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THE LAND DIGEST

New Rules Dealing with Urban Sprawl

The era of sprawling suburban build-out across much of the GTA might finally be over. With 3.5 million people set to move into the Greater Toronto and Hamilton Area over the next 25 years, the province is promising sweeping changes to manage smart growth and curb urban sprawl that's crippling the region.

"There are challenges that have been before us for the last number of years," said Ontario Finance Minister Charles Sousa, who was joined by three other ministers at an announcement in Mississauga to outline broad new measures the province is taking to properly manage future growth. "It was neglected for far too long in previous regimes."Sousa called the proposed new requirements, now under review, a "historic" step.

Many of the bold changes which will be reviewed until the end of September, before they can be incorporated into existing legislation, will directly affect how municipalities handle their growth.

They include:
Requiring "pre-zoning" along transit corridors to guarantee dense development if cities want to get future transit funding.
Ensuring that at least 60 per cent of all new residential developments in municipalities are in existing "built-up" areas.

Substantially increasing employment density so greenfield spaces within cities can't be eaten up by things such as sprawling warehouses.
Requiring municipalities to provide "transparent" calculations to show how they are properly using land to meet smart growth targets.

If implemented, the new measures, created in response to a critical December report on the province's growth plans by a panel headed by former Toronto mayor David Crombie, could dramatically turn around the sprawling, developer-driven patterns of build-out that have taken place across the GTA over the past three decades.

The man who represents one of the largest development industry groups in Canada wasted little time in criticizing Tuesday's announcement, warning of bad news on the horizon for people living in the region. "What this announcement means today is more intensification, more condos, more cranes, fewer housing choices for single-family dwellings," said Bryan Tuckey, president of the Building Industry and Land Development Association (BILD). "The net effect will be higher housing prices across the board."

Tuckey, who attended the announcement, says skyrocketing GTA home prices are the result of supply failing to meet demand, and that the province's proposed new measures to curb sprawl by imposing zoning and land use requirements on municipalities will make things even worse. He said further cuts to the supply of land to build single-family homes will cause prices to rise dramatically, even in an already overheated housing market.

Meanwhile, advocates of smart growth, hoping for a departure from sprawling '70s-style suburbs, hailed the announcement as a bold move. "We need to make the changes for the development of rapid transit, walkable communities, for the reduction on the reliance of the automobile," said Tim Gray, executive director of Environmental Defence.

Gray says without such measures to govern out-of-control land consumption, sprawl will continue

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Economic Indicators:

Real GDP Growth	
Q4 2015	0.8%
Toronto Employment Growth	
Feb 2016	4.4%
Toronto Unemployment Rate	
Feb 2016	7.2%
Inflation	
Feb 2016	1.4%
Bank of Canada Overnight Rate	
Mar 2016	0.5%
Prime Rate	
Mar 2016	2.7%
5 Year Mortgage Rate Fixed	
Mar 2016	4.6%

……Urban Sprawl

unchecked. Valuable green space and agricultural land across southern Ontario would continue to be turned over for unsustainable home construction, he said.

Mississauga Mayor Bonnie Crombie, who hosted the ministers inside a Port Credit community centre, said her city is "ready to embrace greater density."

Once the model for land-gobbling suburban sprawl, Mississauga, with its rapidly rising downtown skyline, is now the province's poster child for reversing the trend. Crombie promised to continue in the right direction. "Mississauga in the next 20 years will look much different than it looks today. Mississauga has grown out, and now it is time that we grow up."

The ministers also acknowledged the province could do a better job of coordinating growth management across all ministries.

They were pressed to address how the province, with its proposed new growth regulations, will deal with what critics say is the single biggest cause of urban sprawl — developer-driven planning decisions, and a heavily criticized Ontario Municipal Board, which rules on disputes between municipalities and developers over land use.

"There will be some other significant changes, believe me," promised Ted McMeekin, Minister of Municipal Affairs and Housing.

"I was a small-town mayor and I know a fair bit about the OMB. There will be some significant changes there that will change the landscape, favourably."

By SAN GREWAL Urban Affairs Reporter Wed., May 11, 2016

Bank of Canada Holds Rates Steady but for how long?

The Central Bank held its target for the overnight rate at ½% Wednesday, citing increasing "household vulnerabilities."

"Canada's housing market continues to display strong regional divergences, reinforced by the complex adjustment underway in the economy. In this context, household vulnerabilities have moved higher," the Bank said in its announcement. Meanwhile, the risks to the Bank's inflation projection remain roughly balanced.

"Therefore, the Bank's Governing Council judges that the current stance of monetary policy is still appropriate, and the target for the overnight rate remains at 1/2 per cent."
The Central Bank argues oil price shock is still being felt, but that economic growth in Q1 has aligned with its expectations. However, the economy will take a hit in Q2 due to the wildfires in Fort McMurray.

"The second quarter will be much weaker than predicted because of the devastating Alberta wildfires," The Bank said. "The Bank's preliminary assessment is that fire-related destruction and the associated halt to oil production will cut about 1 1/4 percentage points off real GDP growth in the second quarter." The economy is expected to rebound in the third quarter due to oil production resuming.

"Inflation is roughly in line with the Bank's expectations. Total CPI inflation has risen recently, largely due to movements in gasoline prices, but remains slightly below the 2 per cent target," The Bank said. "Measures of core inflation remain close to 2 per cent, reflecting the offsetting influences of past exchange rate depreciation and excess capacity."

Source: REP

RECENT SALES – Metro Toronto

Address/City	Acres	Price	Notes
620 Avenue Road	0.75	$18.36MM	Mid-rise condo res.
164-200 Cummer Avenue	1.67	$7.47MM	Future residential development
15-17 Lillian Street	0.08	$4.3MM	Future single family development
36 Tippett Road	NA	$9.22MM	Future high rise condo
2750 Morningside Drive	8.25	$3.90MM	Future commercial development

Source: CFAS and RealTrack

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The Land Development Group started in 2012 and to date has sold over $80 million worth product.

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