

October 21, 2019

Planning Consultation
Provincial Planning Policy Branch
Minister of Municipal Affairs and Housing
College Park, 777 Bay Street,
13th Floor
Toronto, ON M5G 2E5

RE: ERO # 019-0279, Provincial Policy Statement Review – Proposed Policies

Thank you for the opportunity to provide comment on the proposed amendments to the Provincial Policy Statement (PPS).

As background, Sussex Strategy Group is one of Canada's leading public policy and government relations consulting firms, providing services at all three levels of government. Our comprehensive, results-oriented approach – which contemplates political dynamics, legislation, regulations, policy, and the provincial government's fiscal tools (taxation and expenditures), supported by dedicated research and monitoring staff - has led to numerous positive policy outcomes. Since the firm's inception in 1998, Sussex has provided domestic and international corporations, industry and professional associations, labour organizations, institutions, and the not-for-profit sector with government relations consulting services that are second to none.

Over the 21+ years, Sussex has worked with many clients active in the planning and development space. As a result, we have regularly experienced first-hand the impact of the PPS on development as a whole for the province and specifically for particular projects. The comments provided below build on these experiences with past and current clients. We support the government's goals behind these changes to the PPS. Increasing the housing supply, supporting jobs and reducing barriers and costs in the land-use planning system, in our opinion, are the right objectives to pursue. In our experience, clarity is needed with respect to the treatment of employment lands (in particular, what is considered to be employment and what uses are allowed within lands zoned for employment). We believe current policy could be strengthened and made more explicit regarding what is contemplated for employment areas, so as to avoid situations where developers and municipalities have differing interpretations of what is allowed in such areas. For example, while the PPS is clear, in proposed section 4.6 and the preamble of the PPS, that municipal official plans must conform with the PPS, certain sections, such as those in section 1.3, have been interpreted by municipal planners as allowing municipalities to take a more restrictive approach, while developers have taken the same provisions as guidance on factors to consider in implementing the provincial policy. We provide some specific recommendations below in this regard.

Clarity Regarding Employment Areas and Lands Zoned for Employment Uses

- Generally, clarity regarding what is considered a job would be helpful. Often, employment has been interpreted to mean only manufacturing or industrial employment, based in part on the definition of employment area only including “retail and ancillary facilities” as associated with “manufacturing, warehousing [and] offices.” In today’s employment context, it is entirely possible to see a goods fulfillment warehouse have a minimal number of employees, but satisfy municipal interpretations of employment, while retail or institutional uses that employ far larger numbers of people do not satisfy municipal interpretations. Clarification that a job is a job would be helpful.
 - There can be some tension between what the *Planning Act* says is allowed in employment areas (s. 1(5)) and some of the expansion on this that is contained in the PPS. For example, the proposed section 1.3.1(a) is clear that mixed uses are allowed in employment areas. At the same time, the proposed section 1.3.2.3 seems to entrench that industrial and manufacturing uses within employment areas take precedence over other uses, which municipalities have sometimes interpreted as excluding other uses in these areas. Ensuring clarity on what is and is not allowed within employment areas will ensure developers and municipalities are both clear on what should be proposed for such areas and what should receive permit approval.
- Similarly, there have been differing interpretations of the definition of employment area. In particular, based on the definition of employment area, some municipalities have interpreted areas zoned for employment uses to only be allowed to host employment uses (which doesn’t include any residential or institutional uses and, generally, only limited and/or ancillary retail uses). As the PPS changes reflect, our understanding has evolved – i.e. integrating mixed uses, including employment, residential and other uses within an area is more effective in creating healthy, liveable and safe communities and in supporting economic growth than exclusively clustering employment uses together separate and apart from residential and other uses. With the emphasis on complete communities and live-work-play opportunities, we believe explicitly stating that mixed uses (including residential and institutional) are allowed in employment areas would be helpful.
- There is a marked difference between converting employment lands into exclusively residential use and in including some residential uses within a mixed-use development that includes other uses, such as employment and institutional. Clarity would help to ensure municipalities understand what is considered to be a conversion and that some residential uses are allowed within employment areas.

- For example, PPS section 1.3.2.7 indicates “[p]lanning authorities shall plan for, protect and preserve employment areas for current and future uses...” This wording has been interpreted to mean that residential uses are not allowed in employment areas, despite what is contained in other sections of the PPS. Particularly since there is usually more intense use of employment areas, due to more office employment rather than industrial or manufacturing employment, current and future uses of employment areas can be preserved within generally smaller envelopes of land than previously planned for. Explicit direction in this regard will remove the differing interpretations of these sections and the allowed uses for such properties.
- Similarly, PPS section 1.2.3.4 enables planning authorities to consider their long-term needs when considering conversion of lands, but is not explicit about the time horizon that constitutes long-term. At the same time, PPS section 1.3.2.7 allows for planning beyond a 25-year horizon. But again, what is reasonable for such a time horizon is left to individuals’ discretion.
- Finally, we strongly agree with PPS section 4.6. Namely, Official Plans are critically important for the implementation of provincial objectives at municipal level. For this reason, we believe the clarifications identified above are central to ensuring Official plans are designed properly from the outset and that the Province is providing adequate oversight to ensure Official plans both comply with the PPS (in practice, as well as in policy) and are being regularly updated to reflect and implement provincial policies.

Thank you once again for the opportunity to provide these comments on these foundational planning policies.

Sincerely,



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