Most Hamiltonians Do Not Oppose an Expansion of the City's Urban Boundary

February 16, 2022
Report Prepared by:

Frank Clayton, Ph.D.
Senior Research Fellow

*The opinions expressed in this research report are those of the authors only and do not represent the opinions and views of either CUR or Ryerson University.

Contact

Centre for Urban Research and Land Development, Ryerson University
350 Victoria Street, Toronto, ON M5B 2K3
E-mail: cur@ryerson.ca
Executive Summary

The November 19, 2021 vote by the City of Hamilton Council not to expand the City's urban boundary to incorporate adjacent greenfield lands is based upon a fallacious understanding of the housing market and the housing demand of its current and future residents. Council, in its wisdom, is telling its growing population they must mostly live in apartments. Council’s future housing vision collides with the housing aspirations of many existing and future residents.

The City of Hamilton conducted a survey of its citizens to determine the desire to intensify Hamilton versus expand its urban growth boundary. Respondents to the recent City Survey of Hamilton residents were not properly informed of what a No Urban Boundary Expansion growth scenario would mean for the kinds of housing built in Hamilton. The scenario will result in most new housing being apartments, with only a smattering of single-detached and other types of ground-related homes (semis and townhouses).

The overwhelming support the City Survey results show for the No Urban Boundary Expansion option is deceptive and not representative of the population. The survey was too limited in the options listed, did not represent a random sampling, and there is little doubt that it was hijacked by opponents of urban expansion.

If Council’s decision is not overturned by the Province, the growing shortage of ground-related homes will increase housing prices in the city. Existing and future Hamilton residents wanting affordable ground-related houses will increasingly relocate to other fringe municipalities where this housing is available. The resulting longer commutes mean that instead of stopping "sprawl", Hamilton’s Council is simply shifting development to other municipalities. It will also mean Hamilton will not achieve the minimum population forecast the Province has set. Other municipalities will be obliged to pick up the slack.

Background

Municipalities within the Greater Golden Horseshoe (“GGH”) are currently preparing Municipal Comprehensive Reviews to plan for future population and employment growth expected under the 2020 Provincial Growth Plan for the Greater Golden Horseshoe (“Growth Plan”). The Growth Plan policies for accommodating residential development entail a combination of intensification (adding more units in the existing built-up community) and expanding the urban boundaries (building on fringe vacant lands or “greenfield development”) in all municipalities, except for Toronto and Mississauga. In addition, municipalities, including the City of Hamilton, have been instructed to adopt a market-based approach to forecasting housing need by dwelling types and densities, subject to a minimum of 50% of new housing built in the existing urban area. Market-based refers to housing preferences and buying intentions of households by age group.

Unlike other municipalities, the City of Hamilton's Council did not decide on the split of future housing development between the built-up and greenfield areas based on provincial policy requirements, market-based forecasts, public input and staff recommendations. Instead, ignoring the Province's policies and the conclusions of the City's land-use needs

---

1 The Municipal Comprehensive Review is a process municipalities like Hamilton must follow to ensure their official Plans conform with policies in the Growth Plan. The Ministry of Municipal Affairs and Housing has set July 1, 2022, as the deadline for municipalities to complete their Municipal Comprehensive Review and Growth Plan conformity exercise.

2 All new residential development planned for Toronto and Mississauga must be intensification as these municipalities have exhausted their greenfield land supplies.

3 Ministry of Municipal Affairs and Housing (2020). “A Place to Grow: Growth Plan for the Greater Golden Horseshoe, Office Consolidation, 2020.” [Online]. Available at: https://files.ontario.ca/mmah-place-to-grow-office-consolidation-en-2020-08-28.pdf. In addition to a minimum density target of 50%, municipalities like Hamilton are also expected to achieve a minimum density target of not less than 50 residents and community area jobs on greenfield lands.
assessment consultant, it instructed its staff to conduct a survey (“City Survey”) of all households in Hamilton to record resident responses to two growth options. Council not only directed staff to undertake the survey but also told them how to conduct it.⁴

**The City Survey found that most respondents opposed urban boundary expansion – 90.4 percent.**⁵ Council subsequently voted down any expansion of the City’s urban boundaries. Its decision was flawed to the extent councillors relied on the results of this survey as an indication of public support. The decision also ignored the advice of the City’s consultant (Lorius and Associates) not to adopt an intensification target (proportion of all new housing built in the existing urban boundary) of more than 50%. The intensification target in the No Urban Expansion scenario is a high 81%. Lorius and Associates cautioned the City that fulfilling the Ambitious Density scenario with its 60% intensification target may be a challenge from a market perspective as there are limits to channelling the historical growth pattern towards denser and more compact urban forms.⁶

In a separate study, Lorius and Associates cautioned the City that a 48% intensification target itself “is approaching the maximum plausible demand outlook.”⁷

---

⁴ The survey was to be a City-wide mail survey with two optional scenarios (No Boundary Expansion and Ambitious Density – residents were also to be given the opportunity to submit their own scenario). Staff was also directed to include a postage-paid envelope with the survey and give residents 30 days to respond to the survey.

⁵ City of Hamilton (2021). “Urban Growth City-Wide Consultation Summary Report.” [Online]. Available at https://www.hamilton.ca/sites/default/files/media/brows er/2021-09-17/grids-ped17010m-1.pdf. 5. The percentage of respondents voting for no boundary expansion was listed 81.9% for mailed responses and 97.4% for emailed responses.


---

I must confess I was stunned by this overwhelming support for prohibiting the expansion of Hamilton’s urban area. It was, and is, fanciful and not in accordance with the housing type desires of most current or future residents. I describe why below.

**A separate survey of a sample of Hamilton residents funded by real estate industry groups (“Industry Survey”) reached a different conclusion: more respondents supported than opposed the expansion of Hamilton’s urban boundary.** Fifty four percent of responses on the question of keeping the urban boundary the same or expanding it supported accommodating all residential growth in an expanded urban boundary.⁸

This paper examines the effectiveness of the two surveys in capturing the views of Hamiltonians. It looks at the questions asked, how the surveys were conducted and a GTA-wide survey of buying intentions by unit type in the context of my knowledge of housing preferences. The paper first looks at the City Survey, then the Industry Survey. Finally, I present my conclusions.

### How the new housing mix in a municipality differs by where future growth occurs

How a survey is conducted will determine the usefulness of its results. Both surveys we look at asked respondents about their opinion on expanding growth boundaries. Neither survey,
however, made it clear that the mix of new housing built in Hamilton depends on whether the housing is created in the existing urban area or on expansion lands. An awareness of the impact of alternative growth scenarios on the type of new housing built is vital for survey respondents to assess the scenarios rationally.

Figure 1 shows the vast difference in the types of new housing anticipated to be built in the existing urban area boundary (built-up area) and in an expansion of the existing urban area (the designated greenfield areas) over the next three decades. The housing mixes are:

- In the existing urban area, 80% of all new housing is expected to be apartments; and
- In the expansion area, 94% of all new housing is anticipated to be ground-related housing (singles, semis and townhouses).

Thus, the more new housing planned for the existing urban area, the more apartments will be added to the mix of units built in the city instead of ground-related homes.

### City Survey

#### Purpose of the survey

The City Survey sought to obtain feedback from city residents on two proposed land needs scenarios for accommodating residential development in Hamilton over the next 30 years, 2021-2051:

1. **Ambitious Density Scenario** - with 60% of future growth occurring in the existing urban area; and
2. **No Urban Boundary Expansion Scenario** – with 81% future growth occurring primarily through intensification in the existing urban area.9

The Ambitious Density Scenario had been recommended to Council by City staff in March 2021. Council added the No Urban Boundary Scenario to the City Survey even though this scenario had not been evaluated by the City's land needs assessment consultant. In addition, this scenario is incompatible with the Province's policies.

#### Limited land use options

The Council's selected scenarios would result in large amounts of new housing built in the existing urban area. No effort was made by Council or City staff to illustrate how much these scenarios differed from what has been happening previously in Hamilton or what was called for under the Province's Growth Plan. Lorius and Associates presents a Market-Based Scenario forecast of housing demand which is essentially the same as the housing needs by type scenario prepared by Hemson Consulting in its most recent forecasting as background for the amended 2020 Growth Plan. This Scenario does incorporate shifts in housing types and locations (more in the built-up area vs. greenfields).

---

In addition to the Ambitious Density Scenario, Lorius and Associates set out three alternative growth scenarios:

- Current Trends (40% intensification);
- Growth Plan Minimum (50% intensification);
- Increased Targets (50%/55%/60% intensification).

In context, the actual intensification rate achieved by Hamilton has been even less than the Current Trends Scenario – 35% between 2008-2019 and 38% post-2016 Census of Canada.

Lorius and Associates regards the Market-Based Scenario as a base case scenario against which it compares and assesses its four alternative scenarios.

In my view, the City Survey should have included and explained the Market-Based and the Growth Plan Minimum Scenarios in addition to the two scenarios it contained.

**Inadequate background provided on the alternative scenarios**

The City Survey indicated that the Ambitious Density scenario would need 1,340 hectares of expansion lands while the No Urban Boundary Expansion would need zero hectares of expansion lands. There was voluminous media coverage from environmental groups and some individual Hamilton Councillors about the environmental advantages of the No Urban Expansion scenario, including concerns about preserving agricultural lands.

Critical information was missing, however, including the differing types of housing which would be built between 2021 and 2051 under the two scenarios, and how these would compare to the Market-Based and Growth Plan Minimum scenarios.

Figure 2 shows the housing mix for new housing in Hamilton over the next three decades under the four scenarios considered here. All scenarios plan for a total of 110,320 new units between 2021 and 2051. As a benchmark, according to the 2016 Census of Canada, 72% of all households in Hamilton lived in ground-related homes with just 28% living in apartments. Households in singles and semis dominated accounting for 60% of all households.

**Key points to note:**

- **Three-quarters of all new housing built in Hamilton under the Market-Based Scenario would be ground-related**

Households in the GTHA have shown strong preferences for ground-related housing, especially single-detached houses, which is reflected in this scenario. Half of all the new housing that would be built under this scenario would be singles/semis. This Market-Based Scenario would also require the conversion of largest amounts of

![Figure 2: Alternative Scenarios for Housing by Dwelling Type Built in Hamilton, 2021-2051, Percent Distribution](source: Various Lorius and Associates City of Hamilton information reports)
greenfield lands to urban use – more than the 3,440 hectares under the Current Trends Scenario.

- **The Growth Plan Minimum Scenario** envisions a significant shift away from ground-related housing from 76% to 57% of all new housing

This scenario presumes a considerable shift in housing demand to apartments from single-detached houses as a proportion of all new housing - almost doubling this proportion to 43% from 24%. In absolute numbers, ground-related housing, all in the single-detached category, drops by 20,720 units, and the number of apartment units rise by the same number. The greenfield land needs under this scenario are 2,190 hectares.

The City's consultant warns that, with an intensification rate of 50%, this scenario pushes the limits of a future market demand shift to apartments in Hamilton. Incidentally, I agree with the consultant.

- **The Ambitious Density Scenario** decreases the share of ground-related housings to 50% of all new housing

Under this scenario, there is a further shift in demand to apartments away from single-detached housing. However, it is much less pronounced than the shift that would be seen in the Growth Plan Minimum Scenario. The greenfield land requirement is 1,340 hectares.

If pushing the demand envelope to apartments is near a maximum in the Growth Plan Minimum Scenario, this added switch exceeds the maximum.

- **The No Urban Boundary Expansion Scenario** would result in only 22% of new housing being ground-related housing, compared to 76% under the Market-Based Scenario

It is unfathomable to contemplate that 78% of all new housing built in Hamilton under this scenario would be in the form of apartments when the underlying forecast need is for 76% ground-related housing under the Market-Based Scenario. Furthermore, under this scenario, only 9% of the new housing will be single-detached houses, down from 51% under the Market-Based Scenario.

This degree of social engineering simply will not produce the desired result. Instead of being forced by City policy to live in apartments many Hamilton based households will move to other municipalities where they can find the housing they want at a price they can afford.

An analysis we completed previously concluded the Ambitious Density Scenario recommended by staff exceeded the maximum demand for new housing in the existing urban area as identified by Lorius and Associates. The scenario is also inconsistent with the market-based supply test embedded in the Province's Growth Plan.¹⁰

**The design of the City Survey was woefully deficient**

The idea of the survey seemed straightforward. Distribute a questionnaire to every Hamilton household, tabulate the results, and presto, one has the pulse of the adult population on the future growth of the city. Sadly, the reality is at odds with the intention. As indicated, the survey should have included the other options being contemplated and should have provided vital information on their relative impacts, particularly concerning housing types. Further, a more statistically valid survey would have incorporated controls to ensure the results accurately represented Hamilton residents. The questionnaire should have obtained summary information on respondents (age, gender)

and applied screening questions to ensure no group could stack the results (contact names, addresses and phone numbers). The City Survey did none of this.

A Hamilton staff report compiling concerns as raised by the public and members of Council concerning the survey is summarized below:¹¹

- **Survey document perceived as a flyer and discarded unread**
  
  The survey was not identifiable as an important and legitimate mail-out from the City of Hamilton. The Industry Survey confirmed this concern by asking respondents whether they recalled receiving the survey document from the City. Four of five respondents did not remember receiving the survey.

- **Not all households received the survey**
  
  The survey instrument was distributed by postal walk. As a result, households who had instructed the Post Office not to deliver advertising flyers did not receive it. In response to this concern, staff emailed copies of the survey to those who requested it, added the document to a City website, and made additional hard copies available for distribution by Councillors. This wider circulation of the survey opened the door even more to multi-responses from respondents.

- **The survey was distributed to households, not persons**
  
  Council directed staff to distribute one survey to each household. Some households had more than one member wanting to respond to the survey. Staff asked additional respondents to respond via email.

- **No online survey option**
  
  As Council directed staff to conduct a city-wide mail survey, staff did not investigate an online survey option. However, an environmental group, Stop Sprawl HamOnt, promoted the survey on an external website, urging people to vote for the No Urban Boundary Expansion option. The online responses were automatically forwarded to a City website. Indeed, 81.7% of all email responses received by the City (out of a total of 10,154) came from this environmental group's website.

- **No way to screen for multi-responses**
  
  The Achilles' heel of the survey was the staff's desire to gather as many responses as possible with little regard to the potential manipulation of survey results by persons, or groups of persons, who could submit multiple completed surveys without recourse. There were no editing procedures to identify multi-responses to the paper survey and/or the online survey, or both. The online survey instrument set up by Stop Sprawl HamOnt is prima facie evidence of efforts to bias the results in favour of one option.

With these flaws in the conduction of the survey, there is no way that the survey results can be interpreted as representative of Hamiltonians' views on urban growth.

**Why did Council instruct staff to carry out a flawed household survey rather than a statistically valid sample survey of Hamilton residents?**

It is hard to discern the reasoning of individual Council members in instructing staff to conduct the survey as described rather than undertaking more accurate survey techniques as done in the past. They certainly understood the importance of conducting a sample survey in a professional manner.¹²

---


¹² As recently as 2019, Council authorized a market research company to undertake a random telephone survey of a sample of Hamiltonians to gather their views on the services provided by the City. See City of Hamilton, Our City Survey 2019 Summary Report. A total of 5,771 responses were received, and the statistical accuracy of the results was calculated. With this type of survey, multi-responses are not a problem. By the way,
Industry Survey

Purpose of the survey

The Industry Survey sought feedback from Hamilton residents on their preferred location to accommodate future population growth. There were two options: (1) keep the boundary the same and fit all the population growth up to 2051 in neighbourhoods like the respondents' current neighbourhoods and (2) expand the urban boundary to accommodate all the population growth in an expanded urban boundary. Respondents were also given a third option - that future growth in Hamilton should be slowed down.

The survey obtained respondent comments on several other topics, including current and preferred housing types, whether they were considering moving due to a lack of affordable housing they preferred, and whether they recall receiving the City Survey in the mail.

The survey methodology is valid

As noted, Nanos Research conducted a telephone survey, land and cell phones, of a random sample of 700 Hamilton residents 18 years and older. Its methodology is virtually the same as that used in Hamilton’s Our City Survey 2019.

Survey growth options not comparable to the City's options

The Industry Survey did not provide background on its two growth scenarios which differed from the two scenarios in the City Survey and the other options examined in the Lorius and Associates' land needs assessment report. Nor did it explain why it included the possibility of preferring slower growth, an option which is not permitted under the 2020 Growth Plan. Responses to the all-growth scenarios (in either the existing or expanded urban boundaries) do not help assess public attitudes to the City's two growth scenarios or the other scenarios considered by Lorius and Associates. In addition, responses could have been influenced by references to growth occurring in "current Hamilton neighbourhoods like you own". The survey collected information on respondents' views regarding housing affordability in Hamilton and their current and preferred housing types. Collection of these type of feedback would have been useful for incorporation in the City Survey when evaluating the results.

The City Survey results are at odds with reality

For 82% (mail responses) to 97.4% (email responses) to favour the No Urban Boundary Expansion scenario would require all homeowners plus most renters to support it. In 2016, Hamilton had 68% homeowning households and 32% renters. If homeowners were motivated solely by greed, they would have a solid financial reason to support the No Urban Boundary Expansion Scenario. There would be a lot fewer ground-related housing built under this scenario. When combined with growing demand, this would translate into higher prices for their homes. It is unlikely that large numbers of owners answered the way they did for personal investment motives alone. Such a scenario would mean living in an apartment in the future in Hamilton that contradicts a preference of a ground-related home for many renters (see below).

---

13 All upper- and single-tier municipalities in the Greater Golden Horseshoe are instructed to regard the population forecasts in Schedule 3 as minimum targets. MMAH (2020). “A Place to Grow: Growth Plan for the Greater Golden Horseshoe,” 56.
GTA surveys find a robust desire and intention to buy ground-related housing, especially single-detached houses

For the past six years, the Toronto Regional Real Estate Board retained Ipsos to survey a sample of households intending to buy a home in the Greater Toronto Area ("GTA"). The surveys consistently show strong demand for ground-related housing over apartments. Figure 3 presents the results of the Fall 2020 survey.

- **Four of five intended buyers most likely to buy ground-related housing**

  Of the respondents, 79% stated they were most likely to purchase a ground-related home versus 19% stating they intended to purchase a condominium (assumed to be apartments). Nearly half of the respondents intended to purchase a single-detached house, 15% a semi-detached house and 19% a townhouse.

While these buying intentions were collected for the GTA as a whole, it is unlikely that the results for Hamilton would differ significantly – ground-related housing, especially single-detached houses, is what most homebuyers want to buy in the Greater Toronto and Hamilton Area as a whole.

Results from the Industry Survey reinforce households’ intentions to live in a ground-related home

Figure 4 shows respondents' current and preferred housing types from the Industry Survey.

The commanding desire for a ground-related home by most Hamilton households is evident:

- **Current types of housing**

  78% of respondents live in ground-related housing at the time of the survey, with most residing in single-detached houses (60%). These proportions are somewhat higher than showed in the 2016 Census of Canada: 72% and 57%, respectively.

- **Preferred housing types**

  87% of respondents prefer ground-related housing, with 75% choosing a single-detached house. Only 13% have a preference for apartments.

The preference for ground-related housing is noticeable for renters now living in apartments
Figure 5 shows the same information as Figure 4 but is split between current homeowners and renters responding to the Industry Survey.

Renters make up the largest numbers of potential first-time buyers, and they want to live in ground-related housing, especially single-detached houses.

- **Current vs. preferred housing type – renters**

  According to the Industry Survey, about 45% of renters now live in ground-related housing, including 25% in single-detached houses. However, the proportion of renters preferring to live in ground-related houses is much higher – 70%, with 60% choosing a single-detached house.

**Conclusion**

**The City Survey results are not valid**

The November 2021 vote of Hamilton's Council to pursue the No Urban Boundary Expansion option, supported as it was by the discredited City Survey results, guarantees a further deterioration in housing affordability in Hamilton. This is especially the case for access to the ground-related housing types preferred by the majority of current and future residents. Moreover, as per the Addendum to City of Hamilton Land Needs Assessment report prepared by Lorius and Associates, the lack of ground-related housing in Hamilton is likely to push housing demand to other southwest municipalities in the GGH. It also means the City will also effectively plan for a lower growth forecast, which is prohibited under the Growth Plan.\(^{14}\)

**The Council's decision would create more "sprawl", not less**

A pillar of the Council's decision not to expand Hamilton's urban boundary is the desire to stop "sprawl," which many politicians, planners and environmentalists misleadingly define as any development on greenfield lands. However, an unforeseen impact of the Council's decision will be to shift the development to other municipalities, as households searching out affordable ground-related housing will be forced to commute further for work. As Lorius and Associates states:

> Of particular concern is the risk of negative regional impacts on Prime Agricultural Areas in the Outer Ring municipalities with lower intensification and density targets that would likely receive the additional growth pressures.\(^{15}\)

Clearly, the No Urban Boundary Expansion Scenario is a non-starter in terms of the Province’s Growth Plan which is concerned with growth and its distribution throughout the GGH. There is no room for individual municipalities like Hamilton to snub their nose at the Province and refuse to accommodate a reasonable balance between housing needs and affordability and environmental objectives. The Growth Plan Minimum Scenario does this.

---


\(^{15}\) Lorius and Associates, Addendum, p. 19.
References


