

May 23<sup>rd</sup>, 2023

Provincial Land Use Plans Branch  
13<sup>th</sup> Floor, 777 Bay St.  
Toronto, ON, M7A 2J3  
Via email: [growthplanning@ontario.ca](mailto:growthplanning@ontario.ca)

**Re: County of Grey Comments on Review of proposed policies adapted from A Place to Grow and Provincial Policy Statement to form a new provincial planning policy instrument.**

On behalf of the County of Grey, please find attached a copy of Grey County Staff Reports PDR-PEDAC-19-23, PDR-AAC-20-23, and PDR-CW-21-23 which represents the County of Grey's comments on the Review of proposed policies adapted from A Place to Grow and Provincial Policy Statement to form a new provincial planning policy instrument. These Reports were presented to their respective Committees on May 4<sup>th</sup>, and May 11<sup>th</sup>, 2023, where the following staff recommendations were adopted through resolutions PED03-23, AAC03-23, and CW-75-23 respectively.

**PED03-23**

1. That report PDR-PEDAC-19-23 regarding proposed Bill 97, the '*Helping Homebuyers, Protecting Tenants Act, 2023*' and the proposed update to the Provincial Policy Statement 2023, be received; and
2. That report PDR-PEDAC-19-23 be forwarded on to County Council for their consideration for inclusion in the County of Grey's comments on the 'Review of proposed policies adapted from A Place to Grow and Provincial Policy Statement to form a new provincial planning policy instrument' posted on the Environmental Registry through posting #019-6813; and
3. That the report be shared with member municipalities having jurisdiction within Grey County; and,
4. That should the revised natural heritage policies be released with a limited commenting timeline, with no ability to prepare a further report for the Planning and Economic Development Advisory Committee, or County Council, that Council consider directing staff to submit comments directly to the province on those updated policies.

### **AAC03-23**

1. That report PDR-AAC-20-23 be received, regarding the proposed update to the Provincial Policy Statement 2023; and
2. That report PDR-AAC-20-23 be forwarded on to County Council for their consideration for inclusion in the County of Grey's comments on the 'Review of proposed policies adapted from A Place to Grow and Provincial Policy Statement to form a new provincial planning policy instrument' posted on the Environmental Registry through posting #019-6813; and
3. That the report be shared with member municipalities having jurisdiction within Grey County; and
4. That the report be shared with local agricultural stakeholder organizations including the Grey County Federation of Agriculture, Ontario Federation of Agriculture, Christian Farmers, National Farmers Union, and Grey County Agricultural Services; and
5. That should the revised natural heritage policies be released with a limited commenting timeline, with no ability to prepare a further report for the Agricultural Advisory Committee, or County Council, that Council consider directing staff to submit comments directly to the province on those updated policies.

### **CW-75-23**

1. That report PDR-CW-21-23 be received, regarding the proposed update to the Provincial Policy Statement 2023; and
2. That reports PDR-CW-21-23, PDR-PEDAC-19-23, and PDR-AAC-20-23 be forwarded on to the province as the County of Grey's comments on the 'Review of proposed policies adapted from A Place to Grow and Provincial Policy Statement to form a new provincial planning policy instrument' posted on the Environmental Registry through posting #019-6813; and
3. That should the revised natural heritage policies be released with a limited commenting timeline, with no ability to prepare a further report for County Council, that staff be directed to submit comments directly to the province on those updated policies; and
4. That staff be authorized to proceed prior to County Council approval as per Section 26.6(b) of Procedural By-law 5134-22.

Thank you for the opportunity to provide comments on this proposed policy review.

Should you have any questions, or require any further information, please do not hesitate to contact this office.

Yours truly,

A black rectangular redaction box covering the signature area, with a small handwritten mark above it.

Scott Taylor, MCIP, RPP  
Director of Planning  
519-372-0219 ext. 1238  
[scott.taylor@grey.ca](mailto:scott.taylor@grey.ca)

Enclosures: PDR-PEDAC-19-23 Report  
PDR-AAC-20-23 Report  
PDR-CW-21-23 Report

Cc. (All by email only)  
Township of Chatsworth  
Township of Georgian Bluffs  
Municipality of Grey Highlands  
Town of Hanover  
Municipality of Meaford  
City of Owen Sound  
Township of Southgate  
Town of The Blue Mountains  
Municipality of West Grey  
Grey County Federation of Agriculture  
Ontario Federation of Agriculture  
Christian Farmers  
National Farmers Union  
Grey County Agricultural Services

# Committee Report

<b>To:</b>	Chair and Members of Grey County Planning and Economic Development Advisory Committee
<b>Committee Date:</b>	May 4 <sup>th</sup> , 2023
<b>Subject / Report No:</b>	Proposed Bill 97 and Provincial revision of the Provincial Policy Statement / PDR-PEDAC-19-23
<b>Title:</b>	County Comments on Bill 97 and Draft Provincial Policy Statement (2023)
<b>Prepared by:</b>	Grey County Planning Staff
<b>Reviewed by:</b>	Randy Scherzer
<b>Lower Tier(s) Affected:</b>	All Municipalities
<b>Status:</b>	

## Recommendation

1. That report PDR-PEDAC-19-23 regarding proposed Bill 97, the '*Helping Homebuyers, Protecting Tenants Act, 2023*' and the proposed update to the Provincial Policy Statement 2023, be received; and
2. That report PDR-PEDAC-19-23 be forwarded on to County Council for their consideration for inclusion in the County of Grey's comments on the 'Review of proposed policies adapted from A Place to Grow and Provincial Policy Statement to form a new provincial planning policy instrument' posted on the Environmental Registry through posting #019-6813; and
3. That the report be shared with member municipalities having jurisdiction within Grey County; and,
4. That should the revised natural heritage policies be released with a limited commenting timeline, with no ability to prepare a further report for the Planning and Economic Development Advisory Committee, or County Council, that Council consider directing staff to submit comments directly to the province on those updated policies.

## Executive Summary

The province recently introduced Bill 97, the *Helping Homebuyers, Protecting Tenants Act*. Bill 97 proposes updates to the *Planning Act*, in addition to several other pieces of provincial legislation.

The province also recently released a new draft Provincial Policy Statement (PPS) 2023 for review and comment via the Environmental Registry of Ontario (ERO). The new draft PPS follows the province's 2022 consultations where the government proposed to integrate the PPS with the '*A Place to Grow: Growth Plan for the Greater Golden Horseshoe*' into a new province-wide policy instrument. The stated intent of the review is to determine the best approach that would enable municipalities to accelerate the development of housing and increase housing supply (including rural housing), through a more streamlined province-wide planning policy framework.

Within this report, County Staff offer a summary of the proposed legislative and policy changes with some commentary on the proposed changes that could impact the County in both positive and negative ways.

## Background and Discussion

On April 6, 2023, the province introduced Bill 97, the *Helping Homebuyers, Protecting Tenants Act*. Bill 97 proposes changes to several pieces of legislation, including the *Planning Act* and the *Development Charges Act*. Bill 97 builds off other recent changes to the *Planning Act*, including changes in 2022 through Bills 109 and 23. The County provided comments on both Bills 109 and 23, and links to those previous staff reports have been included in the Attachments section of this Report. A summary of some of the planning elements of Bill 97 has been included in this Report, which also offers some comments for consideration by the Planning and Economic Development Advisory Committee (PEDAC) to share with County Council.

In late 2022, the province announced a review of the Provincial Policy Statement (PPS) 2020 and '*A Place to Grow: Growth Plan for the Greater Golden Horseshoe*' (hereafter referred to as the Growth Plan), with the goal of consolidating the two documents. The entire province is covered by the PPS, but Grey County is not covered by the current Growth Plan. In this 2022 consultation, there were no draft policy updates shared, but a series of discussion questions for stakeholders to consider, with a stated goal of accelerating the development of housing and increasing housing supply. The County submitted comments to the province on this consultation through staff report PDR-CW-01-23, which has been linked to in the Attachments section of this Report.

On April 6, 2023, the province released a new draft 2023 PPS, which is a combined PPS and Growth Plan. Through the Environmental Registry of Ontario, the Province is seeking comments on this new draft PPS by June 5, 2023. The intent of this report is to provide a summary of the proposed changes that impact the County, outside of the agricultural and rural lands. A parallel report is also being prepared for the Agricultural Advisory Committee (AAC) on the agricultural and rural lands components.

It is noteworthy that although the province has released a new draft PPS 2023, this draft document does not include updated natural heritage policies. The province has noted that these policies are to follow at a later date. At the time of drafting this report, these policies had not yet been released and nor were staff aware of the timeline for releasing such policies. It is difficult to understand the full scope of the new PPS, with such a major component of the PPS still outstanding.

## Proposed Bill 97 Changes

The *Planning Act* changes proposed through Bill 97 are not as extensive as the changes approved in 2022 through Bills 109 and 23. Some of the Bill 97 changes correct or update changes made through those earlier Bills. A brief summary of some of the relevant *Planning Act*, *Municipal Act*, *Ministry of Municipal Affairs and Housing Act*, and *Development Charges Act* changes are as follows:

1. Updates to the implementation timeframe for planning application refund dates introduced through Bill 109. Bill 97 changes the refund initiation date for zoning amendments and site plan applications from January 1, 2023, to July 1, 2023. The amendment would also allow for regulations to designate municipalities as being exempt from the refund requirements.
2. Updates to the definition of “area of employment” to further refine areas of employment to manufacturing and warehousing, but not to include institutional uses or commercial uses, except where such commercial uses are associated with the manufacturing or warehousing.
3. Clarification on the parking requirements for additional residential units (ARUs) based on the Bill 23 changes. Bill 97 makes it clear that municipal official plans and zoning by-laws can require more than one parking space for the primary residential unit.
4. Changes to the interim control by-law appeal procedures to adjust both who can appeal and the timing for issuing notice of passing.
5. Changes to the site plan provisions for residential developments of no more than 10 residential units, to prescribe areas where site plan control could still be utilized for smaller numbers of residential units.
6. New powers are granted to the Minister with respect to:
  - a. Requiring municipalities and landowners to enter into agreements where the Provincial Land Development Facilitator has been engaged.
  - b. Exempting lands subject to Minister’s Zoning Orders (MZOs) from PPS consistency and official plan conformity when applying for planning applications such as plans of subdivision.
  - c. Making regulations with respect to the transition date of a new PPS.
  - d. Making regulations regarding the powers of municipalities to set up demolition or conversion by-laws for residential rental properties.
7. Striking out the “parcel of urban residential land” definition and replacing it with “parcel of land” as it applies to ARUs. The changes to the *Development Charges Act* will exempt all standalone ARUs from the payment of development charges, assuming the overall site density limits are not exceeded. The changes to the *Planning Act* clarify that where a municipality adds such ARU policies outside of serviced settlement areas, the policies themselves are no longer appealable.
8. Appointing up to four Deputy Facilitators under the Provincial Land and Development Facilitator.

### Staff Comments

County staff generally have no concerns over items # 1 – 5, 6(a), 6(c), 7, and 8 above. Ideally item # 1 would’ve included the ability for a municipality and a proponent to ‘pause’ the refund

timeline, where the two parties have agreed and are working together to move the applications forward in an efficient manner.

Staff understand the province's stated purpose behind 6(b), but still believe there should be some consideration of local official plan policies. With respect to 6(d), the change provides details on the Minister's ability to regulate local municipal abilities to set up rental replacement by-laws. County staff request that the province consider expanding the tools of municipalities to protect existing rental properties, versus limiting the scope of such by-laws.

## Provincial Policy Statement (PPS) and Growth Plan Context

The PPS provides overall policy direction on matters of provincial interest related to land use planning and development in Ontario. The PPS applies province-wide, except where the policy statement or another provincial plan provides otherwise. Provincial Plans, such as *'A Place to Grow: Growth Plan for the Greater Golden Horseshoe'*, build upon the policy foundation provided by the PPS by providing additional policies to address issues facing specific geographic areas in Ontario.

The PPS is to be read as a whole, as the policies reflect and respect the complex inter-relationships among environmental, economic, and social factors in land use planning. Local context is emphasized as an important consideration in determining how these outcome-oriented policies are to be implemented in a specific area. The policies are meant to balance the creation of strong, livable, healthy communities which enhance human health and social well-being, with the environment, resource use, the economy, and climate change resilience. Municipalities can provide more detail in their local official plan policies than the PPS, provided those policies are not in conflict with the PPS.

Land use planning decisions made by municipalities, planning boards, the province, commissions, or agencies of the government shall be consistent with the PPS. The PPS was last updated in 2020.

As noted earlier, Grey was not previously covered by the Growth Plan. For the Greater Golden Horseshoe, the Growth Plan provided detailed policies, as well as population and employment targets which Growth Plan municipalities were required to implement in their official plans. In the draft 2023 PPS, the province has included Schedule 1, which is a list of large and fast-growing municipalities, for which the draft PPS contains some additional policy direction. There are no Grey County municipalities included in Schedule 1.

## Proposed Provincial Policy Statement (2023) Updates

As it pertains to the purview of the County's PEDAC, there are some key subject area updates to the PPS which could impact the County, which are as follows:

1. Growth targets, allocations, and planning horizon
2. Affordable housing and coordination
3. Major transit station areas
4. Employment land conversions
5. Climate change
6. Servicing
7. Missing natural heritage policies

## 8. Implementation and updated definitions

A summary of the changes and some brief staff comments are provided below for each of the above-noted themes.

### *1. Growth Targets, Allocations, Intensification, and Planning Horizon*

- a. The 2023 PPS changes the growth planning relationship for several municipalities that were previously covered by the Growth Plan who no longer have their population and employment projections prescribed to them. Schedule 1 to the PPS provides a list of large and fast-growing municipalities, for which some additional policies apply. Section 2.3.5 of the new PPS encourages planning authorities to establish density targets for new or expanding settlement areas as appropriate, while large and fast-growing municipalities are encouraged to plan for a minimum density target of 50 residents and jobs per gross hectare.

**Staff Comment:** This change does not directly impact Grey County, as Grey has been responsible for projecting our own population and employment growth. Grey County municipalities are not included in Schedule 1.

Staff note that for the County's Primary Settlement Areas, our minimum residential density targets are 25 units per net hectare for Owen Sound and Hanover, and 20 units per net hectare for the rest of the County's Primary Settlement Areas. In Official Plan Amendment (OPA) # 11, the County is proposing to increase all Primary Settlement Areas to 25 units per net hectare, but this section of the OPA is currently under appeal. Staff note that these residential density targets appear to align very well with the province's recommended minimums, although they are measured in slightly different metrics (i.e., people per gross ha. versus units per net ha.). County staff note that the above provincial targets are for large and fast-growing municipalities, but in an effort to make efficient use of land and infrastructure, staff see merit in Grey County municipalities being held to similar standards. The County currently does not have any density policies for employment or commercial areas.

- b. The 2020 PPS permitted a planning horizon of up to 25 years. The new PPS proposes to change this to "at least 25 years".

**Staff Comment:** Staff support the intent of this change i.e., to facilitate long-term planning, but would note that it could have impacts on official plans, development applications, and infrastructure planning. More specifically without an upset limit on the planning horizon, it may be difficult to establish what the planning horizon is, as it relates to growth needs and infrastructure planning. For example, from a development application perspective, if a municipality has enough designated land in their official plan for the next 25 years, what's to stop a developer from asking for a boundary expansion to support a 30-year growth horizon. From the infrastructure planning perspective, it makes it very difficult to support growth needs, without a defined timeframe and corresponding population/employment projections for that planning horizon.

- c. The changes also note that when the Minister approves an MZO, the resulting development is in addition to the projected needs established in the official plan. The



MZO lands would then be incorporated into the official plan and infrastructure plans at the time of the next official plan update.

**Staff Comment:** This change could have impacts on municipal abilities to plan for growth and infrastructure needs. If MZO lands are considered beyond the current official plan allocations, then it could result in a municipality seeing requests for settlement area expansion, which need infrastructure improvements, without the municipal ability to factor in both the current municipal official plan projections and the MZO increases.

- d. There are a number of changes to the intensification policies including permitting and facilitating all types of intensification by allowing for the conversion of existing commercial and institutional buildings.

**Staff Comment:** Staff are generally supportive of the intent of these changes, but note that the PPS should still allow for some municipal autonomy to: (i) preserve certain existing commercial spaces (e.g., ground floor commercial on a downtown main street), and (ii) limit or phase intensification in areas where costly infrastructure upgrades would be required.

## *2. Affordable housing and coordination*

- e. The 2023 PPS has removed the definition for “affordable” as it pertains to both rental and home ownership.

**Staff Comment:** Staff have concerns with this change, as it drives the housing policies further away from a measure of affordability that is tied back to income. In the Bill 23 changes to the *Development Charges Act*, the province introduced a new measure of ‘affordability’ which is 80% or less of market value. County staff believe that this definition partnered with the removal of “affordable” from the PPS could severely hamper the efforts to produce housing that is truly affordable to large segments of the population (i.e., not just deeply affordable but even more moderately affordable). This change could also impact municipalities who have existing affordable housing targets in their official plans, which are linked to the 2020 definitions for affordable.

- f. The definitions for “housing options” has been expanded to include a wider range of housing choices and living models across the province.

**Staff Comment:** Staff are supportive of this change.

- g. Land use planning and planning for housing is required to be coordinated with Service Managers and school boards.

**Staff Comment:** Staff are generally supportive of this change. With respect to coordinating with Service Managers, this is not entirely different from the 2020 PPS which requires that planning consider the applicable housing and homelessness plans. Although County Planning staff can work with Community Services staff on such housing policies to support a range of housing options, planning policies alone do not address the critical need for deeply affordable housing and mental health and addictions supports, that cannot otherwise be met by the private sector, or the County’s current allocated housing support funds.

Staff support better coordination of activities between land use planning and school boards. Staff encourage the province to consider further coordination of other public service facilities such as the health care sector and hospitals.

### ***3. Major transit station areas***

- h. Several policies and concepts regarding major transit station areas (MTSAs) have been carried over from the growth plan, including having minimum density targets in MTSAs. These policies generally apply to those municipalities listed in Schedule 1 as large and fast-growing. Sections 2.4.2.4 and 2.4.2.5 appear to allow non-Schedule 1 municipalities the ability to still plan for MTSAs and establish minimum density targets both on and off higher order transit corridors.

**Staff Comment:** Staff are generally supportive of these policies, but note that Grey County does not currently have any MTSAs or higher order transit corridors. The policies would appear to allow the County and member municipalities to plan for such facilities, which could further potentially allow for the use of inclusionary zoning tools. It is however important to note that higher order transit is generally defined to include rail, subways, light rail, and buses in dedicated rights-of-way. As such, if a Grey County municipality were to plan for such facilities it would likely require greater population density and a radical investment in public transit infrastructure.

### ***4. Employment land conversions and employment changes***

- i. Together with the changes in Bill 97, the draft PPS scopes employment areas to industrial and warehousing uses, including ancillary retail and office uses. The previous definition included other types of employment in these areas, including offices. These changes would have the effect of prohibiting standalone commercial or institutional uses in designated employment areas.

**Staff Comment:** These changes generally would not impact Grey County municipalities, save and except those municipalities that may permit some standalone commercial or institutional uses in their employment areas. Staff are generally supportive of these changes, but note that some municipal autonomy regarding existing non-conforming uses in such areas may be warranted.

- j. The draft PPS appears to have lessened the restrictions regarding the separation between employment areas and sensitive land uses.

**Staff Comment:** Staff are not supportive of this change. The importance of employment lands has never been higher, and therefore these lands need to be protected from neighbouring incompatible land uses.

- k. The 2023 PPS has removed the need for a comprehensive review when considering a conversion of a designated employment area to a non-employment use.

**Staff Comment:** Staff see merit in some flexibility around re-designating employment areas, particularly those that may be isolated or surrounded by incompatible land uses. However, staff recommend that the comprehensive review provisions not be deleted from the PPS, but rather

the province may wish to better define those instances where a comprehensive review is not required or can be scoped commiserate with the scale of the proposed re-designation.

## **5. Climate change**

- I. The PPS section on climate change has been largely re-written, though the newly worded policies appear to be very similar in intent to the former policies i.e., requiring planning authorities to reduce greenhouse gas emissions and prepare for climate change impacts. Aside from the dedicated climate change section of the PPS, there are a number of sections which reference the “impacts of a changing climate”, such as the servicing and stormwater sections, which are proposed to be deleted. Other changes have removed wording in the waste management policies regarding reduction, reuse, and recycling objectives.

**Staff Comment:** Staff would request that the province take an increased leadership role both in this section of the PPS, and woven throughout the PPS, to require more action on greenhouse gas emissions, climate change mitigation, adaptation and resiliency. Servicing, stormwater, and waste management are all great opportunities to further include climate change direction. Policies on green development standards, or other supportive tools, would assist municipalities in achieving their own reduction goals. Several of the policies in the 2023 PPS appear contrary to climate objectives, such as allowing greater amounts of low-density housing scattered across the countryside (i.e., outside of settlement areas).

- m. The province has introduced a new definition for “low impact development” in the PPS, as it pertains to stormwater management.

**Staff Comment:** Staff support this change.

## **6. Servicing**

- n. There are changes to the servicing policies in the draft 2023 PPS. While the servicing hierarchy appears to have remained intact, there are several changes to this section, which are unclear in their interpretation. For example, the policies note that municipal services can include both centralized and decentralized servicing systems, without defining either term. There have also been changes to the partial servicing provisions which no longer contain a limitation on extending partial services into rural areas. In the draft PPS servicing policies relating to settlement areas, references to infilling and minor rounding out for the use of individual on-site services have been deleted.

**Staff Comment:** Staff request that the province consider adding some additional definitions to clarify terms such as centralized servicing systems, decentralized servicing systems, infilling, and minor rounding out. Some of these terms are not new to the PPS, but having definitions would save future interpretation conflicts. Staff also recommend that increased emphasis be placed on the financial viability of servicing infrastructure and coordination with municipal asset management planning.

## *7. Missing natural heritage policies*

- o. One of the tenants of the PPS, is that the document is to be read as a whole, and that no one policy is to be read in isolation. Given that the province has yet to release natural heritage policies, it's difficult to understand the full scope of the province's proposed changes.

**Staff Comment:** County staff encourage the province to consider putting this PPS review 'on hold' or delaying the final comment deadline until such time as those draft policies have been released and stakeholders such as municipalities have had the opportunity to review and bring reports to their respective councils, boards, or clients.

County staff will monitor this matter and advise when the draft natural heritage policies are released. If there are major changes being proposed, staff anticipate a future staff report being warranted, provided the commenting deadline facilitates the timing for such a report. Depending on timing, such comments may need to bypass the County's PEDAC and proceed directly to Committee of the Whole. Should the deadline not facilitate a staff report, staff may seek direction to provide comments directly to the province.

## *8. Implementation, updated definitions, and other policy matters*

- p. The draft 2023 PPS contains a number of new, updated, and deleted definitions, some of which have already been flagged in this Report. There are other definitions which have been deleted such as "fish", "fish habitat", "endangered species", "wetlands", "coastal wetlands", "wildlife habitat", "threatened species", and "woodlands" which have all been deleted.

**Staff Comment:** Staff appreciate the additional clarification on the newly defined terms. Some of the updated and deleted terms give cause for concern, including the deletions related to "affordable", and the severely scoped definition of "significant". There are also definitions that staff have flagged in other sections of this Report, which would be useful additions to the PPS.

With respect to the deleted definitions related to natural heritage features, staff are unclear if these will be included with the forthcoming proposed natural heritage policies, or if these are proposed to be completely deleted from the PPS. Staff note that the definition for an "Area of Natural and Scientific Interest" is in the draft PPS, but most other definitions have been deleted. Staff encourage the province to consider reinstating a number of these important definitions.

- q. There are newly added sections to the PPS, which encourage meaningful early engagement and knowledge sharing with Indigenous communities.

**Staff Comment:** Staff have not consulted with local First Nations and Metis peoples on these proposed changes. The changes appear to be positive, but staff would defer to Indigenous communities as to whether these changes are supported or not.

- r. Section 6.2.3 of the draft PPS encourages planning authorities to engage the public and stakeholders early in local efforts to implement the PPS. This includes providing the necessary information and informed involvement of local citizens, including equity-deserving groups.

**Staff Comment:** Staff support the intent of this comment, but respectfully request that the province undertake a larger portion of this engagement both now, as part of the draft PPS, and later once a new PPS has been approved. While staff are happy to work with local citizens and stakeholders as part of municipal official plan updates, staff feel the province could show leadership by robust consultation and education on the draft and final PPS. To date, staff have not been made aware of any workshops or education materials, beyond the Environmental Registry posting on the PPS. Furthermore, the draft PPS is not available in its totality yet, as the natural heritage policies have yet to be released.

- s. The implementation section of the draft PPS proposes to delete a clause which states; *“The official plan is the most important vehicle for implementation of this Provincial Policy Statement. Comprehensive, integrated and long-term planning is best achieved through official plans.”*

Further changes to the implementation section note that; *“Planning authorities shall keep their zoning and development permit by-laws up-to-date with their official plans and this Policy Statement by establishing permitted uses, minimum densities, heights and other development standards to accommodate growth and development.”*

*“Where a planning authority must decide on a planning matter before their official plan has been updated to be consistent with this Policy Statement, or before other applicable planning instruments have been updated accordingly, it must still make a decision that is consistent with this Policy Statement.”*

The province has also noted that they “may” identify indicators for monitoring of the PPS, versus the former “shall” identify indicators for monitoring.

**Staff Comment:** Staff do not support the removal of the acknowledgment of the official plan’s role in implementing the PPS. Staff have relied on this statement many times in the past to support explanations to the public on the role of the official plan in carrying out the provincial vision for land use planning.

Staff are supportive of keeping official plans and zoning by-laws up-to-date, but note that this becomes very difficult to do with the constant legislative and policy changes at the provincial level. Many municipalities across the province have yet to fully update their official plans and zoning by-laws from the 2020 PPS, in addition to the Bill 109 and Bill 23 changes. Furthermore, staff are still awaiting further information and regulations on Bill 23, to enact some of the legislative changes locally. To update upper and lower-tier official plans, followed by zoning by-laws, it takes significant municipal efforts and expenses. While staff support the province’s desire for continuous improvement in land use planning, there needs to be some stability and lag-time, so that planning authorities can ‘catch-up’ to all the changes in legislation and policy. This constant change also causes confusion and delays in processing development applications.

Staff further note that transitioning to a newly updated PPS also causes implementation timing issues, as evidenced by the above-noted statement on deciding on a planning matter prior to updating an official plan to be consistent with the PPS. The transitional powers relating to the PPS implementation in Bill 97 are broad, such that they could impact both future development applications, and on-going applications. With the scope of changes proposed in 2023 draft PPS, this transition could be significant and result in many applications that conflict with current

official plans, but are consistent with the PPS (e.g., residential lot creation in prime agricultural areas).

Staff empathize with the province regarding indicators for monitoring. While the County Plan contains similar policies, it is very difficult to monitor a plan as broad as the PPS or the County Official Plan. Staff appreciate some flexibility in working with the province and stakeholders on how to monitor such plans.

- t. In 2022 when the province announced the review of the 2020 PPS and Growth Plan, the province announced that the review would be focused on housing. The primacy and need for housing come through clearly in the draft 2023 PPS.

**Staff Comment:** Early public criticisms of the draft PPS are that ‘it’s housing above all else’, or ‘housing at all costs’. Staff support the province in taking bold action to address the housing needs across the province. Grey County wants to be a partner to work alongside the province in helping to address the housing needs of Ontario. That said, staff are also cognizant that housing is just one matter of provincial interest, and other matters such as agriculture, resource use, and the natural environment all need to be balanced in order to provide a sustainable long-term vision for Ontario. While staff support several of the policy updates in the 2023 PPS, there are numerous others that could have negative long-term impacts, which may outweigh the current need for action on housing. Staff encourage the province to consult further with a diverse cross-section of stakeholders and the public on the PPS 2023, with the aim of ensuring it’s providing a proper balance of Ontario’s provincial interests.

## Legal and Legislated Requirements

None with this Report.

## Financial and Resource Implications

At this stage, the financial impact of proposed policy and legislative changes is not known. Staff will continue to monitor the PPS review as well as Bill 97, and will keep County Council up to date on the status and impact. An update to the PPS could trigger future updates to the County Official Plan and member municipal official plans. These updates could also create more inefficient land development that may have broader tax levy implications.

## Relevant Consultation

☒ Internal: Planning, CAO/Deputy CAO, Legal Services, Community Services

☒ External: Member municipalities within Grey County and Other municipalities/counties outside of Grey.

## Appendices and Attachments

[ERO Posting 019-6813](#)

[ERO Posting 019-6821](#)

[PDR-AAC-20-23 County comments on the Draft Provincial Policy Statement 2023](#)

[Proposed Provincial Policy Statement, 2023](#)

[PDR-CW-01-23 Comments on Review of Growth Plan and PPS](#)

[PDR-CW-37-22 Bill 23 More Homes Built Faster Act](#)

[PDR-AF-17-22 Bill 109 More Homes for Everyone Act](#)

[Provincial Policy Statement, 2020](#)

# Committee Report

<b>To:</b>	Chair and Members of Grey County Agricultural Advisory Committee
<b>Committee Date:</b>	May 4 <sup>th</sup> , 2023
<b>Subject / Report No:</b>	Draft Provincial Policy Statement, 2023 / PDR-AAC-20-23
<b>Title:</b>	Draft Provincial Policy Statement (2023)
<b>Prepared by:</b>	Grey County Planning Staff
<b>Reviewed by:</b>	Randy Scherzer
<b>Lower Tier(s) Affected:</b>	All Municipalities in Grey County
<b>Status:</b>	

## Recommendation

1. That report PDR-AAC-20-23 be received, regarding the proposed update to the Provincial Policy Statement 2023; and
2. That report PDR-AAC-20-23 be forwarded on to County Council for their consideration for inclusion in the County of Grey's comments on the 'Review of proposed policies adapted from A Place to Grow and Provincial Policy Statement to form a new provincial planning policy instrument' posted on the Environmental Registry through posting #019-6813; and
3. That the report be shared with member municipalities having jurisdiction within Grey County; and
4. That the report be shared with local agricultural stakeholder organizations including the Grey County Federation of Agriculture, Ontario Federation of Agriculture, Christian Farmers, National Farmers Union, and Grey County Agricultural Services; and
5. That should the revised natural heritage policies be released with a limited commenting timeline, with no ability to prepare a further report for the Agricultural Advisory Committee, or County Council, that Council consider directing staff to submit comments directly to the province on those updated policies.

## Executive Summary

The province recently released a new draft Provincial Policy Statement (PPS) 2023 for review and comment via the Environmental Registry of Ontario (ERO). The new draft PPS follows the



province's 2022 consultations where the government proposed to integrate the PPS with the '*A Place to Grow: Growth Plan for the Greater Golden Horseshoe*' into a new province-wide policy instrument. The stated intent of the review is to determine the best approach that would enable municipalities to accelerate the development of housing and increase housing supply (including rural housing), through a more streamlined province-wide planning policy framework. Within this report, County Staff offer a summary of the proposed changes and commentary around the proposed core elements/approaches that could impact the County's agricultural and rural lands. Some of the proposed changes could very negatively impact farming in Grey County.

## Background and Discussion

In late 2022, the province announced a review of the Provincial Policy Statement (PPS) 2020 and '*A Place to Grow: Growth Plan for the Greater Golden Horseshoe*' (hereafter referred to as the Growth Plan), with the goal of consolidating the two documents. The entire province is covered by the PPS, but Grey County is not covered by the current Growth Plan. In this 2022 consultation, there were no draft policy updates shared, but a series of discussion questions for stakeholders to consider, with a stated goal of accelerating the development of housing and increasing housing supply (including rural housing). The County submitted comments to the province on this consultation through staff report PDR-CW-01-23, which has been linked to in the Attachments section of this Report.

On April 6, 2023, the province released a new draft 2023 PPS, which is a combined PPS and Growth Plan. Through the Environmental Registry of Ontario, the Province is seeking comments on this new draft PPS by June 5, 2023. The intent of this report is to provide a summary of the proposed changes that impact the County's agricultural and rural lands. A parallel report is also being prepared for the Planning and Economic Development Advisory Committee (PEDAC) on the other elements, such as the settlement area policies, proposed in the new draft PPS.

It is noteworthy that although the province has released a new draft PPS 2023, this draft document does not include updated natural heritage policies. The province has noted that these policies are to follow at a later date. At the time of drafting this report, these policies had not yet been released and nor were staff aware of the timeline for releasing such policies. It is difficult to understand the full scope of the new PPS, with such a major component of the PPS still outstanding.

Parallel to the new draft PPS, the province also announced Bill 97, the *Helping Homebuyers, Protecting Tenants Act*. Bill 97 proposes changes to a number of pieces of legislation, including the *Planning Act*. This report will not focus on Bill 97, as the impacts of this Bill are not anticipated to impact agricultural and rural lands as directly as some of the proposed PPS changes.

## Provincial Policy Statement (PPS) and Growth Plan Context

The PPS provides overall policy direction on matters of provincial interest related to land use planning and development in Ontario. The PPS applies province-wide, except where the policy statement or another provincial plan provides otherwise. Provincial Plans, such as '*A Place to Grow: Growth Plan for the Greater Golden Horseshoe*', build upon the policy foundation provided by the PPS by providing additional policies to address issues facing specific geographic areas in Ontario.

The PPS is to be read as a whole, as the policies reflect and respect the complex inter-relationships among environmental, economic, and social factors in land use planning. Local context is emphasized as an important consideration in determining how these outcome-oriented policies are to be implemented in a specific area. The policies are meant to balance the creation of strong, livable, healthy communities which enhance human health and social well-being, with the environment, resource use, the economy, and climate change resilience. Municipalities can provide more detail in their local official plan policies than the PPS, provided those policies are not in conflict with the PPS.

Land use planning decisions made by municipalities, planning boards, the province, commissions, or agencies of the government shall be consistent with the PPS. The PPS was last updated in 2020.

As noted earlier, Grey was not previously covered by the Growth Plan. For the Greater Golden Horseshoe, the Growth Plan provided detailed policies, as well as population and employment targets which Growth Plan municipalities were required to implement in their official plans. In the draft 2023 PPS, the province has included Schedule 1, which is a list of large and fast-growing municipalities, for which the draft PPS contains some additional policy direction. There are no Grey County municipalities included in Schedule 1.

## Proposed Provincial Policy Statement (2023) Updates

As it pertains to the purview of the County's Agricultural Advisory Committee, there are three main updates to the PPS which could impact the County's farmers and farmlands, which are as follows:

1. Agriculture,
2. Rural Lands, and
3. Settlement Area Boundaries.

County staff will provide a summary of each of these policy areas below, as well as some staff comments on the potential impacts of the proposed changes.

To understand the context behind the proposed changes it is important to note the following. The PPS has always promoted growth within settlement areas across the province. Outside of settlement areas, aside from any significant environmental features, there have traditionally been four main land use types, summarized in Table 1 below as follows:

<b>Provincial Land Use Type</b>	<b>Corresponding County Official Plan Designation</b>
Agricultural lands (also referred to as prime agricultural areas)	Agricultural
Specialty crop areas (containing specialty crops such as apples, grapes, and other tender fruits)	Special Agricultural (only designated in the Municipality of Meaford and the Town of The Blue Mountains in Grey)
Rural lands	Rural
Mineral resource extraction lands (i.e., for the purposes of	Mineral Resource Extraction (while the Mineral Resource Extraction designation is the licensed pits and quarries

extracting sand, gravel, and bedrock resources)	across the County, the County Plan also maps sand, gravel and bedrock resource areas)
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## Table 1: Provincial Land Use Types and Corresponding County Official Plan Designations

The County Official Plan maps the above-noted County Official Plan designations in seven of our nine member municipalities, not including the City of Owen Sound and the Town of Hanover. As noted in Table 1, the Special Agriculture designation is only found in the Municipality of Meaford and the Town of The Blue Mountains.

### 1. Agriculture Changes

The most noteworthy changes to Agriculture lands include the following:

1. Explicit permission for up to two additional residential units (ARUs),
2. The ability to sever residential lots (up to three residential lots can be created from parcels of land that existed as of January 1, 2023), where agriculture is the principle use of the land and the lands are outside of specialty crop areas, and
3. Limitations on municipal official plans and zoning by-laws from being more restrictive than the PPS, as it pertains to residential lot creation, except to address public health or safety concerns.

#### Staff Comments

County staff do not have concerns with item # 1 above. Staff note that many Grey County municipalities already permit ARUs in the Agricultural designation, provided these units can be serviced appropriately and are located in the farm cluster. These ARUs can then be used for farm help accommodation, to house farm family members, or for rental purposes. Staff see the ability to have ARUs on a farm property as complementary to agriculture and do not anticipate significant impacts on farming, including the removal of lands from farm production as a result. This staff support is caveated with the notion that these ARUs remain as part of the farm, and are not severed onto individual residential lots.

Staff have significant concerns with both items # 2 and 3 above, particularly as it relates to impacts on livestock operations and the removal of farmlands from production. While the original crown survey varies across the County, a typical farm block would be approximately 4 km<sup>2</sup> containing 10 original 40-hectare parcels (as denoted in the original crown survey), as shown in Map 1 below.



## Map 1: Sample Agricultural Block in Grey County

Note that Map 1 is for sample purposes only and does not account for additional lot creation which has occurred since the original crown survey. While staff are aware that not all farmers will choose to sever their lands into residential lots, the impact of this change could allow for up to 30 new residential lots to be created on each 4 km<sup>2</sup> block of agricultural lands across the County. The actual impact could be even greater in cases where existing 40-hectare parcels had already been severed pre-January 1, 2023. For example, if a 40-hectare parcel was historically severed into two 20-hectare parcels, then each of those 20-hectare parcels would now be allowed additional lot creation.

The province has not specified a minimum lot size for new residential parcels, other than to note that they need to be the minimum size parcel while still allowing for wells and septic systems. In most cases, staff estimate that this size would be between 0.4 ha – 0.8 ha (i.e., between 1 – 2 acres for each lot). As a result, using the sample from Map 1 above, this could result in 12 – 24 hectares of land removed from agriculture for residential lot creation.

The actual impact on agriculture, particularly livestock production, would be much greater based on the impacts related to Minimum Distance Separation (MDS) formulae. MDS provides setbacks between non-farm uses and livestock production such as barns and manure storage facilities. For every new residential lot created, this would 'cast a larger shadow' in which livestock operations could not be sited or expanded. MDS is applied in a reciprocal fashion from either livestock facilities or non-farm uses. Map 2 below provides a sample illustration of the MDS setbacks from both existing barns / manure storage facilities and proposed residential lots. Note that the actual MDS setbacks may be larger or smaller than those included in Map 2, depending on the type and size of livestock operation.



## Map 2: Sample Minimum Distance Separation Illustration

(Map 2 Courtesy Pam Duesling, County of Brant)

When MDS setbacks are factored in, the scope of agricultural lands impacted by this residential lot creation is much greater than just the sample 12 – 24 hectares of land being removed from farm production noted above.

The PPS also notes that ARUs created under item # 1 above, could also be severed. This policy would conflict with the current policy direction across the County, whereby any ARUs created in the Agricultural designation cannot be severed separate from the primary dwelling.

The further impact of item # 3 above, is that municipalities cannot choose to be more restrictive than the PPS here, i.e., a municipality could not have an official plan policy that only permits one residential lot to be created as opposed to the three lots permitted by the PPS.

Staff are not clear on what legitimate health and safety concerns municipalities could raise to reasonably restrict residential lot creation. Potential examples of areas where staff may have rationale to restrict severances are as follows:

- a) Restricting new entrances onto a provincial highway or county road\*,
- b) Considering the long-term forecasts for groundwater availability with our changing climate,

- c) Limiting conflicts where there are mapped aggregate or bedrock resources, or
- d) Limiting impacts where there are significant environmental features or hazard lands on the property.

\* It's worth noting that the County, member municipalities, and the Ministry of Transportation, as road authorities, still retain the ability to restrict entrances onto roads within their respective jurisdictions. This ability to grant or refuse entrance permits is not directly impacted by these changes.

At this stage, staff are not aware of how broadly the health and safety concerns will be interpreted, and whether (a) – (d) above would constitute legitimate grounds for limiting residential lot creation under this policy.

Staff further note that both the January 1, 2023, date (related to an existing lot or parcel of land), and the criterion with respect to 'agriculture being the principal use of the land' will cause significant implementation challenges, both now and extending into the future. In the future it could be very difficult to determine which lots existed as of January 1, 2023, and where lots had been severed since then. It's also worth noting that 'agriculture' is not a defined use in the PPS, and staff worry that either landowners or future tribunals could apply a very liberal definition of the term (i.e., where there's an existing 5-hectare lot with a house and a few sheep, should that 'count' as agriculture being the principal use and therefore being eligible for up to three residential lot severances).

One other unintended side effect of these new policies could be to drive up the price of farms across Ontario. For example, if a landowner selling a farm knows that the future buyer can sever up to three lots from the farm, it could dramatically increase the asking price of that farm. This may have the effect of creating an additional barrier to entry for young farmers, or creating an additional tax burden on existing farmers (i.e., if the assessed value of their farm increases).

Finally, staff also note that the PPS policies as drafted appear to give no consideration to existing farm lots which are restricted from further residential uses. Currently, when a surplus farm dwelling severance is created, the remnant farm parcel must be restricted from allowing any future residential dwellings. The proposed PPS would permit these remnant farm parcels to still be severed for three new residential lots, which would negate any former restrictions resulting from the surplus farm dwelling severance.

Overall, the intent of the proposed PPS is to accelerate the development of housing and to increase the housing supply in Ontario. However, staff do not believe that Agricultural lands are the appropriate location for increased residential development and lot creation. Agricultural lands within the County are a valuable and limited resource that needs to be supported and protected through provincial policy. The proposed changes will affect the viability of farming in the County and will affect the farming community's ability to grow and sustain their farming practices. These changes will create uncertainty for Grey County's agricultural sector.

### **Staff Recommendation**

Staff support the draft policy to permit ARUs in prime agricultural areas. Staff do not support the additional residential lot creation or the restriction on municipalities passing policies that are more restrictive than the PPS.

If the province does seek to allow for residential lot creation in prime agricultural areas, then the following matters should be considered:

- a) additional clarification should be added (i.e., what's a health and safety concern, what's the relationship between residential lot creation and mapped resource areas such as aggregates, should further lot creation be restricted on remnant surplus farm dwelling severances, etc.),
- b) total lot creation should be reduced from the proposed three lots per parcel of land, and
- c) municipalities should have the autonomy to decide whether they wish to allow for such residential lot creation or not.

## *2. Rural Areas and Rural Lands Changes*

Traditionally the PPS has allowed for slightly more flexibility for non-farm development in rural areas / lands. Note the PPS defines both the terms 'rural lands' and 'rural areas.' These two defined terms are not proposed to change in the 2023 PPS. For the purposes of this Report, staff are using the term 'rural lands', as it represents those rural lands outside of settlement areas that would align with the County's Rural official plan designation.

There are three changes to the rural lands policies which staff have flagged as follows:

- 4. Clarifying that recreational dwellings associated with resource based-recreational uses are not intended to be used as permanent dwellings,
- 5. Allowing for multi-lot residential development, and
- 6. Removing the need to be compatible with the rural landscape.

### **Staff Comments**

County staff do not have major concerns with items # 4 or 6 above. That said, item # 4 becomes very difficult to implement at an official plan or zoning by-law level, short of only allowing for a seasonal trailer or tourist accommodations such as a yurt on-site. In many locations across Grey, staff see applications to convert former seasonal dwellings (e.g., a non-winterized cottage) to a permanent year-round dwelling. Staff note that short of a camping or glamping facility, where the proposal is to build yurts or small domes, most proposed residential uses associated with resource-based recreational uses are for permanent dwellings that could be used either seasonally or year-round.

With respect to item # 6, staff support the former PPS wording regarding compatibility, but also note that it was very broad and caused some interpretation issues (i.e., what does it mean to be or not to be compatible with the rural landscape).

County staff have concerns with item #5 above, as it would appear to permit rural plans of subdivision or condominium. For many of the same reasons cited above with respect to limiting lot creation in prime agricultural areas, so too would one want to limit lot creation in rural lands (i.e., impact on farming, resource extraction, forestry, etc.). Staff further note that increased lot creation in rural lands can lead to increased demand for service and infrastructure expansions (i.e., transit, water/sewer, school bus pick-up, increased winter plowing, etc.). Staff do not believe that these future rural plans of subdivision would result in the creation of more affordable housing, and nor is it the appropriate location for affordable housing. Furthermore, these rural lots can have the effect of increasing demands on the local tax levy versus a denser revenue

neutral type of residential development. The impact on the local tax base could be further exacerbated by the recent provincial changes to development charges, which may see less municipal revenues coming in to offset the need for levy increases. Plans of subdivision are better situated in settlement areas including towns, villages, and cities, which offer a broader range of amenities and services, than in isolated rural lands.

### **Staff Recommendation**

Staff take no issue with the proposed changes regarding resource-based recreational dwellings and compatibility with the rural landscape. Staff do not support the broad permissions for multi-lot residential development in rural lands, and believe that this type of development is better focused in settlement areas.

## ***3. Settlement Area Boundaries***

Prior versions of the PPS would only allow for the expansion of a settlement area, or the creation of a new settlement area, where it was supported by a 'comprehensive review'. A comprehensive review is a defined study and process which requires consideration of several factors (i.e., servicing, demand, impact on agriculture, etc.) prior to growing out into rural lands or prime agricultural areas. Notably in previous iterations of the PPS, the proposed expansion lands could not comprise specialty crop areas. The province has removed the requirement for a comprehensive review in the 2023 PPS, as well as the need to consider some of the criteria covered under a comprehensive review. The 2023 PPS includes some criteria that planning authorities should consider when looking at new settlement areas or boundary expansions.

### **Staff Comments**

The need for a comprehensive review has evolved since it was first introduced in the 2005 PPS. In more recent iterations of the PPS, there is still a requirement for a comprehensive review, but there are some caveats attached for when the scope of a comprehensive review could be reduced, or when a comprehensive review would not be needed. The County relied on this scoped comprehensive review permission with a recent official plan amendment to expand the Chapmans factory into West Grey. County staff prefer the approach outlined in the 2020 PPS which can scope or remove the need for comprehensive reviews in select purposes, versus removing the need altogether.

While staff recognize the need to protect specialty crop areas, the former PPS placed a prohibition on expanding a settlement area into such lands. While there are limited settlement areas in Grey that this would impact, both Thornbury and Meaford would be impacted here, should they ever need to expand. The 2023 PPS does allow for some greater flexibility in this regard.

Staff have concerns that 'easing up' the requirements for settlement area expansions, could make it more difficult to promote infill and intensification within settlement areas. For example, if a developer has the choice between buying a 40-hectare greenfield site on the edge of town, versus a smaller brownfield site in town, then the greenfield site may be more attractive, leaving the brownfield site to continue undeveloped. Even with Community Improvement Plan (CIP) incentives this could make it more difficult to market and utilize these important infill opportunities. Communities may also experience more land speculation in rural and agricultural areas on the edge of settlement areas because of this change. Removing the comprehensive



review requirements also makes it much more difficult for a municipality to 'say no' to a new settlement area which could functionally compete with existing serviced settlement areas, or provide for an inefficient form of growth (urban sprawl) into rural or agricultural lands.

Staff believe that the new policies will create more opportunities for sprawl in the County's agricultural and rural lands.

### **Staff Recommendation**

Staff see merit in some flexibility around settlement area expansions, but recommend that the comprehensive review provisions not be deleted from the PPS. Alternatively, the province may wish to better define those instances where a comprehensive review is not required or can be further scoped.

## ***4. Missing Natural Heritage Policies***

One of the tenants of the PPS, is that the document is to be read as a whole, and that no one policy is to be read in isolation. Given that the province has yet to release natural heritage policies, it's difficult to understand the full scope of the province's proposed changes. County staff encourage the province to consider putting this PPS review 'on hold' or delaying the final comment deadline until such time as those draft policies have been released and stakeholders such as municipalities have had the opportunity to review and bring reports to their respective councils, boards, or clients.

County staff will monitor this matter and advise when the draft natural heritage policies are released. If there are major changes being proposed, staff anticipate a future staff report being warranted, provided the commenting deadline facilitates the timing for such a report. Depending on timing, such comments may need to bypass the County's Agricultural Advisory Committee and proceed directly to Committee of the Whole. Should the deadline not facilitate a staff report, staff may seek direction to provide comments directly to the province.

## **Legal and Legislated Requirements**

None with this report.

## **Financial and Resource Implications**

At this stage, the financial impact of proposed policy changes is not known. Staff will continue to monitor the PPS review and will keep County Council up to date on the status and impact. An update to the PPS could trigger future updates to the County Official Plan and member municipal official plans. These updates could also create more inefficient land development that may have broader tax levy implications.

## **Relevant Consultation**

☒ Internal: Planning, CAO/Deputy CAO

☒ External: Member municipalities within Grey County, Agricultural Advisory Committee, Other municipalities/counties outside of Grey

## Appendices and Attachments

[ERO Posting 019-6813](#)

[ERO Posting 019-6821](#)

[PDR-PEDAC-19-23 County comments on Bill 97 and Draft Provincial Policy Statement](#)

[Proposed Provincial Policy Statement, 2023](#)

[PDR-CW-01-23 Comments on Review of Growth Plan and PPS](#)

[Provincial Policy Statement, 2020](#)

# Committee Report

<b>To:</b>	Warden Milne and Members of Grey County Council
<b>Committee Date:</b>	May 11, 2023
<b>Subject / Report No:</b>	2023 Draft Provincial Policy Statement / PDR-CW-21-23
<b>Title:</b>	County Comments on the 2023 Draft Provincial Policy Statement
<b>Prepared by:</b>	County Planning Staff
<b>Reviewed by:</b>	Randy Scherzer
<b>Lower Tier(s) Affected:</b>	All Municipalities in Grey County
<b>Status:</b>	

## Recommendation

1. That report PDR-CW-21-23 be received, regarding the proposed update to the Provincial Policy Statement 2023; and
2. That reports PDR-CW-21-23, PDR-PEDAC-19-23, and PDR-AAC-20-23 be forwarded on to the province as the County of Grey's comments on the 'Review of proposed policies adapted from A Place to Grow and Provincial Policy Statement to form a new provincial planning policy instrument' posted on the Environmental Registry through posting #019-6813; and
3. That should the revised natural heritage policies be released with a limited commenting timeline, with no ability to prepare a further report for County Council, that staff be directed to submit comments directly to the province on those updated policies; and
4. That staff be authorized to proceed prior to County Council approval as per Section 26.6(b) of Procedural By-law 5134-22.

## Executive Summary

The province recently introduced Bill 97, the *Helping Homebuyers, Protecting Tenants Act*. Bill 97 proposes updates to the *Planning Act*, in addition to several other pieces of provincial legislation.

The province also recently released a new draft Provincial Policy Statement (PPS) 2023 for review and comment via the Environmental Registry of Ontario (ERO). The new draft PPS follows the province's 2022 consultations where the government proposed to integrate the PPS with the 'A Place to Grow: Growth Plan for the Greater Golden Horseshoe' into a new province-wide policy instrument. The stated intent of the review is to determine the best approach that would

enable municipalities to accelerate the development of housing and increase housing supply (including rural housing), through a more streamlined province-wide planning policy framework.

Within Reports PDR-PEDAC-19-23 and PDR-AAC-20-23, County Staff offer a summary of the proposed legislative and policy changes with some commentary on the proposed changes that could impact the County in both positive and negative ways. Staff recommend that all three reports (PDR-PEDAC-19-23, PDR-AAC-20-23 and PDR-CW-21-23) be shared with the province, as the County's comments on the draft PPS.

## Background and Discussion

On April 6, 2023, the province introduced Bill 97, the *Helping Homebuyers, Protecting Tenants Act*. Bill 97 proposes changes to several pieces of legislation, including the *Planning Act* and the *Development Charges Act*. Bill 97 builds off other recent changes to the *Planning Act*, including changes in 2022 through Bills 109 and 23. The County provided comments on both Bills 109 and 23, and links to those previous staff reports have been included in the Attachments section of this Report.

In late 2022, the province announced a review of the Provincial Policy Statement (PPS) 2020 and 'A Place to Grow: Growth Plan for the Greater Golden Horseshoe' (hereafter referred to as the Growth Plan), with the goal of consolidating the two documents. The entire province is covered by the PPS, but Grey County is not covered by the current Growth Plan. In this 2022 consultation, there were no draft policy updates shared, but a series of discussion questions for stakeholders to consider, with a stated goal of accelerating the development of housing and increasing housing supply. The County submitted comments to the province on this consultation through staff report PDR-CW-01-23, which has been linked to in the Attachments section of this Report.

On April 6, 2023, the province released a new draft 2023 PPS, which is a combined PPS and Growth Plan. Through the Environmental Registry of Ontario, the Province is seeking comments on this new draft PPS by June 5, 2023.

It is noteworthy that although the province has released a new draft PPS 2023, this draft document does not include updated natural heritage policies. The province has noted that these policies are to follow at a later date. At the time of drafting this report, these policies had not yet been released and nor were staff aware of the timeline for releasing such policies. It is difficult to understand the full scope of the new PPS, with such a major component of the PPS still outstanding.

A summary of some of the planning elements of Bill 97 and the draft Provincial Policy Statement was included in Report PDR-PEDAC-19-23, which was presented to the Planning and Economic Development Advisory Committee (PEDAC) on May 4<sup>th</sup>, 2023. A parallel report, Report PDR-AAC-20-23, specific to the agricultural impacts, was presented to the Agricultural Advisory Committee (AAC) on May 4<sup>th</sup>, 2023. Both reports have been linked to in the Attachments section of this Report, and the staff recommendations were supported by the respective committees.

County staff also met with local municipal planners on April 27, 2023, to get municipal feedback on the proposed changes.

Both Reports PDR-PEDAC-19-23 and PDR-AAC-20-23 were supportive of some changes, but raised concerns with other policy directions in draft 2023 PPS. Rather than repeat what is already contained in

those two reports, this Report will focus on the feedback received from the PEDAC, AAC, and municipal staff.

## Agricultural Advisory Committee (AAC) Comments

Report PDR-AAC-20-23 was presented to the AAC on May 4, 2023. The Committee supported the staff recommendation, and below is a summary of some of the comments raised by AAC members.

- A 'one size fits all' approach does not work for the province,
- There will be diverging opinions between some farmers and farm organizations on this topic,
- In addition to the concerns raised by staff, other potential concerns or questions include the following:
  - Conflicts and safety issues on rural roads as non-farm traffic increases and farm equipment gets larger,
  - Farmers may choose to sever portions of their property which may not be quality farmland, but may include sensitive environmental features, which could lead to greater environmental impacts,
  - Is there the ability to include large cash-in-lieu of parkland fees, which would serve as a disincentive to severing,
  - Are there impacts on nutrient management planning, or the environmental farm plan programs,
  - Issues regarding the future spreading of biosolids,
- The cost of farmland and farm equipment is very high, and there are significant obstacles for young farmers to get into farming, including the cost of borrowing and the need for significant off-farm income,
- There are a significant number of farmers retiring in the next 10 years, and in many cases the farms are not staying in the family, as younger generations are choosing other occupations,
- Clarification around the number of vacant residential lots that already exist across the countryside,
- What are the options for smaller farm lot creation to support innovative or niche farmers,
- Should there be some flexibility for lot creation on lands which aren't productive or suitable for farming, while still protecting those lands that are quality farmland,
- Is there a possibility to allow some lot creation, but not to the levels of what the province is requiring municipalities to permit,
- Rural Ontario needs to continue to grow, and having more people supports schools, arenas, and other community services,
- The County's current Agricultural designation mapping is not perfect, and in some cases the lands may be incorrectly designated (i.e., some current Agricultural lands could be Rural lands),
- If the Agricultural policies are this permissive, what does that mean for the Rural policies,
- What is the impact of adding all these wells and septic systems, where will all the septage be treated, and who will pump all these septic systems,
- Farmers who currently rent farmhouses to tenants experience issues, and don't want to be landlords,

- What is the problem these policies are trying to solve, is there currently a problem, or would this create a problem,
- Mixed opinions on land use compatibility, some reported having no issues with non-farm neighbours, while others reported issues,
- This has the potential to remove thousands of hectares from agricultural production,
- Instead of creating houses across the countryside, would it not be more efficient to develop within the settlement areas, or even look at expansions to some settlement areas. Staff estimated that it would require 93% more land to house people across the countryside, versus housing people in our settlement areas.

## Planning and Economic Development Advisory Committee (PEDAC) Comments

Report PDR-PEDAC-19-23 was presented to the PEDAC on May 4, 2023. The Committee supported the staff recommendation, and below is a summary of some of the comments raised by PEDAC members.

- Concerns regarding the removal of the 'affordable' definition, which is linked back to income levels versus the housing market,
- Is a definition for 'attainable' needed in the PPS,
- When will the natural heritage policies come,
- Could there be more municipal autonomy on the agricultural lot creation, such that municipalities could choose to be more restrictive than the PPS, and
- What are the impacts of allowing this agricultural lot creation on growth projections, allocations, and infrastructure.

## Local Municipal Staff Comments

County staff met with municipal planning and development staff on April 27, 2023. At the meeting, we had staff from eight of the nine member municipalities, and County staff summarized reports PDR-PEDAC-19-23 and PDR-AAC-20-23. Municipal staff generally concurred with the comments in the reports and shared some further comments as follows:

- The amount of lot creation permitted in Agricultural and Rural designations may:
  - Undermine municipal intensification efforts,
  - Have impacts on climate change and greenhouse gas reduction targets, given the car travel associated with living outside of settlement areas, and the inability to provide transit to those areas,
  - Be a drain on municipal and agency services, service delivery (e.g., garbage collection, plowing, school bus pick-ups, etc.), and tax revenues,
  - Impact growth forecasts and the ability to direct most growth to settlement areas,
  - Not result in the creation of affordable or attainable housing units which are desperately needed in the community,
  - Create staffing challenges to process all the new applications,
  - Have negative impacts on farm value and create barriers to young farmers,
  - Impact groundwater supplies,

- Result in more land use conflicts between farm and non-farm neighbours, many of which can create impacts on municipal staff who are 'on the front line' of receiving these complaints,
- Create confusion over what restrictions or guidelines can be placed on such development locally,
- Result in more land speculation around the fringe of settlement areas,
- Create confusion over what the future Rural policies may be, given the permissiveness of the Agricultural policies,
- The messaging around the new PPS, including the deletion of the definition of 'affordable', has not been transparent and may not serve the goal of seeing more affordable housing created,
- The impacts of longer planning horizons had mixed opinions, i.e., some appreciated being able to plan for a longer timeframe and were already informally doing so, while others thought this could lead to some difficulties,
- Removal of some of the intensification and infill policies is concerning,
- Some of the changes may result in less provincial guidance and more regional differences in interpreting provincial policy,
- Mixed opinions on the employment lands changes,
- The lack of draft natural heritage policies makes it difficult to determine the full scope of the PPS changes,
- The servicing and stormwater management policies appear to be 'a step backwards' rather than being forward-thinking and optimizing the use of municipal services.

## Legal and Legislated Requirements

None with this Report.

## Financial and Resource Implications

At this stage, the financial impact of proposed policy and legislative changes is not known. Staff will continue to monitor the PPS review as well as Bill 97, and will keep County Council up to date on the status and impact. An update to the PPS could trigger future updates to the County Official Plan and member municipal official plans. These updates could also create more inefficient land development that may have broader tax levy implications.

## Relevant Consultation

☒ Internal: Agricultural Advisory Committee, Planning and Economic Development Advisory Committee, Planning, CAO/Deputy CAO, Legal Services, Community Services

☒ External: Member municipalities within Grey County and other municipalities / counties outside of Grey, and Dr. Wayne Caldwell.

## Appendices and Attachments

[PDR-AAC-20-23 County comments on the Draft Provincial Policy Statement 2023](#)

[PDR-PEDAC-19-23 County comments on Bill 97 and Draft Provincial Policy Statement](#)

[ERO Posting 019-6813](#)

[ERO Posting 019-6821](#)

[Proposed Provincial Policy Statement, 2023](#)

[PDR-CW-01-23 Comments on Review of Growth Plan and PPS](#)

[PDR-CW-37-22 Bill 23 More Homes Built Faster Act](#)

[PDR-AF-17-22 Bill 109 More Homes for Everyone Act](#)

[Provincial Policy Statement, 2020](#)