

REPORT

TO: Mayor Lawlor and Members of Council

FROM: Bronwyn Parker, Director of Planning Policy

DATE: May 2, 2024

REPORT NO.: PD-2024-035

SUBJECT: Proposed Provincial Planning Statement

RECOMMENDATION:

THAT Report No. PD-2024-035 dated May 2, 2024, regarding the proposed Provincial Planning Statement be received;

AND FURTHER THAT Council endorse the staff comments and concerns contained within this report regarding the proposed Provincial Planning Statement, 2024;

AND FURTHER THAT the comments contained within this report be used as the basis for finalization of the Town's comments to the Environmental Registry of Ontario;

AND FURTHER THAT a copy of this report be forwarded to the Ministry of Municipal Affairs and Housing, the Region of Halton, the City of Burlington and the Towns of Milton and Oakville;

AND FURTHER THAT staff provide a further update report to Council following finalization of the Provincial Planning Statement.

KEY POINTS:

The following are key points for consideration with respect to this report:

- On May 29, 2023, Council endorsed <u>Report PD-2023-041</u> on the Proposed Provincial Planning Statement (PPS) and Bill 97.
- The proposed PPS, 2023, integrated the Provincial Policy Statement, 2020 and A Place to Grow: Growth Plan for the Greater Golden Horseshoe 2019, into a singular, province-wide policy document.

- Staff comments on the proposed PPS were submitted to the Province on June 1, 2023.
- On April 10, 2024, the Province released an updated version of the proposed Provincial Planning Statement through <u>ERO Posting 019-8462</u>.
- Comments on the proposed PPS, 2024 can be provided to the Ministry until May 12, 2024.
- If approved by the legislature, the Provincial Planning Statement, 2024, will act as the stand-alone land use (policy) planning document across Ontario. The Growth Plan for the Greater Golden Horseshoe, 2019 and Provincial Policy Statement, 2020, will cease to exist.
- In order to speed up the delivery of housing units, the intent of the proposed Provincial Planning Statement, 2024, is to have a singular, province-wide, housing focused planning document.
- The comments in this report focus on the following key themes: growth
 management, settlement area boundary expansions, employment areas, the
 agricultural system, natural heritage and affordable housing.

BACKGROUND AND DISCUSSION:

1) Context

As was identified in Report PD-2023-041, the PPS is issued under the *Planning Act*, whereas the Growth Plan is issued under the *Places to Grow Act*, *2005*. The PPS, 2020 currently applies across the entire Province of Ontario and is the principal land use planning policy document upon which all planning decisions in Ontario must be based. The Growth Plan is a more detailed land use plan, which provides the framework for where and how growth should occur across the Greater Golden Horseshoe, including setting out the population and employment forecasts for upper and single tier municipalities across the Greater Golden Horseshoe. It works with and is intrinsically linked to the Greenbelt Plan, Niagara Escarpment Plan and Oak Ridges Moraine Conservation Plans, with mirrored definitions and policies, creating a framework for which municipal Official Plans must follow.

Given the Provincial direction to create a housing-supportive policy framework, in conjunction with Bill 97, *Helping Homebuyers, Protecting Tenants Act* released in April 2023, the Province first proposed the integration of the PPS and Growth Plan into a single, province-wide planning policy document. Since that time, a final version of the new PPS has been anticipated.

On April 10, 2024, this long-awaited draft of the Provincial Planning Statement was released via ERO Posting 019-8462. This report provides Council with staff comments on key areas of concern and recommendations for Ministry consideration.

2) Growth Management

• Planning Horizon:

One of the key changes proposed in the 2024 Provincial Planning Statement is with respect to the proposed planning horizon.

By way of reference, the 2020 Provincial Policy Statement identifies a time horizon of up to 25 years, informed by provincial guidance. Municipalities may plan beyond the 25 year horizon for infrastructure, public service facilities and employment areas. Where an alternate time horizon is established in specific areas of the Province through a provincial plan, such as A Place to Grow, the Growth Plan for the Greater Golden Horseshoe, that time period is to be utilized. The current planning horizon is 2051.

The PPS, 2024 requires that "...sufficient land shall be made available to accommodate an appropriate range and mix of land uses to meet projected needs", however a flexible planning horizon requiring a minimum of 20 years and maximum of 30 years, has been proposed. In addition, municipalities will have the ability to plan for infrastructure, public service facilities, strategic growth areas, and employment areas beyond this 30 year planning horizon.

Given the 2051 planning horizon contained within A Place to Grow, staff do not have any concerns with the 20 - 30 year range proposed in the 2024 PPS. It is recommended that the option to plan beyond a 30-year horizon for infrastructure, public service facilities, strategic growth areas and employment areas be at the discretion of municipalities. This is considered particularly important in the case of employment areas given that an extended horizon may be utilized to advance privately initiated applications and appeals before the OLT.

Growth Forecasting:

Proposed policy 2.1.1 requires that in the future, planning authorities must base their population and employment growth forecasts beyond 2051 on Ministry of Finance 25-year growth projections. Currently, upper and single-tier municipalities are required to utilize the growth forecasts provided in Schedule 3 to the Growth Plan to the 2051 planning horizon. These Schedule 3 forecasts were used by Halton Region through the Regional Official Plan Amendment No. 49 (ROPA 49) process and distributed to the local municipalities in keeping with the requirements of the Growth Plan.

The Ministry of Finance growth projections have historically been prepared at the uppertier level only, which means they have never been prepared for local municipalities. With the growth projections only being provided at the Regional level, staff recommend that the Province consider preparing guidance documents or direction on how the Ministry of Finance growth projections could be distributed amongst the lower-tier municipalities. This direction may also be helpful in providing advice regarding long term infrastructure planning and the distribution of water and wastewater capacity to support growth at the local level.

Major Transit Station Areas:

The proposed PPS, 2024 continues to include policies requiring intensification within strategic growth areas including Major Transit Station Areas (MTSAs) and intensification corridors. For the Town, it is critical to ensure the orderly progression of development within these strategic growth areas. Town staff welcomes policies to promote intensification in strategic growth areas especially those that focus on ensuring the required infrastructure is in place to support redevelopment and intensification opportunities, and to build vibrant, mixed-use communities.

Staff does not support proposed PPS policy 2.4.2.2, which will require mandatory minimum density targets within MTSAs on higher order transit corridors (i.e. commuter rail lines), across all municipalities. This policy would require the Town to plan for a minimum density of 150 residents and jobs per hectare in both the Acton and Georgetown MTSAs. For reference purposes, the existing Georgetown and Acton MTSA boundaries are shown on Schedule A attached to this report. Considering the local context and/or infrastructure limitations, staff believe planning for this type of density would be inappropriate for these areas.

Policies have been introduced in the proposed PPS that allow in limited circumstances, municipalities to request the Minister to approve alternative density targets for a MTSA. To date, extensive work has been undertaken by staff, consulting team and key stakeholders towards establishing a Preferred Land Use Plan and density target that reflect the local context for the Georgetown GO Station Area/Mill Street Corridor Secondary Plan Review. It is anticipated that a similar review for the Acton GO Station Secondary Plan Area will be initiated in 2025, subject to budget approval. The Town is committed to assigning appropriate densities for its MTSAs through these Secondary Plan exercises and staff believe that the determination of density targets should be a local exercise. This would ensure considerations such as the appropriate scale and type of development, the transition of built form to adjacent areas, and the supportive infrastructure and public service facilities required to achieve complete communities and compact built form are identified at the local level. Town staff suggests that the Ministry allow for lower density targets in areas where individual analysis has taken place and intend to engage with Ministry staff directly to discuss this matter.

• Intensification Targets:

Section 2.3.1.3 of the proposed PPS, 2024, identifies that "Planning authorities shall support general intensification and redevelopment to support the achievement of complete communities, including by planning for a range and mix of housing options". The proposed policies also encourage that municipalities included in the PPS Schedule 1 list of large and fast-growing municipalities should plan to achieve a density target of 50 persons and jobs per hectare within designated growth areas.

Staff note that the Town is not currently included in the list of large and fast-growing municipalities. Notwithstanding the foregoing, the density target of 50 persons and jobs per hectare calculated across the entire designated growth area is considered low. Given trends in recently approved growth areas, including the Vision Georgetown Secondary Plan where densities are likely to achieve a target of closer to 75 persons and jobs per hectare, the Ministry should consider increasing the recommended targets to better align with planned densities within major or large-scale designated growth areas.

Outside of the targets required within MTSAs, no other intensification targets have been proposed in the draft PPS, 2024.

3) Settlement Area Boundary Expansions

The PPS, 2024 in conjunction with Bill 185, proposes significant changes regarding applications for Settlement Area Boundary Expansions (SABEs). Proposed policy 2.3.2.1 would allow private applications for SABEs at any time, so long as the proposed boundary expansion is outside of the Greenbelt Plan Area. Coupled with the proposed Bill 185 change (as discussed in Report PD-2024-034) that would allow a private applicant to appeal the Town's refusal or non-decision of an Official Plan Amendment (OPA) to expand or alter the settlement area boundary, it is anticipated that these proposed changes will lead to numerous site-specific OPAs requesting expansion of the Town's boundaries, with subsequent appeals to the OLT. This situation would create an unnecessary burden on both the Town and the OLT and would likely lead to ongoing litigation, with significant impacts on the Town's staffing and financial resources.

It is worth noting that in the context of Halton Hills, these proposed policies could potentially permit applications for SABEs for the remaining 'whitebelt' lands located outside of the Bill 162, *Get It Done Act* proposed urban area boundary identified in MEM-PD-2024-004, as well as lands within proximity to the Mansewood Employment Area. Given the existing urban areas of both the City of Burlington and Town of Oakville, and the Bill 162 proposed urban boundary expansion to the Town of Milton, Halton Hills is the only municipality within the Region that will be significantly impacted by these proposed SABE policies. Staff does not believe that permitting privately initiated urban boundary expansions outside of a broader comprehensive review process, such as an Official Plan Review, is prudent or in the public interest.

Although the revised PPS includes criteria for the assessment of proposals for settlement area boundary expansion such as the determination of need, confirmation of servicing capacity, agricultural impact, and the phased progression of development, there are no limitations proposed for boundary expansion proposals. Town Council through report PD-2023-080 endorsed the growth concept now supported in Bill 162, which will allow the Town to accommodate the anticipated population of 132,050 and 65,460 jobs being reached by 2051. Secondary plan boundaries will be identified where appropriate through the upcoming Official Plan Review.

As noted above, staff believe that the need for urban boundary expansions should be assessed through the local Official Plan Review or equivalent process, where the Province will be the approval authority. This process will typically include a growth forecast and accompanying land needs assessment to ensure that sufficient land has been designated to accommodate future population and employment growth. Any concerns with the growth forecast and accompanying land budget that underpins an updated Official Plan, should be resolved in a collaborative and transparent manner prior to the Minister's approval.

Staff strongly encourage the Province to reconsider these proposed PPS and Bill 185 revisions and would be happy to meet with Ministry staff to discuss this concern.

4) Employment Areas

The proposed PPS, 2024 maintains many of the changes proposed to the employment area policies first identified in Bill 97. As was identified in Report PD-2023-041, proposed changes to the definition of Employment Areas causes significant concern. The proposed definition reads:

Employment area: means those areas designated in an official plan for clusters of business and economic activities including manufacturing, research and development in connection with manufacturing, warehousing, goods movement, associated retail and office, and ancillary facilities. An employment area also includes areas of land described by subsection 1(1.1) of the Planning Act. Uses that are excluded from employment areas are institutional and commercial, including retail and office not associated with the primary employment use listed above.

Staff believes that prohibiting institutional and commercial uses from Employment Areas is not in keeping with the proposed PPS goal of supporting a modern economy and promoting economic prosperity. As mentioned in Report PD-2023-041 regarding Bill 97, restricting institutional and commercial uses in employment areas will require that Employment Areas in the Town, such as the Premier Gateway Employment Area, which are already designated and, in some cases, zoned to allow supportive commercial and institutional uses, be stripped of those existing land use permissions. As such, the Town does not support the revised definition or draft policies under section 2.8.2.3 restricting a range of supportive commercial uses. Supportive commercial uses often include business supportive retail and professional office space, which contribute to creating comprehensive and complete Employment Areas and influence the vitality and connectivity of the local economy.

Further, staff is concerned about the proposed policies found in section 2.8.2.5, which would create the opportunity for employment land conversion applications to be submitted at any time, particularly for residential and major retail uses. This establishes the potential to create fragmented employment areas, where potentially sensitive residential uses are encroaching within historically established employment areas. In

the absence of clearly identified policy requirements and continued protection of employment areas, staff is concerned about the potential long-term impacts on the Town's overall employment land supply as a result of these proposed PPS policies.

5) Agricultural System

Generally, staff are supportive of the proposed changes to the agricultural system policies in the proposed PPS, including the requirement to use an agricultural system approach, based on provincial guidance, to support and foster the long-term economic prosperity and productive capacity of the agri-food network. Proposed policy 4.3.1.2 states that, "as part of the agricultural land base, prime agricultural areas, including specialty crop areas, shall be designated and protected for long-term use for agriculture". The proposed policies also further explain that specialty crop areas shall be given the highest priority level for protection. Effectively, through the proposed PPS, 2024, within prime agricultural areas, only agriculture, agriculture-related and on farm diversified uses are permitted. Staff welcome these changes.

Changes have also been proposed to the PPS, 2024, to consider Additional Residential Units within the prime agricultural area. Policy 4.3.2.5 proposes that wherever a residential dwelling is permitted on a lot in a prime agricultural area, up to two additional residential units shall be permitted, subject to specified provincial criteria, including compliance with minimum distance separation formulae, compatibility with surrounding agricultural operations, appropriate sewage, and water services etc.

6) Natural Heritage

The proposed PPS, 2024 effectively mirrors the 2020 PPS policies regarding Natural Heritage. Policy 4.1.1 states that "natural features and areas shall be protected for the long term." Policies recognize that natural heritage systems will differ in size and form within settlement areas, rural areas and prime agricultural areas. Development and site alteration is not permitted within key natural heritage areas such as significant wetlands, significant woodlands, significant wildlife habitat, etc., unless it has been demonstrated that there will be no negative impacts on the natural features or their ecological functions. As identified in Report PD-2023-041, when the draft 2023 PPS was released, the natural heritage policy section was under consideration by the Province.

It should be noted that with the July 1, 2024, removal of the Region's role in planning matters, the Regional Official Plan policies regarding the Natural Heritage System will be the responsibility of the Town to manage moving forward. As Council may recall, through the 2024 budget process, a Senior Environmental Planner position was approved to ensure the Town is equipped with the appropriate expertise needed to manage the implementation of the natural heritage policies within both policy matters

¹ Proposed policies 4.3.4 and 4.3.5 continue to permit the removal of land from prime agricultural areas for settlement area boundary expansions and the extraction of minerals, petroleum resources and mineral aggregate resources, subject to criteria.

and development applications. Staff anticipate having that position filled in concert with the July 1, 2024, transition date.

7) Climate Change

Staff acknowledge the continued inclusion of climate-change related considerations such as the inclusion of district energy, renewable energy generation, and other approaches to reduce greenhouse gas emissions, that will contribute to building more resilient communities. Staff also acknowledge the promotion of green infrastructure and continued reference to biodiversity and ecological benefits. Staff is of the opinion that section 2.9.1 should be enhanced with policies that strengthen biodiversity and vegetation objectives and provide clearer wording.

8) Affordable Housing

Overall, the proposed 2024 PPS has a similar policy approach to affordable housing as was seen in the PPS, 2020. One change however, that staff are supportive of, is the revised definition of *affordable* as it relates to housing. The definition in the proposed PPS, 2024 removes the reference to the regional market area, basing determination of affordability instead on the municipality. This is a significant improvement as in the context of Halton Hills, it means that the affordability thresholds are based on what is seen within the Town, rather than within the broader regional market area.

The proposed PPS, 2024 also maintains policies regarding the establishment of minimum targets for the provision of housing that is affordable to low and moderate income households and coordinating land use planning and planning for housing with Service Managers (Halton Region) to address the full range of housing options, which includes affordable housing needs.

Conclusion and Next Steps:

Overall, the proposed Provincial Planning Statement, 2024 is an integrated document that combines elements of the Provincial Policy Statement, 2020 and the Growth Plan for the Greater Golden Horseshoe, 2019. The consolidation of these two documents into this single, province-wide and housing focused land use planning document, is intended to speed up the approval and delivery of housing across Ontario.

Generally speaking, staff are encouraged by some of the changes proposed relative to the previous iteration released in 2023 and have identified areas of concern including Settlement Area Boundary Expansions, parking and density targets within MTSAs, and the definition of employment areas.

Based on the information shared by the Province, it is expected that implementation of the proposed PPS, 2024 will occur sometime in the summer, 2024. Staff will continue to keep Council informed on any potential changes to the draft policies.

STRATEGIC PLAN ALIGNMENT:

This report is administrative in nature and does not have an impact on the Town's Strategic Plan, however it is linked with each of the Town's four Strategic Priorities.

RELATIONSHIP TO CLIMATE CHANGE:

This report is administrative in nature and does not directly impact or address climate change and the Town's Net Zero target.

PUBLIC ENGAGEMENT:

Public Engagement was not needed as this report is administrative in nature. Public Engagement is coordinated by the province through the ERO. Where possible, at the implementation stages, the Town will ensure the public is provided an opportunity to be engaged and consulted on any required changes to local policies and procedures.

INTERNAL CONSULTATION:

Internal consultation on the proposed Provincial Planning Statement included staff from the Development Review and Planning Policy, Economic Development and Business Concierge, Development Engineering, and Transportation teams.

FINANCIAL IMPLICATIONS:

This report is administrative in nature and does not have any financial implications.

Reviewed and approved by,

John Linhardt, Commissioner of Planning & Development

Damian Szybalski, Commissioner of Business, Environment & Culture and Acting Chief Administrative Officer