

Report

Report No. DS2023-044	To: Council	Prepared By: Andy Karaiskakis, Senior Planner
Meeting Date: May 24, 2023	Subject: Proposed Bill 97 (Helping Homebuyers, Protecting Tenants Act) and New Provincial Planning Statement Changes and Impacts	Motion # _____
Roll #: N/A		R.M.S. File #: L11

Recommendation	Requires Action <input checked="" type="checkbox"/>	For Information Only <input type="checkbox"/>
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It is recommended that:

1. That Report DS2023-044 be received and adopted; and,
2. That Council authorize Planning staff to make a submission to the Ministry of Municipal Affairs and Housing based on the comments as outlined in Report DS2023-044 through the Environmental Registry (019-6813) as the Township's submission on the proposed new Provincial Planning Statement in addition to any other comments received by Council.

Background/Analysis:

On April 6, 2023, the government of Ontario announced the next steps in its plan to building 1.5 million homes by 2031. The two key components of this announcement are the introduction of Bill 97, the Helping Homebuyers, Protecting Tenants Act, 2023, and the release of a draft Provincial Planning Statement to replace the current Provincial Policy Statement and the Growth Plan For The Greater Golden Horseshoe. Bill 97 proposes several amendments to the *Planning Act*, the *Building Code Act*, the *Development Charges Act*, the *Municipal Act*, and the *Ministry of Municipal Affairs and Housing Act*, as well as several other pieces of legislation. While there are some positive changes in Bill 97, there are other changes in the new Provincial Planning Statement that will impact the Township of Oro-Medonte in an adverse fashion.

The Province is seeking feedback on the proposed new Provincial Planning Statement (ERO Posting 019-6813) by June 5, 2023. The Environmental Registry of Ontario (ERO) Posting for Bill 97 was open for 30 days and ended on May 6, 2023; therefore the Township can only make a submission to the Ministry on the proposed new Provincial Planning Statement.

This report will provide a summary of the proposed Provincial Planning Statement and a summary of the changes proposed by Bill 97.

Proposed Provincial Planning Statement

The Provincial Policy Statement (2020) (PPS) and A Place To Grow: Growth Plan for the Greater Golden Horseshoe (A Place to Grow) 2019 both provide comprehensive, integrated, whole-of-government policy direction on land use planning matters including:

- Growth management, housing and economic development;
- Infrastructure planning, including sewage, water and stormwater management services, transportation, transit, energy supply and corridor protection;
- Protection and management of resources, including prime agricultural areas, aggregates, natural heritage, water, and cultural heritage; and,
- Protection of public health and safety, such as mitigating potential risks due to natural and human-made hazards.

Both policy documents aim to support the achievement of livable communities, a thriving economy, a clean and healthy environment and social equity, and improving the quality of life for residents.

The PPS is issued under the *Planning Act* and is the primary Provincial land use planning policy document, applying across Ontario. A Place to Grow is a growth plan issued under the *Places to Grow Act, 2005*. It provides a more detailed framework for where and how growth should be accommodated in the Greater Golden Horseshoe and it works with the Greenbelt Plan, Oak Ridges Moraine Conservation Authority, and the Niagara Escarpment Plan. The Provincial plans build upon the policy foundation of the PPS, providing additional land use policy direction to address issues facing specific geographic areas of Ontario. All Provincial plans are to be read in conjunction with the PPS.

Under the *Planning Act*, planning decisions shall be consistent with policy statements such as the PPS and shall conform with Provincial plans like A Place to Grow.

The integration of the PPS and A Place to Grow to create a single, Province-wide, housing-focused land use planning document, is intended to speed up government approval processes. The changes proposed in the proposed Provincial Planning Statement represent fundamental changes in how growth planning is carried out in the Province. The elimination of intensification targets, the repeal of A Place to Grow and the ability to expand settlement areas at any time will shift how, where and when municipalities grow. Some of the key changes are:

Growth Targets

- With the proposed repeal of the Growth Plan, municipalities will no longer be required to plan to specific population and employment targets for a horizon year. After 20 years of being required to plan for a specific target in a specific year, and all land budget decisions driven by those targets, this fundamental aspect of growth planning in Ontario will come to an end.

- The government expects that municipalities will continue to use the 2051 targets at a minimum. Over time, municipalities will be expected to carry out their own forecasting.
- When updating official plans, municipalities will be required to have enough land designated for at least 25 years (a change from up to 25 years), with planning expressly allowed to extend beyond this horizon for infrastructure, employment areas and strategic growth areas.

Intensification

- The Growth Plan contained specific intensification targets which required municipalities to plan for a certain amount of growth within defined built boundaries. The 2023 PPS supports intensification generally, but with no specific targets to be met.

Municipal Comprehensive Reviews

- The concept of municipal comprehensive reviews of official plans has not been carried forward into the 2023 PPS.

Settlement Area Expansions

- With no requirement for municipal comprehensive reviews, municipalities have the ability to consider settlement area expansions at any time.
- Previously, a municipality must demonstrate that there were insufficient opportunities to accommodate the forecasted growth through intensification or on designated urban lands, before expanding its settlement area boundaries or identifying new settlement areas. This “needs test” has been removed in the proposed PPS.
- The proposed PPS also reduces the criteria that a municipality must consider before identifying a new settlement area or allowing a boundary expansion, focusing on whether there is sufficient capacity in infrastructure and public service facilities to support the expansion or new settlement area, and avoiding or minimizing impacts on agricultural land and operations.

Employment Land Conversions

- With no requirement for municipal comprehensive reviews, municipalities can consider (and landowners can apply for) the removal of land from employment areas. The tests to be met include that there is a need for the removal, and the land is not required for employment uses over the long term; however, in the absence of land budgets and targets to be met with the proposed repeal of the Growth Plan, the application of these tests will rely on targets contained in official plans.
- The province has also proposed to focus the test of “not negatively impact the overall viability of the employment area” to land use compatibility concerns and maintaining access to major goods facilities and corridors.

- The proposed PPS and Bill 97 significantly revises the definition of employment areas to prohibit institutional uses and commercial uses unless those commercial uses are associated with the primary employment use, which are manufacturing uses, research and development uses and/or warehouse uses. Local Official Plans and Zoning By-laws are not permitted to contain provisions that are more restrictive.

Employment Areas

- The definition of 'employment areas' is proposed to be changed in both the *Planning Act* and the new PPS. The focus is on uses that cannot locate in mixed use areas, such as heavy industry, manufacturing and large scale warehousing.

Agriculture

- The proposed Provincial Planning Statement proposes to make significant changes to policies related to the development of lands in prime agricultural areas (areas where prime agricultural lands (Canada Land Inventory Class 1, 2, and 3 soils) predominate).
- The new policy framework speaks to encouraging a geographically continuous agricultural land base through an agricultural system approach, but will no longer require municipalities to use the provincially mapped Agricultural System.
- Two additional residential units would be permitted subordinate to the principal dwelling in prime agricultural areas, provided certain conditions are met, such as compliance with the minimum distance separation formulae and the appropriate provisions of sewage and water services.
- At the same time, the additional residential units can be severed, meaning up to three lots may be created, potentially conflicting with the concept that they are subordinate to the principal dwelling.
- Notwithstanding the above, up to three residential lots may be permitted (and two additional residential units on each lot) on any property located in an existing prime agricultural area, provided that certain conditions can be met. Local Official Plans and Zoning By-laws are not permitted to contain provisions that are more restrictive.
- On a typical concession block, the proposed agricultural lot severances will allow at least 30 new residential lots (refer to Schedules 1 and 2). Township wide, it is estimated that this new policy would permit the creation of approximately 2,900 new residential lots on agricultural properties. If applying the minimum distance separation, there will be virtually no space for growth in the livestock sector. This policy could remove approximately 1.25% of Ontario's farmland or about 145,038 acres taken out of agricultural production.
- Where new or expanding non-agricultural uses are unable to avoid impacts on agricultural lands and operations, an agricultural impact assessment would be

required to demonstrate that impacts are minimized and mitigated to the extent feasible.

Rural Lands

- On rural lands (lands which are located outside settlement areas and which are outside prime agricultural areas), residential development, including lot creation and multi-lot residential development is permitted where site conditions are suitable for the provision of appropriate sewage and water services. It appears that municipalities may continue to impose restrictions on lot creation through their Official Plans and Zoning By-law, as long as they are consistent with the PPS.

Natural Hazards

- Planning authorities are to identify hazardous lands and hazardous sites, and manage development in these areas in accordance with Provincial guidance.

Natural Heritage

- The proposed approach to natural heritage has not been finalized; and so we do not know what the proposed policies are for natural heritage system protection.

Human-Made Hazards

- The proposed PPS removes the current policy requiring planning authorities to support, where feasible, on-site and local reuse of excess soil through planning and development approvals while protecting human health and the environment.

Implementation

- Proposed policy to require planning authorities to keep their zoning by-laws and official plans up-to-date with the proposed PPS by establishing permitted uses, minimum densities, heights and other development standards to accommodate growth and development.

Proposed Bill 97

While Bill 97 does not contain the sweeping changes brought in by Bill 23, the small and technical fixes to the *Planning Act* sought to be introduced through Bill 97 are important. A summary of the changes proposed by Bill 97 are:

New Ministerial Powers

The Minister will be given the power to:

- Require landowners and municipalities to enter into agreements where the Provincial Land Development Facilitator has been appointed. These agreements

could include matters that go beyond what can be provided in either the *Planning Act* or *Development Charges Act*. The order has the same effect as an interim control by-law, only permitting existing uses to continue until agreements have been signed.

- Exempt lands that are the subject of MZOs from complying with provincial policies and official plans when other planning approvals are applied for, such as plans of subdivision. This gives the Minister the ability to address circumstances where an MZO permits residential uses in an area where the official plan does not.
- Make regulations regarding transition related to the applicability of a new provincial policy statement.
- Make regulations regarding the powers of municipalities to regulate demolition and conversion of residential rental properties, including to pass a by-law requiring a landowner to provide compensation.
- Designate areas where site plan control might still apply to 10 units or less, such as in shoreline areas.

New Effective Date for Bill 109 Planning Fee Refunds

- The effective date for planning application fee refunds where no decision is made within the statutory time periods that were originally in place for applications filed on or after January 1, 2023, is proposed to be changed to July 1, 2023.
- If any fee refunds were owing as a result of applications filed and not decided on between January 1 and July 1, 2023, the refund is deemed not to have been required.

Parking for Additional Units

- Bill 23 put in place restrictions on the ability to require more than one parking space where additional residential units are permitted as of right. Bill 97 proposes to clarify that official plans and zoning by-laws can still require more than one parking space for the primary residential unit.

Employment Area Definition Changes

- The definition of an employment area is proposed to be limited to areas where manufacturing, research and development related to manufacturing, warehousing and ancillary uses occur. This appears to relate to broader proposed policy changes regarding the protection of, and conversion from, employment uses.

Financial / Legal Implications / Risk Management:

There are no current implications as a result of adopting this report; however future implications (financial and staffing) would result if any of the proposed legislated changes made by the Province receive Royal Assent, as a result of an anticipated increase in development applications. Increased development would correspond with increased application fee and development charge revenues and increased service provision expenses for the Township.

Policies/Legislation:

Planning Act
Development Charges Act
Provincial Policy Statement 2020
Growth Plan 2020

Corporate Strategic Goals:

Continuous Improvement & Fiscal Responsibility
Balanced Growth

Consultations:

Chief Administrative Officer
Director, Development Services

Attachments:

Schedule 1: Proposed Provincial Planning Statement Agricultural Lot Creation Changes & Impacts
Schedule 2: Example of Lot Severances on Agricultural Lands under Proposed Provincial Planning Statement

Conclusion:

The changes imposed by the proposed Provincial Planning Statement is a very significant shift in where development is directed and how communities will grow. As identified in this report, the proposed changes are much more permissive and it would be easier to expand settlement area boundaries and designate land for development. Furthermore, the proposed changes will make it easier to establish more housing within prime agricultural lands. These changes would have a considerable impact on the Township's Planning resources in order to accommodate the influx of development applications received by the Planning Division. In addition, these changes and resulting applications will also impact other Township departments, external agencies and ultimately Development Services Committee and Township infrastructure.

Staff will undertake further analysis of the potential implications for the Township as additional information and regulations are available, and the details around implementation are further understood. Staff will report back with additional information, analysis on workforce and budget implications, as well as potential solutions.

On this basis, staff are recommending to Council that Planning Staff be authorized to submit comments on behalf of the Township through the Environmental Registry posting, and that these comments reflect the following:

- Concerns that the proposed PPS would put agricultural lands at risk of being lost to non-agricultural uses, will increase conflicts between normal farm practices and non-agricultural land uses and will ultimately reduce opportunities to create and expand livestock operations, thus negatively impacting the agricultural sector;
- Increasing the housing on agricultural and rural lands, contributing to less efficient development and land use patterns, and increased pressures on natural heritage and hydrologic features;
- Concerns that the proposed PPS would increase the potential for development sprawl by permitting new settlement areas or allow a settlement area boundary expansion at any time subject to certain criteria; and,
- Concerns that the proposed PPS would permit employment land conversion at any time subject to certain criteria which could be difficult for the Township to protect and preserve employment areas for current and future uses.

Respectfully submitted:

Andy Karaiskakis, RPP, Senior Planner

Approval:

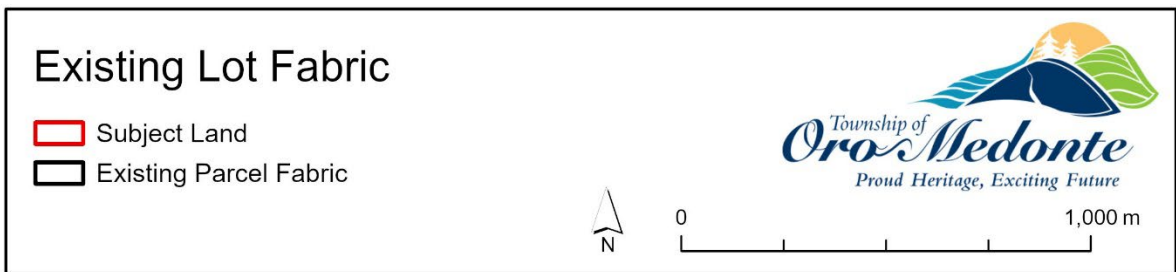
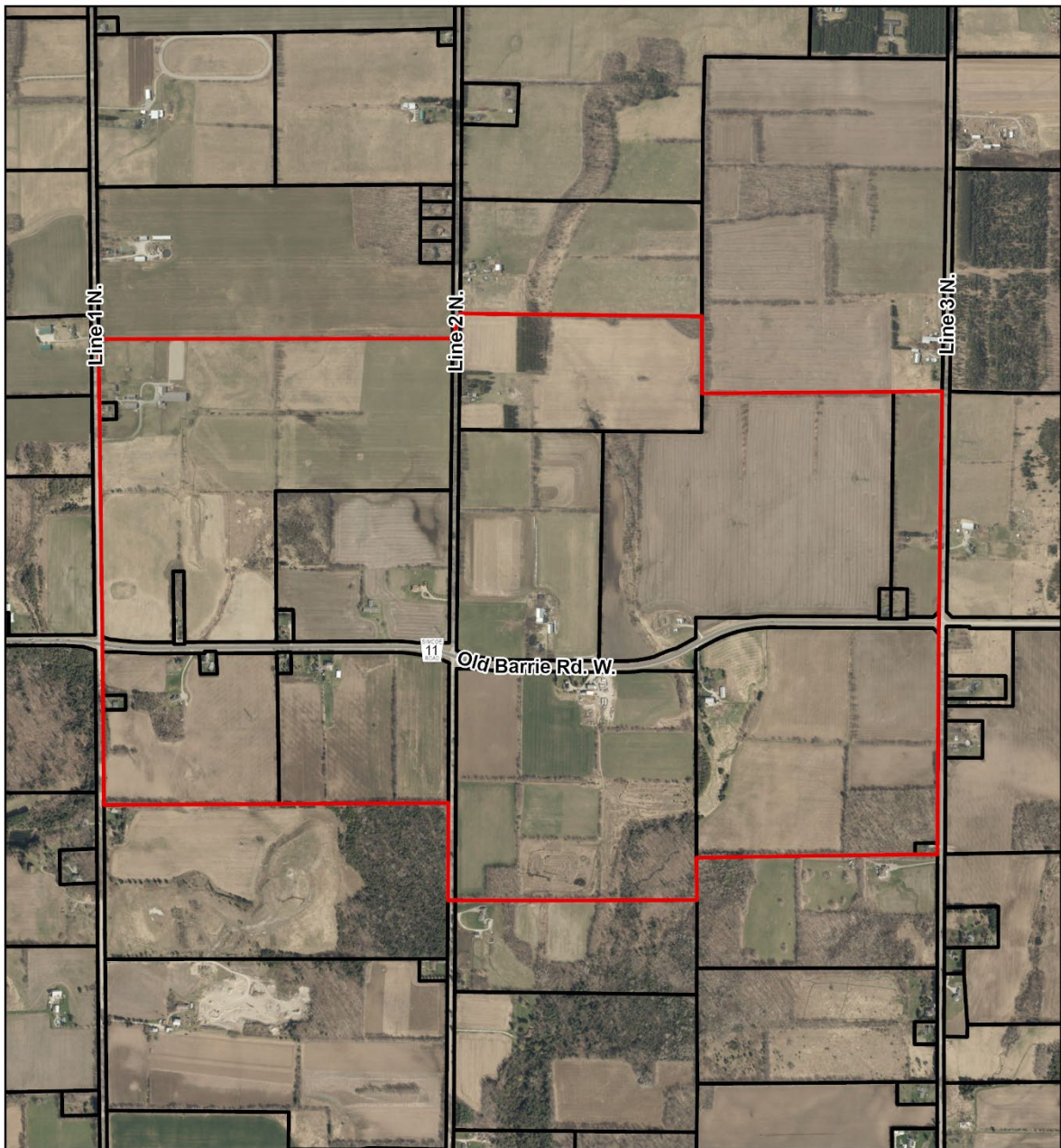
Date

Derek Witlib, RPP, Director, Development Services
Donna Hewitt, Director Corporate Services
per Robin Dunn, Chief Administrative Officer

May 17, 2023

May 18, 2023

Schedule 1: Example of Agricultural Lands Lot Fabric



Schedule 2: Example of Lot Severances on Agricultural Lands under Proposed Provincial Planning Statement

