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Transit-supportive development and city-building

Brief 1: Building a framework

Growth is an opportunity for great city-building

Ontario's cities are growing fast.

For example, in the Greater Golden Horseshoe (GGH) — the wider region surrounding the City of Toronto, stretching north to Peterborough and Barrie, and south to the Niagara Region — it is anticipated that the population will grow by 50%, from 9 million today to 13.5 million in 2041.[1] In the greater Ottawa-Gatineau area, another important urban centre, the population is expected to approach about 2 million by that year, with a majority of that growth expected within the City of Ottawa.[2]

We see the impacts of growth around us in our daily lives: in rapid urban development and renewal, in busy highways and transit lines, and in rising housing prices. Growth is a challenge, but it's also a big opportunity. We can harness the investment and people that growth brings to build better, more connected cities.

City-building refers to the process of planning and development in cities. Great city-building drives toward some common outcomes – for example, well-planned cities enable people to choose to walk, bike and take transit to their jobs and most other activities and forego owning a car. Congestion and urban sprawl are limited, and residents have access to a range of housing types they can afford and to public spaces that foster interaction. Great cities attract investment in commercial development that brings employment.[3] They are affordable and accessible for everyone – and everyone can participate in their development.

Smart planning that enables strong city-building is for communities across Ontario, and beyond. Many communities traditionally thought of as "suburban" or "mid-sized" are growing even faster than regional averages and are emerging as urban centres in their own right. For example, Durham Region, east of Toronto, is projected to grow by 90% to 2041. The tools and approaches for great city-building are essential is cases like this.

City-building and climate change

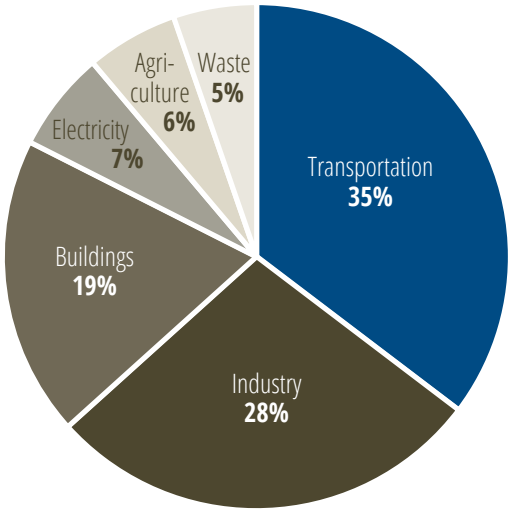
By supporting sustainable transportation and more compact development, great city-building gives residents the option to live lower-carbon lifestyles. Together, the transportation and buildings sectors produce 54% of Ontario's carbon pollution. This number does not include carbon pollution from the production of building materials like steel and cement, captured under "industry" in the diagram below. The way we build today — and how we retrofit our existing neighbourhoods — will lock us into higher- or lower-carbon futures,[4] determine our transportation choices, and play a big role in whether we are able to mitigate and adapt to climate change.

Cities can formalize this relationship. The City of San Diego has a Climate Action Plan that aims to reduce greenhouse gas emissions by 50% by 2035. The City is developing a modelling tool that will assist staff in determining whether community plans achieve the mode split, vehicle kilometres travelled, and densities needed to hit the target.[5] In doing so, the City is making sure that urban development is contributing to meeting its climate goals.

Transit-supportive development is a tool for great city-building

One critical tool for building great cities and communities is transit-supportive development which directs compact urban growth to areas that are well-served by transit, giving more people access to sustainable mobility options. Provincial and municipal growth and transportation policies provide the foundation for transit-supportive development in our cities. For example, Ontario's Provincial Policy Statement requires the efficient use and management of land and infrastructure across the province.

In the Greater Golden Horseshoe, a provincial Growth Plan and an ambitious transportation plan are in place to support transit-supportive development. The Growth Plan identifies priority areas for growth — including around transit stations — and requires that municipalities identify these areas appropriately in their official plans and zoning.[6] Major transit station areas are defined in the Growth Plan as the areas within a 10-minute walk (500-metre radius) from the station. Major transit station areas have target resident and job densities depending on the type of transit (subway, LRT, GO Transit). In parallel, the Regional Transportation Plan for the Greater Toronto and Hamilton Area calls for significant investment in new rapid transit to connect these growth nodes, and several rapid transit projects are already underway. The challenge is now to implement these plans locally and measure their success.



GHG Emissions in Ontario by Economic Sector (2013)

Source: https://www.ontario.ca/data/greenhouse-gas-emissions-sector

In Ottawa, there is no provincial growth plan, but the City has conducted its own population and employment projections and has set municipal intensification targets and minimum density requirements around stations.[7] The results are reflected in the City's Official Plan. Major transit investments, including in LRT, are also happening in Ottawa in line with the city's Transportation Master Plan.

Transit-supportive development or transit-oriented development: what's the difference?

Transit-supportive development is a broad principle that describes a relationship between growth and transit where transit encourages compact development in surrounding areas, which then further supports transit.[8] By directing compact urban growth to areas that are well-served by transit, transit-supportive development promotes access to sustainable mobility options to more people and, in turn, makes transit projects more viable by providing riders. Transit-supportive development should not be considered an end goal, but rather part of a strategy for great city-building.

Transit-Oriented Development (TOD) is an approach to development with a more specific definition. In Ontario, TOD is defined as a strategy for development within an 800-metre radius of major transit stations, with the highest intensity and mix of land uses concentrated within 400 metres of a major transit station.[9] TOD incorporates a mix of built-form, urban design, land use, public realm, and active transportation considerations.

Resources for TOD include the Ministry of Transportation's Transit-Supportive Guidelines,[10] the Institute for Transportation and Development Policy's TOD Standard[11], the Centre for Transit Oriented Development[12] and Metrolinx' Mobility Hub Guidelines[13].

Efforts to bring about transit-supportive development, good urban design and improved transit operations can include TOD — as well as other strategies as tools — that make transit viable and improve the quality of service.[14]

For the purpose of these briefs, the broader term **transit-supportive development** will be used.

Photo: Alex Taranu

Transit-supportive development can better connect commuters to transit options.

A framework for getting to transit-supportive development

Despite strong transit investment, growth policies and planning regulations, there is no guarantee that development will occur as planned. Other factors — namely, market conditions, adequate infrastructure, and political vision — are equally influential in what ultimately gets built.

Before a transit project is committed, the agencies and governments responsible for guiding development need to assess the viability of transit-supportive development around the stations and corridor. This backgrounder proposes a shared framework that can help municipal planners and other authorities diagnose the interventions needed to improve the local conditions for transit-supportive development to ensure best outcomes.

Decisions on where to build or upgrade transit should be based on transparent and robust business case analyses which includes (among many other factors) an assessment of whether the right conditions are present for transit-supportive development. This series does not tackle the issue of transit decision-making. Instead, it examines how to proceed from a land use perspective once a transit route is selected.

Critical pillars for transit-supportive development

Political, economic, and infrastructure pillars must be in place in order for transit-supportive development to take place, for the transit project to be viable, and for the impacted area to become a thriving community after implementation. The framework below can be used to understand what type of interventions are necessary to support particular situations. This evaluation can also help determine areas for development and identify the measures needed at the planning phase to ensure success.

Political

Transit-supportive development needs support from political champions or leaders who will communicate the vision for good city-building and advocate for the project and associated development. Political will, in turn, depends on public support and participation in the vision. This dynamic is explored in depth in the publication *Getting on Board: Learning from planning and engagement around rapid transit projects in Ontario*.[15]

Economic

Despite political will, development may not occur if there is a lack of developer interest, if land costs do not match development potential, if existing ownership patterns are prohibitive, or if the development process presents barriers. Attracting employment in addition to residential development makes a transit project significantly more viable, but is extremely difficult in many areas of the Greater Golden Horseshoe[16] and other suburban or lower-density areas.

Infrastructure

The new density and heights that transit-supportive development brings can require significant infrastructure upgrades. Existing infrastructure may also impact or limit development potential near transit. Furthermore, good transit-supportive development requires connections to other modes, like cycling and walking, which usually require new investments in the public realm. A lack of appropriate supporting infrastructure can deter development.

Policy

Land-use policy—including zoning, statutory plans, development standards, and review processes—is an important tool that can be used to address each of the above pillars. Municipalities are on the front lines of implementation because of their responsibility for developing municipal Official Plans, local zoning, reviewing development applications, and managing infrastructure, so they need to be equipped and supported to meet the challenge. Approaches to reduce procedural delays and extra costs for development projects, such as outcomes-based zoning, are also important considerations.

Applying the framework: two case studies

Below, two case study projects are assessed against the four pillars mentioned above to discuss why they resulted in the outcomes they did. Examples of tools from additional case studies are presented in Briefs 2 and 3.

CIBC Square is an example where each of the four pillars facilitates transit-supportive development.

CIBC Square, Toronto

CIBC Square is an example where each of the four pillars facilitates transit-supportive development. As the case below explores, the site has many advantages because of its location in the heart of downtown Toronto; these advantages are not present in all areas pursuing transit-supportive development.

CIBC Square is a high-rise office on Bay Street in downtown Toronto being built by Ivanhoe Cambridge and Hines. It involves two towers, 49 and 50 storeys, and a combined 2.9 million square feet of office space.[17] One tower is located south of the rail corridor while the other is north of it. They will be connected by a publically accessible open space over the rail corridor. It will also house the new Metrolinx bus terminal and construct new PATH access to Union Station. CIBC will be the anchor tenant, moving 15,000 employees to this location.[18] Construction started in 2017 and is set to be completed by 2023.

Political: While the height and density of new development can often be a source of conflict, in this case the city sought to maximize employment uses around Union Station. Combined with a high demand for office space in Toronto, this development meets city-building goals and will connect the Financial District to the emerging office precinct along Queens Quay (including the 1 Yonge (Toronto Star) and the LCBO Lands redevelopments).

It is also important to note that Metrolinx sold a portion of the development site to Ivanhoe Cambridge with the condition that the development includes rebuilding the bus terminal. This collaboration increased the integration of transit on the site.

Economic: With an estimated construction value of $1 billion in Phase 1[19] and a direct connection to Union Station, Ivanhoe Cambridge was committed to building

Photo: Holly Thomson, Pembina Institute

The future site of CIBC Square. Construction started in 2017 and is set to be completed by 2023.

with transit in mind. In this case, the value of land, the demand for office space and the connection to transit created an environment where planning policy and the market aligned.

Infrastructure: The development requires upgraded water and wastewater infrastructure, but the developer can elect to build the infrastructure themselves and be reimbursed through a development charge credit if the upgrades benefit other properties. Due in part to the high land value and demand for office space, developers may be more willing to pay for the infrastructure up front as opposed to waiting for city to invest.

Policy: Strong public policy enabled the city to capture public benefit and incentivize the development. With some of the highest land values in Ontario, the city was able to develop an agreement under Section 37, an Ontario Planning Act tool that allows municipalities to negotiate contributions from developers that build above a site's permitted height and densities.[20] The agreement includes $1.5 million in streetscape public realm improvements and a $4 million dollar contribution to the Jack Layton Ferry Terminal, in addition to the public transit contributions. The development also received $142 million dollars in incentives from the city, primarily through the Imagination, Manufacturing, Innovation and Technology (IMIT) Property Tax Incentive Program, where qualifying development can receive a Tax Increment Equivalent Grant (TIEG) for 60% of the increase in the municipal taxes over a 10-year period. The project also leveraged the Brownfield Remediation Tax Assistance Program and development charge exemptions.

The development of Mount Pleasant Village incorporates significant public infrastructure investment.

Mount Pleasant Village, Brampton

Unlike CIBC Square, Mount Pleasant Village is a greenfield development so it faced a different set of challenges. It is a master-planned community in Brampton, centred around Mount Pleasant GO Station. It acts as a mobility hub (though it is not designated as such in the Regional Transportation Plan) connecting inter-regional GO service with Brampton transit, including the Züm bus rapid service. More frequent, all-day service to Union Station is planned for Mount Pleasant GO Station as part of the GO Regional Express Rail project.

It features a mix of low-rise housing ranging from detached homes to 4-storey apartment buildings built by Mattamy Homes. The development also incorporates significant public infrastructure investment, including transit and transit amenities, cycling infrastructure, green space and a cultural and education centre containing a community centre, a library and a two-storey elementary school. Construction started in 2008 and most residents moved in 2011. The community is highly walkable, with most homes being no more than a five minute walk from the Village centre and high order transit. South Mount Pleasant Village is currently going through the approval process and will bring higher density including mid-rise apartments and mixed-uses with larger retail and services capacity.

Political: Since Mount Pleasant Village was a greenfield development with no prior residents, there was limited political concern. Limiting parking, front yards and building narrower streets permitted the developer to build more units. Some compromise initially had to be made between perceived market conditions and city-building goals, as there was some hesitation from the developer about the ability to sell live/work units and active first floors. The city and developer reached a compromised and after the live/work units sold quickly, they are more open to building more in the future.

Economic: Many residences in Mount Pleasant feature smaller front yards compared to typical greenfield development, single car parking as well as reduced street parking. Many townhome options were provided.

This more efficient use of land encourages the kind of density that supports the economic case for transit.

Live/work units, which create opportunities for local entrepreneurs, were also built — a first for the City of Brampton and the greenfield market. These factors posed challenges to attracting buyers used to suburban, car-oriented living or those who simply owned more than one vehicle. Likewise, the developer was hesitant to build active ground floor uses such as retail in some multi-unit buildings as there were questions as to whether the market would be supportive.

It has also been a challenge supporting smaller businesses in the neighbourhood, as many residents are used to driving to big-box outlets within Brampton. In response, the city has organized and hosted a public market in the main square of the neighborhood. This has helped activate public space, create more neighbourhood activity and support local businesses.

Infrastructure: The City of Brampton took advantage of $22 million dollars in federal and provincial infrastructure funding through the 2008 Federal Economic Action Plan to enable better quality public amenities including transit, a public square, fountain, playgrounds, greenspaces and a reconstructed heritage building for the community centre. Without the senior government funding, the public realm, amenities and services that attracted many residents may not have been possible.

Policy: Having the benefit of being a greenfield master-planned community, a land use and urban design framework was in place from the start. The City of Brampton developed alternative development standards for the neighbourhood to address its unique attributes: back lanes, reduced right-of-ways, complete streets, reduced setbacks, streetscape and park standards and locating the school on a half size site. These standards created a more compact community with more bike lanes. A Block Plan and Community Design Guidelines helped to ensure a development at the human scale, with urban character and identity. Live/work zoning was also introduced.

A cultural shift to support transit-supportive development in the Greater Golden Horseshoe

Catalyzing successful transit-supportive development is a challenge, not least in the Greater Golden Horseshoe. To really address the barriers to widespread transit-supportive development, we will need to collectively rethink our cultural mindset as planners, professionals and stakeholders to adapt to today's realities. Ways of knowing and doing are sometimes as difficult to change as infrastructure itself. For example, we need a mindset shift in how we think about our commuter rail system, how we include developers and real estate to capture value around transit, and more.[21] Happily, there are great examples in the region, Ontario, and beyond. Municipalities, developers, other planning authorities and stakeholders of all kinds can learn from these success stories to gain insights and create our own made-in-Ontario solutions to move forward.

About this transit-supportive development series

This brief is the first in a series of three papers looking at transit-supportive development in the Greater Golden Horseshoe and beyond. In this brief, we propose a shared framework that can help municipal planners and other authorities diagnose the interventions needed to improve the local conditions for transit-supportive development to ensure best outcomes.

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