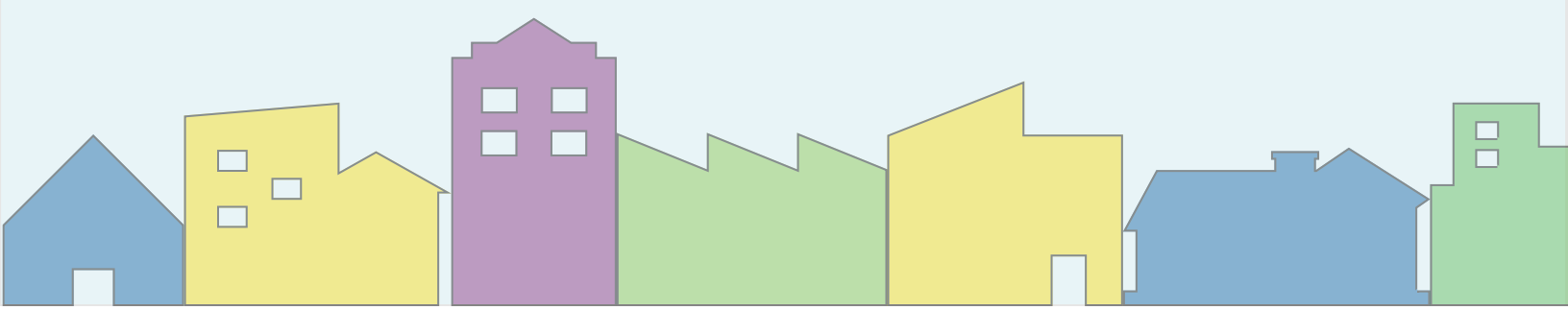
SUPPLY MIX RESEARCH
SUBMITTED TO THE TASK FORCE
FOR HOUSING & CLIMATE



The Issue

A growing body of research shows that intensifying existing neighbourhoods and reducing urban sprawl can meet goals for both affordability and reducing greenhouse gas emissions (from tailpipes and large, inefficient homes) while preserving vital farmlands, wetlands and drinking water headlands.[1] However, most jurisdictions in Canada continue to build at the urban periphery and even use historic trends to forecast the amount of greenfield land required to accommodate more single-detached homes.[2] Instead, planning for housing should apply an "intensification-first" approach to optimize new supply on already developed lands.

Research and Findings

Urban sprawl persists; ambitious actions are required

Building housing that is compact, transit-oriented and close to amenities can reduce emissions, infrastructure costs to municipalities and costs for residents associated with car-dependency and energy inefficient homes. Yet, Canada has struggled to build more density in both its urban and greenfield areas. Almost 70% of housing is on greenfields (whether auto-oriented suburbs or exurban areas), and just 29% of Canada's housing units are in apartment buildings, despite the benefits of density for affordability and emissions reductions. During the past five years, a disproportionate share of recent construction has landed outside our transit-oriented urban areas.

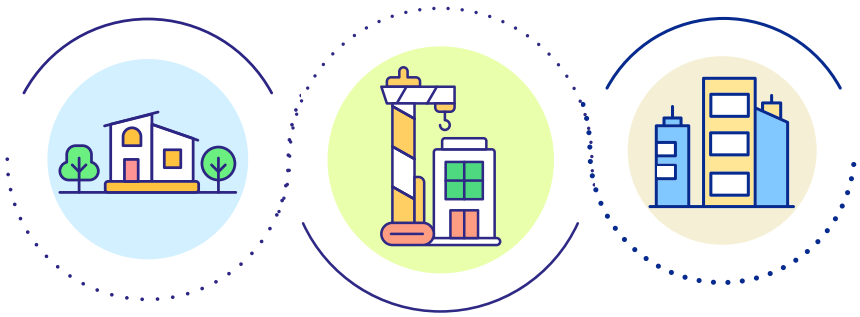
Table 1: Location Composition and Trends [3]

Location	Existing		Built 2016-2021	
Greenfield (auto suburbs and rural)	7,998,352	49.1%	613,268	68.6%
Urban (core and transit suburbs)	3,489,327	21.4%	196,493	22.0%
Outside CMA (CA and Rural)	4,796,556	29.5%	84,204	9.4%

Sources: Data from David Gordon with Remus Herteg. Canadian Suburbs Atlas. (2023). https://www.canadiansuburbs.ca/wp-content/uploads/2023/10/Canadian_Suburbs_Atlas_v14min.pdf

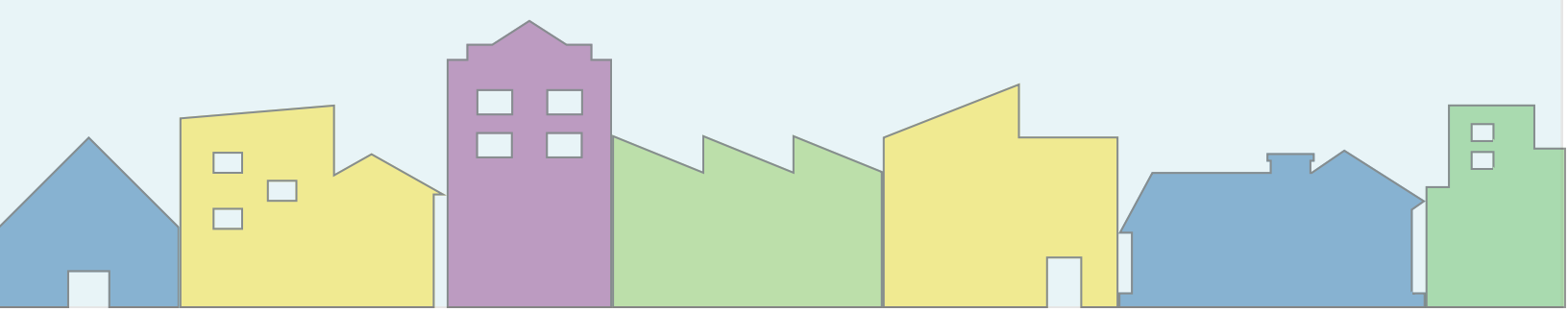
Curbing GHG emissions related to urban sprawl will require strong targets for intensification. Adding 5.8 million new homes will bring Canada's total number of homes to 21.6 million. If we build the new 5.8 million units within our existing CMAs to meet our green goals, and we try to shift the historic land use distribution to an even 50/50 distribution to meet preferences for walkability and transit accessibility, while maintaining the recent building trend outside of CMAs (9%), we will need to allocate 7% of new units to greenfield and 93% to urban areas.

Housing and planning experts assert that it is possible to accommodate housing supply targets with intensification. Cities that have run out of greenfield land have no other choice. For example, the City of Toronto has been accommodating 100% of its population growth via intensification for over four decades.[4] Mississauga ran out of greenfield land nearly a decade ago and is one of Canada's fastest growing cities.



Multiple studies support intensification, for example:

- Municipal planners in Ontario found that existing capacity exceeded the provincial target for new housing without greenfield expansion.[5]
- A University of California Berkeley study found it was possible to meet the entire state of California's housing needs through infill housing, reducing GHGs by 1.8 million metric tons and diverting over 200 million gallons of burned gasoline annually.[6]
- A 2018 study by the Ryerson City Building Institute, *Finding the Missing Middle: A Mississauga Case Study*, found that the City of Mississauga could accommodate its forecasted population within its own boundaries, and 80% of the projected population in Peel Region, which is largely dependent on greenfield development.



Creating the right supply for "good density"

We need greater diversity of housing structures, types, and sizes across urban, suburban and rural areas, both rental and ownership, provided by public, private and NFP sectors. Yet, recent decades have shown that we are only providing a few types of supply well: condominiums with small units and subdivisions of single-family homes built by the private sector in selected cities and suburbs. The lack of housing suitability can push homebuyers further afield to car-dependent locations, facilitating sprawl and increased GHG emissions from vehicles.[7]

To reverse sprawl, planning for intensification supply needs to be more precise than just a unit count; it must account for a range of housing options for family sizes, preferences and budgets. This is feasible. The above Ryerson CBI study also found that a high degree of intensification was possible without having to rely on small condo units in high-rises. The modeling was based on units an average of 1,000 square feet, a family friendly size, demonstrating the capacity to meet supply needs with family friendly housing alternative to single family houses. The study didn't even include secondary suites in the potential capacity – which could add more ground-related intensification housing options.

Key Recommendations for Intensification by the Task Force for Housing and Climate

Top recommendations in the National Task Force on Housing and Climate's *Blueprint for More and Better Homes* include:

- Eliminate unit maximums on all forms of residential housing, abolish parking minimums on residential, commercial, and industrial properties, and adopt ambitious as-of-right density permissions near transit. (All levels of government)
- Create a model planning code for intensification to align with national climate goals, which sets strong restrictions for protected areas, farmland and wetlands. (Federal)
- Establish a dedicated fund to provide grants to local governments specifically for projects that promote walkable, accessible, inclusive, transit-rich, and climate-friendly neighbourhoods. (Federal)

Endnotes

1. Clinton J. Andrews, "Greenhouse gas emissions along the rural-urban gradient," *Journal of Environmental Planning and Management* 51(6), 2008, 847 - 870, DOI:10.1080/09640560802423780 ; Elisa Barbour and Elizabeth A. Deakin, "Smart growth planning for climate protection: Evaluating California's Senate Bill 375," *Journal of the American Planning Association*, 78(1), 2012, 70-86. DOI:10.1080/01944363.2011.645272 ; Jared R. Van de Weghe and Christopher Kennedy, "A spatial analysis of residential greenhouse gas emissions in the Toronto census metropolitan area," *Journal of Industrial Ecology* 11(2), 2008, 133-144. https://doi.org/10.1162/jie.2007.1220

2. Kevin Eby, "Review Of Existing Housing Unit Capacity Identified In Municipal Land Needs Assessments Prepared For Upper- And Single-Tier Municipalities In The Greater Golden Horseshoe," *The Alliance for a Liveable Ontario*, 2023, https://yourstoprotect.ca/wp-content/uploads/sites/3/2023/02/REVIEW-OF-EXISTING-HOUSING-UNIT-CAPACITY-IDENTIFIED-IN-MUNICIPAL-LAND-NEEDS-ASSESSMENTS-R.pdf

3. Data for existing is 2021 and last five years are 2016-2021. The Atlas uses journey-to-work mode choice to distinguish between auto-oriented and transit-oriented suburbs. Full table with additional information can be found here: Cherise Burda and Karen Chapple, "Targeting the Right Housing Supply in Canada: A SUPPLY MIX ANALYSIS FOR THE HOUSING AND CLIMATE TASK FORCE OF THE CLEAN ECONOMY FUND," *City Building TMU and University of Toronto, School of Cities,* 2023.

4. City of Toronto, "Neighbourhood Change and Intensification," 2021, https://www.toronto.ca/legdocs/mmis/2021/ph/bgrd/backgroundfile-173165.pdf

5. Kevin Eby, "Review Of Existing Housing Unit Capacity Identified In Municipal Land Needs Assessments..."

6. Nathaniel Decker, Carol Galante, Karen Chapple, Amy Martin, Ethan N. Elkind, and Marilee Hanson, "Right Type, Right Place: Assessing the Environmental and Economic Impacts of Infill Residential Development through 2030," *Terner Center,* Produced by *Next 1,* https://ternercenter.berkeley.edu/research-and-policy/right-type-right-place/

7. See Table 1 in: Cherise Burda and Karen Chapple, "Targeting the Right Housing Supply in Canada"...

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