



# Altus Group



## Intensification, Economics and the Proposed Growth Plan

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“The development of a property, site or area at a higher density than currently exists through:

- a) Redevelopment, including the reuse of brownfield sites;
- b) The development of vacant and/or underutilized lots within previously developed areas;
- c) Infill development; or
- d) The expansion or conversion of existing buildings.”

(PPS, 2014)



## Question

Why do economists like intensification?

## Answer

Because intensification can optimize the use of land and existing infrastructure, including transit and community infrastructure like schools and parks.

“Optimize the use of existing and new infrastructure to support growth in a compact and efficient form”

## **op·ti·mize**

/'äptə,mīz/

*verb*

1. Make the best or most efficient use of an opportunity.
2. Make the use of something as efficient as possible.

# The Existing Growth Plan says:

- Municipalities are required to implement intensification strategies to:
  - Encourage intensification generally throughout the built-up area
  - Facilitate and promote intensification

# The Existing Growth Plan says:

- All intensification areas will be planned and designed to... generally achieve higher densities than the surrounding areas.



# The Existing Growth Plan says:

- Municipalities are to plan for higher densities to ensure the efficiency and viability of existing and planned transit.





# The Existing Growth Plan says:

- Planning for growth must take into account the availability and locations of existing community infrastructure, so services can be provided efficiently and effectively.
- Community infrastructure refers to lands, buildings, and structures that support the quality of life for people and communities by providing public services including schools, parks, libraries, fire stations etc.

“Prioritize intensification and higher densities to make efficient use of land and infrastructure...”

The principle of optimization has been eliminated.

# The Proposed Growth Plan says:

“Better use of land and infrastructure can be made by ... prioritizing intensification in built-up areas with a focus on strategic growth areas. ... Concentrating new development in these areas provides a focus for investments in transit as well as infrastructure and public services to support forecasted growth...”

# Under the Proposed Growth Plan:

- Substantial investment in new infrastructure will be needed to support the growth allocated to strategic intensification areas.



- If municipalities are unwilling to make those investments, intensification proposals may be turned down.

# Under the Proposed Growth Plan:



- Government charges imposed on intensification will have to increase to cover the costly new infrastructure needed because intensification will no longer be encouraged throughout the built-up area where capacity is often available in existing infrastructure.
- From an economic perspective, higher charges will discourage intensification.

- Real intensification takes backbone and that backbone is provided by the existing Growth Plan policies.
- The Proposed Growth Plan would weaken that provincial planning policy backbone.
- Without the existing Growth Plan policies that require municipalities to encourage, promote and facilitate intensification, the result is likely to be less intensification – not more.





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