

December 22, 2022

Ministry of Municipal Affairs and Housing Provincial Land Use Plans Branch 13th Flr, 777 Bay St Toronto, Ontario M7A 2J3

Sent via email: growthplanning@ontario.ca

## Re: ERO 019-6177 - Review of A Place to Grow and Provincial Policy Statement

Thank you for the opportunity to review and comment on the Environmental Registry of Ontario (ERO) posting with respect to the Review of A Place to Grow (Growth Plan) and Provincial Policy Statement (PPS).

## **General Comments**

The Region of Peel appreciates the Province's efforts to increase housing supply and improve affordability while streamlining planning approvals and updating policy instruments to reduce duplication or delays and better support provincial goals. The integration and streamlining of the PPS and Growth Plan into a single province-wide planning policy instrument, however, should not remove or weaken key elements that large and fast-growing municipalities in the Greater Golden Horseshoe (GGH) need to effectively manage growth while addressing the housing affordability crisis and responding to the climate emergency.

The high rate and amount of growth in the GGH creates unique challenges for municipalities that require a more structured framework. The PPS and Growth Plan provide a strong policy framework that is a foundation for municipal planning. These policy instruments strengthen the planning process by setting clear direction and priorities that minimize delays and appeals by providing guidance to address complex technical issues to allow developments to proceed. Maintaining this strong policy framework in the merged provincial planning policy instrument will help build more homes faster and achieve the Province's goal of getting 1.5 million homes built over the next ten years and support Ontario's Housing Action Plan.

The PPS and Growth Plan support and guide Municipal Comprehensive Reviews (MCRs) and Official Plan Reviews for long-range planning, growth management implementation, and monitoring. Municipalities have relied on the provincial policy framework, and the consistent direction it provides, to develop and implement standards of protection for natural heritage systems, features, and areas that growing communities need to be healthy and sustainable. The integration of infrastructure, land uses, the natural environment, and healthy community considerations are integral to creating

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new housing supply that is affordable, completes communities, and improves quality of life. Merging the PPS and Growth Plan to accelerate the development of housing should support shared goals and avoid creating unintended consequences, such as inconsistent efforts and outcomes, lack of coordination, or uncertainty because of streamlined direction without additional guidance.

Upper-tier municipalities play a critical role in planning and coordinating infrastructure, and services across municipal boundaries to support growth. A merged provincial planning policy instrument, therefore, should reflect that upper-tier municipalities have focused planning responsibilities in cooperation with lower-tier municipalities.

## 1. What are your thoughts on the proposed core elements to be included in a streamlined province-wide land use planning policy instrument?

Guiding principles and policy direction in a combined policy instrument should support the balancing and achievement of multiple planning objectives, recognizing that some planning policies are applicable province-wide but that others are specific to the larger GGH municipalities facing significant growth pressures and different forms of development reliant on transit. Key guiding principles of the PPS and Growth Plan should be retained to support municipalities in the GGH with growth management and planning tools to:

- achieve complete communities that are well connected;
- allocate growth based on forecasts that follow a consistent approach;
- support local market income-based affordability across a range and mix of housing;
- maintain minimum density and intensification targets to ensure current and future transit investment is optimized
- prioritize intensification and higher densities to support sustainable transportation options;
- integrate land use and infrastructure planning to be efficient and manage financial risk;
- facilitate appropriate community infrastructure and services, including parks and open spaces, that are well connected and support growth;
- retain integrated systems and science-based approach to protect, restore, and enhance natural systems and water resources;
- protect prime agricultural areas and support resource management; and.
- support planning for a climate emergency, including reducing the risks of natural hazards.



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## **Residential Land Supply**

## **Settlement Areas Boundary Expansion**

The criteria in the Growth Plan (section 2.2.8) for settlement area boundary expansions is important direction to efficiently plan for and coordinate long-range planning. This framework should be maintained as much as possible in the merged policy instrument with continued emphasis on prioritizing growth through intensification and maximizing use of existing infrastructure and services. The current practice of undertaking a settlement boundary expansion through an MCR has been effective as it allows for coordination and integration with infrastructure planning at the upper-tier municipal level. This approach supports the logical extension of existing settlement areas.

## Recommendation:

The criteria in the Growth Plan (Section 2.2.8) for settlement area boundary expansions should be maintained with continued emphasis on prioritizing growth through intensification and meeting minimum density targets that are specific to the needs of large and fast-growing municipalities. MCR criteria should continue to require the feasibility and alternative locations of expansions to be evaluated based on appropriate environmental, agricultural and financial impact assessments, including assessment of the capacity and cost of providing infrastructure. Further, a merged provincial planning policy instrument should provide clear direction on how and which population and employment forecasts are to be used as the basis for long-term planning, including determining the need for and timing of settlement area boundary expansions as well as the coordinated and timely provision of infrastructure and services for settlement expansions.

## **Rural Housing**

Rural areas include settlements that vary in size, intensity, and character. Rural areas also support a vibrant agricultural sector, and a range of non-farm renewable and non-renewable resource uses, resource-based recreation, tourism, and commercial activities, and limited rural non-farm residential uses. Proposed changes to current policy to relax permissions for residential development should be considered carefully with a view to supporting the unique character and function of rural areas and communities.

### Recommendation:

The provincial framework should continue to direct the majority of residential development to urban settlement areas that have the greatest capacity to support growth to best optimize investment in infrastructure and public service facilities, avoid over-designating land in urban greenfield areas and rural areas, and protect natural systems and farmland.



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Rural policies should continue to restrict lot creation and direct new multiple lots or units to rural settlement areas. New lot creation in prime agricultural areas should be restricted to avoid conflicts and protect the best farmland for future food production.

## **Employment Area Conversions**

Currently, conversions of employment areas as defined in the Growth Plan can only occur through an MCR process based on criteria within the Growth Plan. Simplifying policy direction without careful consideration for existing criteria could impact minimum employment densities and density targets in Major Transit Station Areas (MTSAs) and intensification targets. Modification of policies can have adverse impacts on growth management programs, particularly employment land supply, coordination of infrastructure, and financial viability, and can create land use compatibility issues. These implications can undermine one of the main guiding principles of the Growth Plan: supporting the achievement of complete communities.

## Recommendation:

More permissive policies permitting conversion of employment areas for residential development would weaken the long-term goal of employment protection within the Region. The Province should maintain the current approach of considering conversions through an in-depth and coordinated study that analyzes the full impact of the potential loss of employment lands and effects on the viability of adjacent employment land uses.

## **Attainable Housing Supply and Mix**

## **Housing Mix**

Both the PPS and Growth Plan have policies that require providing a range and mix of housing types including affordable housing, which is an important provincial policy direction. This direction, with a focus on prioritizing housing that is affordable to low and moderate income households, should be maintained in a merged provincial planning policy instrument.

While the Region provides 28,000 people with housing supports, there are an estimated 91,000 low and moderate income households living with core housing need in Peel. In 2021, nearly 4,000 people relied upon the emergency shelter system, while only about half of supportive housing demand is being addressed. If the Province is successful in achieving its housing targets, an increase in housing supply could make the average home in Peel affordable to more households, although this would only apply to those with higher incomes. It is critical that the merged provincial planning policy instrument continue to require that new housing supply consist of a range and mix of housing types and densities that are truly affordable to low and moderate income households and include purpose-built rental and supportive housing.



## Recommendation:

Policy direction regarding housing mix must incorporate income-based affordability to adequately address households in the low and moderate income deciles.

## **Major Transit Station Areas**

Planning for the Major Transit Station Areas (MTSAs) is critical for integration of land use planning with planning for transit infrastructure. It is important to retain all Growth Plan policies related to Major Transit Stations, including the ability to designate lower densities MTSAs with lower growth potential.

Despite being mentioned in the current PPS, transportation systems are not mentioned in the core elements of the proposed merged provincial guidance document. Protection of transportation corridors, such as the Highway 407 Transitway Corridor, continues to be critical.

## Recommendations:

The MTSA policy framework, including density targets from the Growth Plan, and a reference to transportation systems at large, should be incorporated in a merged provincial planning policy instrument. The policy instrument should retain the definition for and protection of 'planned corridors', as currently defined in the PPS and Growth Plan. Policies should also prioritize affordability and strive to maintain existing communities within evolving MTSAs. In addition, the horizon year for policy instruments should be harmonized.

### **Urban Growth Centres**

Urban Growth Centres (UGCs) are the most important elements of Mississauga and Brampton's urban structure and play a role in establishing walkable city centres for both municipalities. Significant infrastructure investments have already been made to support current and future growth. UGCs are critical to establishing transit and community hubs. It is imperative to continue planning for significant growth in these centres, with particular attention to complete communities, prioritizing affordability, striving to maintain existing communities, and the timely provision of infrastructure while addressing any environmental issues.

## Recommendation:

Continue to provide policy direction regarding intensification and density in urban growth centres, which currently is not associated with a timeframe for planning for required density by a certain year.

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## **Growth Management**

## **Population and Employment Forecasts**

The housing targets proposed by the Province for local municipalities in Peel Region are collectively about 2.5 times the housing forecast prepared as part of the Region's recent MCR work. The proposed housing targets are not reflected in the Growth Plan or PPS and therefore results in uncertainty on how to plan to provide infrastructure for this additional growth. Furthermore, these proposed targets are not reflected in the Region's Provincially-approved MCR, and, unless otherwise amended, will result in *Planning Act* compliance and public works planning and approval challenges. If these new housing unit targets are to be included in the merged provincial planning policy instrument, it is also critical to re-introduce intermediate horizons such as 2031 and 2041 and introduce the housing forecasts and targets for all three horizons including 2031, 2041 and 2051. Such updates may impact the work recently completed by municipalities to allocate growth within their regions. New forecasts and distribution will have an impact on density and housing targets identified in current official plans as well some growth management policies.

## Recommendations:

There needs to be clarity in a merged provincial planning policy instrument about population and employment forecasts municipalities are to use in their planning (assuming that Schedule 3 of the Growth Plan will no longer apply). If the Province is not providing forecasts to be used, there needs to be clear direction on an accepted methodology for forecasting as well as a standardized land needs assessment methodology maintained by the Province.

#### Intensification

The Regional Official Plan (ROP) contains policies to optimize intensification opportunities across the Region and maximize development within the Strategic Growth Areas. Increasing housing supply through the entire Built Up Area may have impacts on intensification targets and minimum densities of MTSAs and other Strategic Growth Areas in the ROP. The Region plans for critical infrastructure based on forecasted growth. This coordination is needed to ensure the Region's budget process aligns with the timing of development for these very costly infrastructure projects. Maintaining Growth Plan intensification policies ensures an efficient use of land and helps to create compact and complete communities that can support transit. It will be critical to preserve as many Growth Plan intensification policies as possible.

## Recommendation:

Policy direction requiring municipal intensification strategies and focusing on intensification in strategic growth areas should continue in a merged provincial guidance document.



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## **Large and Fast-growing Municipalities**

Growth management policy targets related to intensification, Designated Greenfield Area density, UGCs, and MTSAs may be more appropriately applied to large and fast growing municipalities.

### Recommendation:

To recognize the varying contexts of municipalities in Ontario, a separate schedule and policies should exist within a merged provincial planning policy instrument to address matters more related to large, fast-growing municipalities, including matters that the Growth Plan has typically covered.

## **Environment and Natural Resources**

The high rate of growth in the Greater Golden Horseshoe (GGH) places greater pressure on the natural environment, resources and agriculture. This is recognized in the Growth Plan, which provides additional and more specific land use planning policies for the GGH than the PPS. The integration of the PPS and the Growth Plan should continue to require identification and mapping of resources and natural systems and provide strong policies for the protection of the natural environment in the GGH, including agriculture.

There is concern that the integration of the PPS and the Growth Plan may weaken or undermine the integrated systems and science-based approaches currently being implemented by municipalities. The integration of the PPS and the Growth Plan should continue to require identification and mapping of natural systems and provide strong policies for the protection of the natural environment in the GGH, including agriculture. Municipalities have relied on the provincial framework of policy, criteria, and guidance to develop and implement consistent standards of protection for natural heritage and water resources that growing communities need to be healthy and sustainable.

To support municipalities and their ability to manage risk and liability, plan for sustainability, and provide nature-based solutions, it is important that there are distinct policies for GGH municipalities that retain core elements.

#### Recommendation:

GGH-specific policies should include the following core elements:

- Systems Approach: the adoption of a systems approach has been one of the most significant advances in planning in recent years. It reflects an understanding, based on science, that protection of individual natural features in isolation will not result in a healthy natural environment. The environmental policy framework in a merged policy instrument should provide definitions of different systems and policies for their identification, protection, and improvement.
- **Natural Heritage**: policies should include direction to identify, protect, restore and enhance the ecological function, biodiversity and





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- connectivity of natural heritage systems, features and areas for the long term.
- Water Resources: policies should include direction to identify, improve
  or restore the quality and quantity of water, identify and protect water
  resource systems, features and areas, and maintain linkages and
  functions among groundwater, surface water and natural heritage
  features and areas.
- Watershed Planning information: the watershed provides an appropriate scale for developing a scientific understanding of natural systems and their interrelationships and of how development can occur while maintaining or enhancing those systems. Provincial policy should continue to require that land use decision making, infrastructure planning and large-scale development be informed and supported by watershed and sub-watershed planning information.
- Climate Change and Energy: Climate change policies of the PPS and Growth Plan should be maintained and, where possible, made more robust through their merging. Both documents contain important and complementary policies with regards to climate change mitigation and adaptation. To help ensure the safety and security of Ontarians, these policies should continue to provide direction to require alternative and renewable energy systems, where feasible, improve air quality, reduce greenhouse gas emissions, and require that climate change risks and vulnerabilities, including but not limited to municipal services and infrastructure, are assessed, and addressed.
- Agriculture: policies should include direction incorporating a systems approach, requiring the identification and mapping of agricultural systems, prime agricultural areas and rural lands with strong policies to protect prime agricultural areas. Policy direction should be provided to:
  - Protect Prime Agricultural Areas for long-term agriculture use;
  - Require the development of food system strategies to support agri-food businesses;
  - Protect agricultural operations from incompatible activities and land uses that compromise agricultural productivity or efficiency;
  - Provide flexibility to enable the adoption of new farming practices and accommodate agriculture-related uses and onfarm diversified uses:
  - Support urban agriculture and access to healthy, affordable, local food; and,
  - Limit conversion of land to non-agricultural uses.
- Mineral Aggregates: policies should balance the potential impacts of aggregate operations on communities, water resources, including





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public and private drinking water supplies, natural heritage, and cultural heritage resources by retaining protections for the natural environment and minimizing community impacts.

 Natural and Human-Made Hazards: policies should continue to direct development away from areas subject to flooding and natural hazards and provide improved guidance to address flooding, erosion and other risks associated with the climate emergency.

# 2. What land use planning policies should the government use to increase the supply of housing and support a diversity of housing types?

Land use planning policies to increase the supply of housing and diversity of housing types should prioritize supply that is affordable, protect existing affordable housing supply, and align with the principle that "growth pays for growth".

In particular, the Province should:

- support land use approaches that limit exclusionary zoning and permit a
  full spectrum of 'as of right' residential housing, with a focus on strategic
  growth areas (such as MTSAs and UGCs), contingent upon the availability
  of infrastructure and services and requirements for affordability;
- ensure 'as of right' provisions are planned in an integrated and coordinated manner with adequate consideration for impacts on infrastructure, transportation networks, and public health, including providing municipalities with the planning tools required to ensure an appropriate amount and type of community infrastructure and services, and parks and open spaces;
- maintain the existing PPS approach of affordability as the lesser of either an income-based calculation for low- and middle-income households, or a percentage below average market price to ensure affordable housing is targeted to moderate income households;
- work with Service Managers for affordable housing systems to establish a standardized methodology for calculating income-based affordability; and,
- require strong rental replacement and demolition replacement rules to prevent the loss of existing affordable market rental.

## 3. How should the government further streamline land use planning policy to increase the supply of housing?

The land use planning framework ensures the supply of housing is coordinated with a range of other factors including climate emergency considerations, fiscal sustainability, coordination with community





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infrastructure, and creating complete and sustainable communities. The combination of these factors make a community a desirable place to live, work, learn, and invest. Policy direction outlined through provincial policy is robust for the purpose of creating vibrant, healthy, safe and liveable communities.

# 4. What policy concepts from the Provincial Policy Statement and A Place to Grow are helpful for ensuring there is a sufficient supply and mix of housing and should be included in the new policy document?

Policy direction supporting a diverse range and mix of housing options, including affordable housing and purpose-built rental, should be retained. These directives must be integrated with requirements for intensification and density, and planning for infrastructure, transportation, employment, and natural heritage in order to create healthy complete communities that are financially, environmentally, and socially sustainable.

Planning for aggressive municipal housing targets, as proposed by the Province may create challenges when implementing regional and PPS land supply policies. It may be particularly challenging to provide enough zoned and serviced residential lands to meet the requirement of at least a three-year supply. In addition, the ability to accommodate residential growth for a minimum of 15 years through residential intensification and redevelopment, as well as lands which are designated and available for residential development may be diminished. It may be particularly important when planning for an appropriate housing mix supported by changing demography, household composition, and market realities. It is critical that a merged provincial policy instrument properly addresses land supply requirements at the Regional Market Area.

It is unclear how increased targets will work in conjunction with Growth Plan population and employment forecasts. The heightened timing for the anticipated 2031 target impacts the Region's ability to provide infrastructure to support growth in a timely manner and increases the risk of incurring infrastructure liability for repairing, rehabilitating, or replacing infrastructure and not complying with regulatory requirements. These targets will be challenging to achieve, will require more time to undertake necessary studies, and will impact infrastructure, financial planning, and the ability to support growth.

As policy instruments are updated to reduce duplication or delays, improve policy navigation and implementation, and better support provincial goals, it is important to have a framework that ensures that new and existing housing supply and increased housing options are used for homes (e.g., address vacant units and speculation) to maximize affordability. Efforts must also be made to ensure that new supply is truly affordable to low and moderate income households.



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A merged provincial planning policy instrument should include strong incomebased affordability requirements and safeguards so that low and moderate income households have housing options. Increased density without securing more deeply affordable units will not necessarily improve housing affordability.

The directives in the PPS that require planning authorities to provide an appropriate range and mix of housing options, including affordable housing needs, by establishing and implementing minimum targets for the provision of affordable housing should be retained. This policy directive allows municipalities to translate housing targets into policy that can be implemented.

The province should maintain the existing PPS definition of affordability as the lesser of either an income-based calculation for low and moderate income households or a percentage below average market price.

## 5. What policy concepts in the Provincial Policy Statement and A Place to Grow should be streamlined or not included in the new policy document?

The PPS and Growth Plan provide clear and strong policy direction to create complete communities and increase housing supply through intensification. A merged provincial planning policy instrument should ensure that this direction and any core elements are retained to support integrated and efficient land use and infrastructure planning that manages financial risks. This merged policy instrument, alongside municipal efforts to meet accelerated review timelines prescribed by Bill 109, *More Homes for Everyone Act, 2022*, will ensure that important components are evaluated while increasing housing supply through expedited planning approvals.

Tools and resources should be provided to municipalities to increase housing supply and improve affordability. While more housing options and supply can contribute to improving housing affordability outcomes in complete communities, it is important to have a framework to ensure that new and existing housing supply is used for homes (e.g., address vacant units and speculation) to maximize affordability. Efforts must also be made to ensure that new supply is truly affordable to low and moderate income households and includes purpose-built rental and supportive housing.



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## Conclusion

Regional staff appreciate the opportunity to provide comments on a proposed merged provincial planning policy instrument through this ERO posting. The Region is committed to contributing to the Province's goal of getting 1.5 million homes built over the next 10 years and supporting Ontario's Housing Supply Action Plan. To do this, large and fast-growing municipalities in the GGH need key elements to effectively manage growth while addressing the housing affordability crisis and responding to the climate emergency. The integration and streamlining of the PPS and Growth Plan into a single province-wide policy instrument should not remove or weaken these key elements required by GGH municipalities.

The Province should continue to consult with municipalities and stakeholders while developing a merged provincial guidance document. It would be beneficial to municipalities, who will ultimately be responsible for implementing policies, to be given the opportunity to comment on a draft version of the proposed document prior to it being finalized. This will ultimately result in a strengthened policy instrument that seeks to reduce duplication and improve policy navigation and implementation. Municipalities can support creating a merged provincial planning policy instrument that is streamlined, housing-supportive, continues to protect the environment and public health, and provides the tools needed to ensure strong and effective growth management and planning.

I would be pleased to provide any clarifications or additional comments on these matters.

Sincerely,

## Lova Brandonana

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