
Subject: Implications of the New Provincial Policy Statement, 2020

Report to: Planning and Economic Development Committee

Report date: Wednesday, May 13, 2020

Recommendations

1. That report PDS 22-2020 **BE RECEIVED** for information.
2. That a copy of report PDS 22-2020 **BE CIRCULATED** to Local Municipal Planning Directors.

Key Facts

- This report provides an overview of the contents of the revised *Provincial Policy Statement, 2020* (“PPS”).
- On May 2, 2019, the Ministry of Municipal Affairs and Housing (“MMAH”) announced the Housing Supply Action Plan concurrently with *Bill 108: More Homes, More Choice Act, 2019* (“Bill 108”).
- On July 22, 2019, MMAH released a draft *PPS* as part of the same Housing Supply Action Plan program. Consultation was open until October 21, 2019.
- Staff submitted comments on the draft *PPS* to the MMAH through the Environmental Registry of Ontario (“ERO”). These comments are provided in report PDS 31-2019.
- On February 28, 2020, MMAH released the final version of the new *PPS*. This replaces the old *PPS*, 2014. A copy of the new *PPS* is attached as Appendix 1 and a comparison document of the old *PPS* and new *PPS* is attached as Appendix 2.
- The new *PPS* comes into effect on May 1, 2020. The *Planning Act, 1990*, states that Council’s decision on any planning matter shall be consistent with the *PPS*.

Financial Considerations

There are no financial considerations directly linked to this report.

Analysis

The purpose of this report is to inform Council of the content of the new *PPS*.

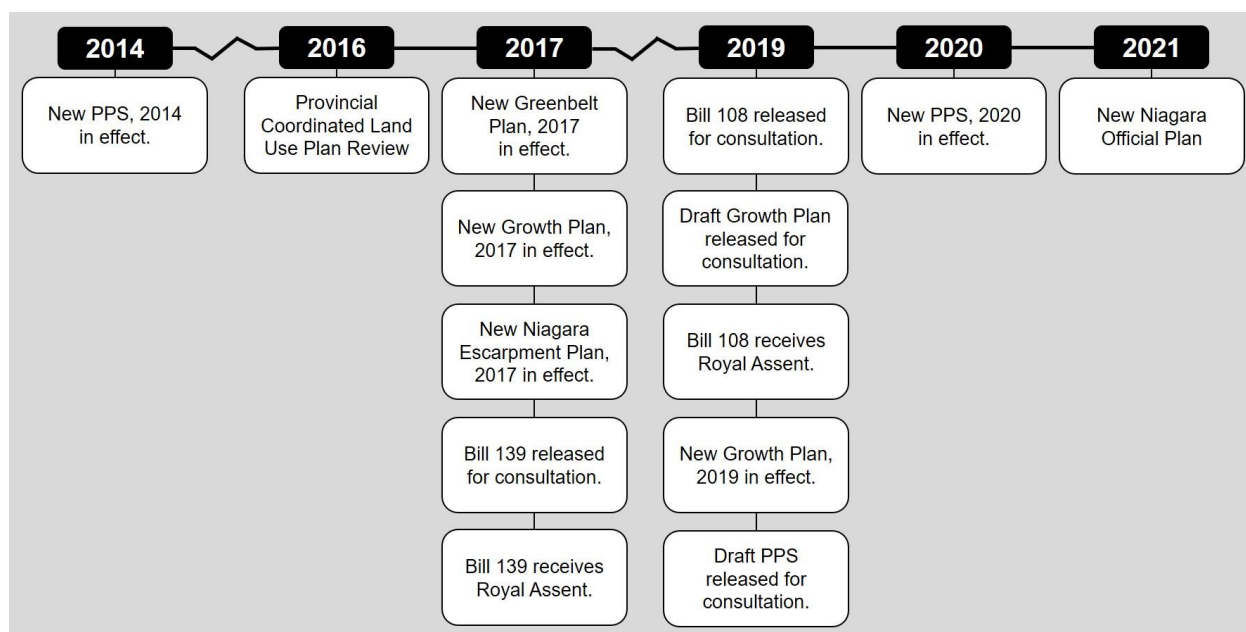
The *PPS* is the statement of Ontario's policies on land use planning. It is the foundational document that sets out how planning should be done in the Province.

The *Planning Act, 1990*, requires Council's decisions on planning matters to be consistent with the *PPS*. Similarly, comments or advice relating to a planning matter must be consistent with the *PPS*.

The *PPS* has had several iterations over the last few decades. The new *PPS, 2020* replaces the *PPS, 2014*. A comparison of *PPS, 2014* and *PPS, 2020* is provided in Appendix 2.

Many of the changes in the new *PPS* reflect recent amendments to other Provincial plans and legislation that have occurred through *Bill 108* and MMAH's Housing Supply Action Plan. A timeline of these changes to Provincial policy is shown in Figure 1.

Figure 1: A timeline of new Provincial plans and other changes since 2014.



The following sections of this report provides a description of the major *PPS* changes by theme. The specific policy changes are provided in the appendices.

Employment

Changes to the *PPS* on employment-related matters reflect the new policy direction contained in the recently amended *A Place to Grow: Growth Plan for the Greater Golden Horseshoe, 2019* (the “*Growth Plan*”).

The new *PPS* emphasizes land use compatibility through the protection of existing and planned employment uses from encroaching non-employment sensitive land uses.

Policy language added to sections 1.2 “Coordination” and 1.3 “Employment” are more specific about need requirements for proposing non-employment sensitive land uses near industrial and manufacturing employment uses.

Newly added language to policy 1.3.2.3 restricts the ability to locate non-employment uses within certain employment areas. Specifically, employment areas planned for industrial and manufacturing uses are required to prohibit residential uses, as well as prohibit or limit other sensitive land uses. Further, these areas should include an appropriate transition to adjacent non-employment uses.

Policy 1.2.3.5 has been added to address gaps between the *Growth Plan* and *PPS* on matters relating to the timing and ability to convert employment uses. This policy reflects language contained in section 2.2.5 “Employment” of the *Growth Plan* that allows for conversions in employment areas to occur outside of a municipal comprehensive review (“MCR”) – unless located within a provincially significant employment zone (“PSEZ”).

Further, changes to *PPS* policy 1.3.2.7 extends the ability for planning authorities to plan for and protect employment areas from a 20 year timeline to 25 years.

Settlement Area Boundary Expansions

Changes to section 1.1.3 “Settlement Areas” of the *PPS* ensure consistency with the recently amended *Growth Plan* on matters relating to settlement area expansions.

PPS policy 1.1.3.8 has added language that provides direction for municipalities, including those located outside of the GGH, to adjust the level of detail when reviewing a settlement area boundary expansion request during a MCR to correspond with the complexity and scale of the request.

Additionally, policy 1.1.3.9 was added to recognize *Growth Plan* provisions that permit settlement area boundary expansions outside of a MCR. This policy ensures alignment with section 2.2.8 “Settlement Area Boundary Expansions” of the *Growth Plan*.

Housing

The new *PPS* contains added policy language and terminology that recognize *Growth Plan* policy direction on matters relating to market-demand and housing options. Both the *Growth Plan* and *PPS* have been amended to define “housing options” as

a range of housing types such as, but not limited to single-detached, semi-detached, rowhouses, townhouses, stacked townhouses, multiplexes, additional residential units, tiny homes, multi-residential buildings. The term can also refer to a variety of housing arrangements and forms such as, but not limited to life lease housing, co-ownership housing, co-operative housing, community land trusts, land lease community homes, affordable housing, housing for people with special needs, and housing related to employment, institutional or educational uses.

The inclusion of this definition in the *PPS*, accompanied by new policy language throughout section 1 “Building Strong Healthy Communities” places greater emphasis on planning authorities to plan for and provide increased housing options, including both market-based and affordable development types.

Specifically, the new *PPS* speaks to satisfying market demand for housing options within strategic growth areas based on existing or planned municipal servicing and investments. For instance, changes to policy 1.2.1 directs planning authorities to plan for and integrate land uses with transit-supportive development to optimize municipal service and infrastructure investments.

Further, added language to policy 1.1.3.3 expands on policy 1.2.1 and requires planning authorities to identify and promote opportunities for transit-supportive development that accommodates a significant supply and range of housing options through intensification and redevelopment.

The new *PPS* also aims to increase the amount of available designated land for growth, depending on market-based demand and level of intensification within settlement areas. Specifically, changes to policy 1.4.1 require the municipal residential land supply to be

15 years, rather than 10 years, as well as provide for a 5-year supply for residential units through lands able to accommodate the units and in draft approved registered plans.

In regards to development application processes, a draft policy for “priority applications” was not included in the final version of the new *PPS*. Specifically, the October draft *PPS* included a policy to condense the development review and approval process for “priority applications”. In the Region’s submission (see PDS 31-2019), support was provided for the concept of a streamlined priority application process; however, the Region asked for clarity on how it would be applied and that authority be granted to municipalities to determine what would qualify.

In lieu of this, and comments from others, the Province did not proceed with a “priority application” policy.

Notwithstanding the absence of a priority application process, the Region remains committed to using available tools to expedite the development application review and approval process.

Municipal Infrastructure and Servicing

Changes to section 1.6 “Infrastructure and Public Service Facilities” add provisions that encourage development and redevelopment to incorporate green infrastructure and design practices that will help communities prepare for impacts of a changing climate.

There also are substantive changes for planning authorities through added language to policies 1.6.6.4 and 1.6.6.5. The new *PPS* directs the Region to work with its local municipalities during its official plan review or update to assess the long-term impacts of individual on-site sewage services and water services on the environmental health and desired character of rural settlement areas and the feasibility of other forms of servicing.

Additionally, the new *PPS* now permits connections to existing partial servicing where it has been provided to address instances of failed individual on-site sewage and water services for infill development on existing lots of record. These connections must be logically and financially viable, and demonstrate that site conditions are suitable for the long-term of such services with no negative impacts.

The Region previously commented on the draft policy, which has not changed in the final version that this partial servicing connection policy may lead to negative Regional

outcomes. Specifically, the Region's Water and Wastewater Master Servicing Plan ("MSP") only considers municipal servicing needs and forecasts for lands within its *urban areas*, not those outside it as raised by this policy. Planning for and servicing existing lots of record can be difficult, more expensive, and remove capacity from existing settlement areas where growth is normally planned. The Region and its local municipalities will review this policy to determine its impact on servicing connections outside of urban areas.

Indigenous Consultation

The new *PPS* encourages planning authorities to build constructive, cooperative relationships with Indigenous communities through meaningful consultation during land use planning processes. Added language clarifies instances where planning authorities are required to consult with Aboriginal communities on planning matters.

Specifically, section IV "Preamble" states that consultation is required when a planning matter may affect section 35 Aboriginal or treaty rights, or when identifying, protecting, and managing cultural heritage and archaeology resources. This is also reflected in policy 2.6.5 that requires planning authorities to engage with Indigenous communities and consider their interests when identifying, protecting and managing cultural heritage and archaeological resources.

While added language clarifies instances of required municipal consultation with Aboriginal communities, it does not address the specific requirements or how practices, processes of these efforts should be carried out. The Region will engage with the Province to seek guidance on the intended process for engagement with Aboriginal communities.

Alternatives Reviewed

The purpose of this report is to inform Council of changes to the new *PPS*. There are no alternatives to this report.

Commissioner Comments

Essentially, the new *PPS* aims to increase the supply of land available for housing within settlement areas while at the same time reflecting current market-based demand and transit supportive intensification. As such, it is incumbent on the Region and the LAMs to continue to invest in the planning and support of District Plan and Secondary

Plan initiatives which proactively facilitate and expedite the delivery of significant housing supply.

Relationship to Council Strategic Priorities

The *Planning Act, 1990*, states that Council's decision on any planning matter shall be consistent with the *PPS*, this includes the Region's ongoing planning initiatives, including background studies associated to the new Niagara Official Plan.

The new Niagara Official Plan will provide a comprehensive policy direction on matters relating to growth management (i.e. housing, affordability); sustainability (i.e. natural environment, climate change); vibrancy (i.e. urban design, secondary / district plans); competitiveness (i.e. employment, agriculture, aggregates); and connectedness (i.e. transportation, infrastructure).

Policies of the new *PPS* will be reflected in background studies being undertaken to inform and draft the new Niagara Official Plan policy framework. As such, changes to the *PPS* will influence the following Strategic Priorities:

- Business and Economic Growth;
- Healthy and Vibrant Community; and
- Responsible Growth and Infrastructure Planning.

Other Pertinent Reports

- CWCD 289-2019
- PDS 31-2019
- CWCD 384-2019
- CWCD 70-2020

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Appendices

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| Appendix 1 | Provincial Policy Statement, 2020 |
| Appendix 2 | Provincial Policy Statement (PPS): Blackline
Comparison between PPS, 2014 and PPS, 2020 |