



COUNTY OF WELLINGTON

COMMITTEE REPORT

To: Chair and Members of the Planning Committee
From: Sarah Wilhelm, Manager of Policy Planning
Jameson Pickard, Senior Policy Planner
Date: Thursday, May 11, 2023
Subject: **Proposed Provincial Planning Statement, 2023**

1.0 Purpose

This report highlights key changes proposed by the Province to planning policies and legislation aimed at increasing housing supply in Ontario.

2.0 Background

On April 6th, 2023 the Provincial government tabled *Bill 97, Helping Homebuyers, Protecting Tenants Act, 2023* together with releasing its latest 2023 Housing Supply Action Plan. The Government has released twelve separate Environmental Registry of Ontario (ERO) proposals for consultation related to changes being proposed through the legislation and action plan.

One of the consultations includes a draft Provincial Planning Statement, which proposes to combine and replace the Provincial Policy Statement, 2020 (PPS) and A Place to Grow: Growth Plan for the Greater Golden Horseshoe, 2019 as amended (Growth Plan). This new policy document follows through on a previous consultation by the government, which sought input on the creation of a streamlined province-wide land use planning policy framework with a housing policy focus. The draft Provincial Planning Statement is open for a 60-day consultation period closing June 5, 2023 (see [ERO# 019-6813](#)).

While this report focuses primarily on the proposed Provincial Planning Statement and relevant Planning Act changes, other changes proposed to the Residential Tenancies Act, Building Code Act, City of Toronto Act and Ministry of Municipal Affairs and Housing Act have been proposed and can be viewed online here: [ERO# 019-6827](#).

3.0 Overview of the Provincial Planning Statement

The draft Provincial Planning Statement, if approved, makes significant changes to the land use planning policy framework in the County of Wellington with the clear goal of creating more housing in both urban and rural areas. The following sections will provide a summary of the key changes in the proposed Provincial Planning Statement (2023 PPS).

3.1 Growth Management

The proposed 2023 PPS does not incorporate many of the policies from the Growth Plan. As the Growth Plan has been the planning framework for Wellington since 2006, there will be many changes to how the County will manage growth in the future. The following table provides an overview of the proposed changes, which shift the responsibility back to the County for future growth forecasts and allocations.

There is also a much more flexible approach to intensification targets, density targets, and consideration of new and expanding settlement areas.

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| Forecasts and Allocations | <ul style="list-style-type: none"> • expectation for County to continue to use 2051 forecasts at a minimum, but move toward doing our own forecasting of population and employment growth in the future • continues to require County to allocate population and housing units to Member Municipalities • land to be made available for a minimum (rather than a maximum) of 25 years |
| Intensification | <ul style="list-style-type: none"> • intensification “generally” encouraged (but without required 20% minimum intensification target as in the Growth Plan) • eliminates concept of built-up areas (where intensification is currently measured) |
| Density | <ul style="list-style-type: none"> • density targets encouraged for new settlement areas or expansion lands, but without required minimum target of 40 residents and jobs per hectare in the Growth Plan |
| Strategic Growth Areas | <ul style="list-style-type: none"> • concept of strategic growth areas carried over from the Growth Plan • such areas may be identified by municipalities to be the focus for intensification and higher-density mixed uses • minimum density targets for these areas may be established |
| New and Expanding Settlement Areas | <ul style="list-style-type: none"> • does not carry over prohibition on establishing new settlement areas from Growth Plan • removes requirement for settlement area expansions (and now new settlement areas) to be identified as part of a municipal comprehensive review (Growth Plan) or a comprehensive review (2020 PPS) • provides for more flexible approach to considering such requests, including consideration of servicing and facility capacity, agricultural impact assessment, compliance with MDS, a phased progression of urban development • continues to require settlement areas (including rural settlement areas) to be the focus of growth and development |
| Complete Communities | <ul style="list-style-type: none"> • concept of complete communities, one of the guiding principles of the Growth Plan, has been carried over to proposed PPS |

3.2 Housing

The Province provides more housing options in general, but removes the requirements and tools to measure affordability.

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| Affordable Housing | <ul style="list-style-type: none"> • still requires planning for housing affordability needs, but removes requirement for targets for affordable market based ownership and rental housing |
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| | <ul style="list-style-type: none"> also removes definition of “affordable” for the purpose of measuring such targets |
| Housing Options | <ul style="list-style-type: none"> definition of housing options expanded to include additional types of housing (e.g. farm worker housing, multi-generational housing, low- and mid-rise apartments, etc.) but removes affordable housing |

3.3 Employment

More flexibility is provided to allow for conversion of employment areas to other uses.

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| Employment Area Definition | <ul style="list-style-type: none"> employment area definition scoped to exclude institutional and commercial uses, including those retail and office uses not associated with a primary employment use |
| Employment Area Conversions | <ul style="list-style-type: none"> allows removal of land no longer required for employment area uses (formerly employment conversions), subject to criteria including need such removals are no longer required to be considered as part of a municipal comprehensive review (Growth Plan) or an official plan review or update (2020 PPS) |
| Rural Employment Areas | <ul style="list-style-type: none"> does not carry over Growth Plan restrictions which limit employment areas on rural lands to those designated as of 2006 and further limit expansion of such areas |

3.4 Agriculture and Rural Areas

Overall there has been a weakening of agricultural protection in favour of housing development and non-agricultural uses in the prime agricultural and rural areas of Ontario.

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| Agricultural System Mapping | <ul style="list-style-type: none"> removal of the requirement to use a Provincially mapped Agricultural System |
| Lot Creation in Prime Agricultural Area | <ul style="list-style-type: none"> allows creation of up to 3 residential severances from a parcel of land in the prime agricultural area subject to criteria being met permission to create up to two additional residential units associated with a dwelling in the prime agricultural area |
| New Non-agricultural Uses in Prime Agricultural Area | <ul style="list-style-type: none"> removal of the alternative location tests for new non-agricultural uses in the prime agricultural area, mineral aggregate operations in the prime agricultural area and settlement area boundary expansions new requirement for an agricultural impact assessment in these instances to identify potential impacts and recommend avoidance and mitigation approaches |
| Lot Creation in Secondary Agricultural Area | <ul style="list-style-type: none"> new permissions for new multi-lot development on rural lands where site conditions are suitable for the provision of appropriate sewage and water services |

3.5 Infrastructure and Public Service Facilities

The draft Provincial Planning Statement proposes to consolidate policy duplication that exists between the Growth Plan and the PPS, 2020 related to Infrastructure and Public Service Facilities.

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| Planning for Infrastructure and Public Service Facilities | <ul style="list-style-type: none">• new direction to leverage the capacity of development proponents when planning for infrastructure and public service facilities• new direction prioritizing infrastructure and public service facility planning and investment in strategic growth areas• new direction requiring municipalities, school boards and childcare service providers to work closely together in planning for schools and child care facilities |
| Source Water Protection | <ul style="list-style-type: none">• new direction which requires the integration of sewage, water and stormwater services with Source Water protection |

3.6 Natural Heritage

At this time the draft Provincial Planning Statement does not include any policies or related definitions pertaining to natural heritage. The Government notes that the natural heritage section is still under consideration and once proposed policies and definitions are ready for review and input, they will be made available through a separate posting on the ERO.

3.7 Climate Change

The draft Provincial Planning Statement still requires municipalities to plan for the impacts of climate change, however proposed changes outline a more generalized policy approach. Policy direction about specific land uses locating in certain areas or in certain ways has been removed.

3.8 Implementation

The policies of the proposed 2023 PPS continue to represent minimum standards and allow planning authorities and decision-makers to go beyond them, unless doing so would conflict with the PPS policies. However, a new implementation policy (6.1.5) has been added to require official plans to “...provide clear, reasonable and attainable policies to protect provincial interests and facilitate development in suitable areas”.

For the Greenbelt Area, the Government is proposing to require that previous policies in the Growth Plan and 2020 PPS would continue to apply. It is their intent to “ensure that there would be no change to how the Greenbelt Plan policies are implemented if the proposed Provincial Planning Statement comes into effect”.¹

The Province has also outlined its proposed approach to implementation of the new 2023 PPS in a separate document as part of ERO posting #019-6813. The Province has targeted fall 2023 for the final PPS policies to take effect, but will provide a short transition period for municipalities to understand and adapt to them. The intention is that official plans would be updated to implement the new policies at the time of their ordinary review cycle.

¹ See “Proposed Approach to Implementation of the proposed Provincial Planning Statement”, ERO #019-6813

As the current County Official Plan Review includes a 5-year review component together with the municipal comprehensive review (MCR), the County is well positioned to implement the new policies in the Official Plan. While the potential elimination of the Growth Plan (including the requirement to conduct an MCR) has implications for our work plan, the MCR Phase 1 and 2 technical work provide a solid foundation for planning for future growth in Wellington.

4.0 Overview of Planning Act Changes

Through Bill 97 the Government proposes changes to seven different pieces of legislation including the Planning Act. The proposed Planning Act changes are to help facilitate proposed changes identified in the Housing Supply Action Plan and include:

- modifying the definition of “area of employment” to only include heavy industry and other employment uses that cannot be located near sensitive uses, (i.e., not suitable for mixed use); and
- creating regulation-making authority to modify the application of provincial policy statements to decisions on particular matters to support the implementation of provincial policies on a case-by-case basis.

In addition, further changes are proposed to previous Planning Act changes made through Bill 23, More Home Built Faster Act, 2022 including:

- Delaying the requirement for municipalities to refund zoning by-law and site plan application fees so that it only applies to applications submitted on or after July 1, 2023.
- Creating a Minister’s regulation-making authority to be able to exempt municipalities from the fee refund provisions in the future if needed (no exemptions are being proposed at this time).
- Clarifying that the existing provisions regarding parking spaces for additional residential units apply only to the second and third units on a property.
- Providing exceptions to when site plan control can apply to proposal with 10 or fewer units when any parcel of land is within 120 m of a shoreline or 300 m of a railway line.

5.0 Conclusion

This report provides a summary of the key changes in the proposed Provincial Planning Statement and Planning Act changes associated with Bill 97, 2023. The proposed changes to the planning framework are significant. It will take time to fully understand the implications of all of the changes. While there are proposed changes that we welcome and support, there are some directions in the 2023 PPS that are of concern. They include:

- A reversal on the protection of agricultural land and farming in Ontario. Policies which promote multiple severances and introduce more non-farm development (with associated increases in potential land use conflicts, increased fragmentation of land, etc.) are not viewed as promoting the interest of farming or ensuring the sustainability of agricultural for future generations.
- The lack of policy direction related to the creation of affordable and attainable housing. The proposed 2023 PPS looks to weaken Provincial direction on these forms of housing through the removal of affordable housing definitions and affordable housing targets. The Government should

be using this opportunity to strengthen these policies to ensure the effective and continuous delivery of these housing units across the Province.

- The uncertainty related to the protection of our natural resources and natural heritage systems. These resources are essential for a sustainable and prosperous Province. Accordingly, the existing natural heritage policies and definitions should remain within a modified 2023 PPS and be revised only after new policy directions are formulated, reviewed and supported.
- The softening of policies related to climate change in the 2023 PPS. Now is the time that municipalities are looking to initiate climate change actions and introduce ways to adapt to significant impacts from extreme weather events. The Province needs to lead this challenge and support municipal efforts on climate change.

Staff will continue to monitor available information about the new Provincial Planning Statement and other changes that impact our communities and the Official Plan Review. Staff will also engage with Ministry of Municipal Affairs and Housing staff about our work plan and make necessary adjustments to our approach.

Prior to County Council’s consideration of this report, staff would suggest that we circulate it to our Member Municipalities for their reference if they wish to respond to the ERO posting prior to the June 5, 2023 deadline.

Recommendations

That the report “Proposed Provincial Planning Statement, 2023 ” be received for information.

That staff be directed to file this report in response to ERO# 019-6813 by the Ministry of Municipal Affairs and Housing which seeks input on a proposed Provincial Planning Statement.

Respectfully submitted,



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Appendix A Response to Provincial Consultation Questions

Appendix A

Response to Provincial Consultation Questions

Proposed Provincial Planning Statement, 2023

| Question | County of Wellington Comment |
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| <p>1. What are your thoughts on the policies that have been included from the PPS and A Place to Grow in the proposed policy document, including the proposed approach to implementation?</p> | <p>a) We do not support the proposed implementation approach for the Greenbelt Plan which would continue to apply existing connections in the Greenbelt Plan to the 2020 PPS and Growth Plan. This is more confusing and less streamlined than the current situation.</p> <p>We suggest instead that the Province make the necessary changes to the proposed Provincial Planning Statement to ensure that there would be no change to how the Greenbelt Plan policies will be implemented moving forward.</p> <p>b) We support the new policy direction that encourages municipalities to work more closely with school boards and childcare service providers to help deliver more complete communities.</p> |
| <p>2. What are your thoughts on the proposed policy direction for large and fast-growing municipalities and other municipalities?</p> | <p>No comments</p> |
| <p>3. What are your thoughts regarding the proposed policies to generate housing supply, including an appropriate range and mix of housing options?</p> | <p>a) It is clear that the proposed policies will generate housing supply, but not in the affordable or attainable range. In fact, removal of the targets and the definitions of affordable and low and moderate income households for ownership and rental housing will make it even harder to generate such housing.</p> <p>We urge the Province to allow the targets and definitions to remain. The Province should broaden the application of inclusionary zoning to make it easier to generate affordable housing in more areas of the Province, not just those with higher order transit. The Province should also develop a policy framework to define and deliver attainable housing.</p> |

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| <p>4. What are your thoughts on the proposed policies regarding the conservation of agriculture, aggregates, natural and cultural heritage resources?</p> | <p>Agriculture</p> <p>a) The policies related to the protection of agriculture are undermined by the permissive policies for lot creation in the prime agricultural area and on rural lands. We do not support proposed lot creation policy 4.3.3.1 a) which could permit up to 3 lots off a farm in the prime agricultural area.</p> <p>As an alternative, with housing creation in mind, the Province should maintain policy 1.1.4.2 of the PPS, 2020 which identifies rural settlement areas as the focus of growth in the Rural Area and consider new policies directing municipalities to review hamlet areas to provide more opportunities for rural growth. Hamlet areas should serve as the focus for growth as opposed to the more sporadic severance/ multi-lot development approach currently proposed. This is a better approach to growth in the rural area and one that better strengthens existing rural communities in a focused controlled way and limits the impacts to agriculture.</p> <p>b) If the proposed lot creation policies under 4.3.3.1 a) are maintained, certain terms, such as “low-priority agricultural lands” and “non-agricultural land use” should be provided to aid in a more efficient and consistent implementation of this policy.</p> <p>c) There has been an overall reduction of protection of agricultural land in the new Provincial Planning Statement in favour of housing and non-agricultural development. The following key changes will negatively impact agricultural land:</p> <ul style="list-style-type: none"> • multi-lot development permissions on rural lands outside of rural settlement areas (hamlets); • the removal of requirement for intensification targets and the softening of direction related to urban intensification and redevelopment; • allowing the establishment of new settlement areas; • a less stringent process for settlement area boundary expansions; and • the removal of the alternative locations test for settlement area boundary expansions, mineral aggregate operations and non-agricultural uses. <p>d) We support the change which clearly articulates that an Agricultural Impact Assessment (AIA) is to be completed when contemplating the establishment of a non-agricultural use in the prime agricultural area.</p> |
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- e) We support the removal of the requirement to use a Provincially mapped agricultural system, while retaining the agricultural system concept. The work completed to date on the refinement of the Provincial mapping showed a strong alignment in prime agricultural areas. The County’s position is that our previous agricultural land reviews are more appropriate to serve as the foundation for agricultural designations in the County as they were locally created, publicly consulted on, and involved extensive ground-truthing to validate the results.
- f) We support the proposed policy changes related to ARUs in prime agricultural areas. These changes closely align with our current ARU policies in the County Official Plan and support opportunities for more rural housing.

However, we do not support severances involving ARUs. These units are established in a way to avoid the pressure of future severance (i.e. shared facilities, close proximity to current dwellings, shared driveways). The opportunity for severance of these units will create pressure to make them bigger and further away from the primary dwelling, promoting farm fragmentation and impacts to agricultural areas.

Mineral Aggregates

- a) The permissive lot creation policies in rural areas raise concerns about the protection of mineral aggregate resources and the impacts on existing and new mineral aggregate operations. The introduction of hundreds of new sensitive land uses will impact access to mineral aggregate resources over the long term.
- b) We support the requirement of an AIA to be submitted when considering new or expanded mineral aggregate operations in the prime agricultural area.
- c) The minor changes to the existing term “agricultural condition” raise a concern about what the added term “enhanced” means as it relates to the rehabilitation of agricultural soil. The direction of “maintained” or “restored” seem to indicate that the pre-extraction soil conditions will be brought back once rehabilitated, but “enhanced” is an added term which could have a much broader meaning. Clarification on the meaning of this term is necessary.

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| | <p>d) We note that there is no added direction in the new policy statement related to the timely rehabilitation of mineral aggregate operations.</p> <p>To ensure that aggregate extraction uses are truly interim, stronger policy direction from the Province needs to be provided. The control of these uses are almost completely within Provincial jurisdiction and little action has been taken to ensure dormant sites or lightly used sites are rehabilitated and closed. Instead what we see are these uses morph into aggregate associated uses (i.e. concrete batching plants, soil dumps etc.) or simply remain dormant. Sunset clauses on mineral aggregate licenses is a possible solution.</p> |
| <p>5. What are your thoughts on the proposed policies regarding planning for employment?</p> | <p>a) We are supportive of changes which scope the definition of “employment areas” to uses such as heavy industry, manufacturing and large scale warehousing and not uses that can locate in mixed use areas.</p> <p>b) We are supportive of the Provincial direction to allow for a diverse mix of land uses on lands for employment outside of employment areas subject to appropriate transition of uses.</p> |
| <p>6. Are there any other barriers to, or opportunities for, accelerating development and construction (e.g., federal regulations, infrastructure planning and approvals, private/public partnerships for servicing, provincial permitting, urban design guidelines, technical standards, zoning, etc.)?</p> | <p>The Province and the development industry also have important roles to play in reducing barriers to bringing housing to market.</p> <p>a) We encourage the Government give municipalities sufficient time to understand and implement the final Provincial Planning Statement before introducing more planning policy and regulatory changes.</p> <p>b) The Province should consider changes to ensure that the development industry follows through on development approvals more quickly. Some suggestions would include:</p> <ul style="list-style-type: none"> • Reducing the lapsing date provisions under the Planning Act for draft approval of plans of subdivision and condominium; and • Limiting the duration and opportunity of draft plan approval extensions. |