

Comment submission on Proposed Updates to the Projection Methodology Guideline to support the implementation of the Provincial Planning Statement, 2024

City of Ottawa

October 10, 2024

City of Ottawa staff have reviewed the Proposed Updates to the Projection Methodology Guideline to support the implementation of the Provincial Planning Statement, 2024 (PPS, 2024) and while staff appreciate that the Projection Methodology Guideline (PMG) cannot provide a solution for all municipalities due to their variety in nature, staff are of the opinion that the proposed PMG is too broad and does not provide enough information on how to complete certain aspects of the projections. With the PMG being broad in nature, multiple projections could be completed for the same municipality resulting in different conclusions that are all consistent with the PMG leading to differing land requirements. City of Ottawa staff have outlined below where specific guidance should be provided in the PMG, along with additional feedback, separated into sections.

1. Ministry Finance Population Projections

- a. The PMG states that municipalities are to review the Ministry of Finance population projections and consider assumptions, such as major infrastructure investment, unusual growth patterns, and immigration forecast updates, to modify the Ministry of Finance projections when appropriate. City of Ottawa staff agree that this is appropriate and consistent with the PPS, 2024.

2. Developing Housing Needs Forecasts

- a. The PMG should explicitly include the suitability of separating population in collective dwellings from population in private dwellings where information is available prior to applying headship rates in sections relating to suppressed household formation. Separating population by collective and private dwellings will provide a more appropriate population base to apply headship rates.
- b. Specific guidance should be provided on determining housing need/projection by dwelling unit type. For example, whether propensities from the last Census are held constant or how propensities should be adjusted to account for propensities by cohort. Dwelling propensities have always changed in Ottawa with clear trends in shifts from single-family detached dwellings towards more affordable dwellings such as townhouses and apartments. For municipalities that have never experienced constant or near-constant dwelling propensities in each Census period, the PMG should provide more specific guidelines on how to project future dwelling propensities.
- c. The PMG suggests making adjustments relative to affordability and housing options, including the availability of various unit types, at the census base year. Specific examples of such adjustments will assist municipalities in making relationships to the relevant sections under the *Planning Act* to achieve these projections.

Comment submission on Proposed Updates to the Projection Methodology Guideline to support the implementation of the Provincial Planning Statement, 2024

City of Ottawa

October 10, 2024

- d. The PMG recommends that municipalities adjust household forecasts for suppressed household formation, affordability, vacancy rates, and market contingencies. Specific direction, methodology, or benchmarks should be provided for making these adjustments to ensure consistency application across projections. The PMG should also note under the “market contingency factor” that municipalities may wish to consider the financial costs when providing infrastructure services for forecasts that do not materialize.
3. Developing Employment Forecasts
 - a. The PMG encourages municipalities to refine their respective activity rate to accommodate the potential for future changes in employment needs. The PMG should explicitly include the main components of the municipal activity rate that can be refined such as participation rates and unemployment rates from an aging population, trends in multiple job holders, and changes in net commuting from growth in adjacent municipalities within the census metropolitan area. Municipalities should be permitted to develop employment projections based on the components of a municipal activity rate rather than having to aggregate the components into a single rate
 - b. The PMG recommends municipalities forecast employment using a municipal activity rate and holding that rate constant throughout the projection period. However, this approach seems to conflict with recommendations for municipalities to refine their respective activity rates. The application of the municipal activity rate to the forecast population should then note the ability to have alternate activity rates in the projection period to reflect the recommended refinements.
 - c. The PMG recommends municipalities to categorize jobs by the National Occupation Classification (NOC). The PMG should note the ability to use other economic sector classifications, such as the North American Industry Classification System (NAICS).
 4. Land Needs Assessment
 - a. When calculating land requirement using method 2, the PMG should include a second option for calculating employment. Instead of using floor space per worker and floor space index, allow municipalities to calculate jobs per net hectare that achieve the same results on an area wide basis.
 5. Scenarios
 - a. When released, the PMG should include scenarios that illustrate the implementation of the recommended methods from start to finish. When creating these scenarios, City of Ottawa requests:
 - i. The scenarios illustrate examples of all potential adjustments within the calculations

Comment submission on Proposed Updates to the Projection Methodology Guideline to support the implementation of the Provincial Planning Statement, 2024

City of Ottawa

October 10, 2024

- ii. The scenarios illustrate municipal activity rate adjustments throughout the planning horizon, instead of holding it constant
 - iii. The scenarios include all methods (specifically Methods 1 and 2) in the Land Needs Assessment section.
- b. To assist municipalities with different economic and planning contexts, the PMG should include scenarios for different sized municipalities, different governance structures (single, upper, lower tiers), and different prominent sectors of the economy (agricultural, manufacturing, office).