



# Committee Report

<b>To:</b>	Warden Milne and Members of Grey County Council
<b>Committee Date:</b>	May 9, 2024
<b>Subject / Report No:</b>	PDR-CW-21-24
<b>Title:</b>	County Comments on Bill 185 and Proposed Provincial Planning Statement 2024
<b>Prepared by:</b>	Grey County Staff
<b>Reviewed by:</b>	Randy Scherzer and Kim Wingrove
<b>Lower Tier(s) Affected:</b>	All member municipalities in Grey
<b>Status:</b>	

## Recommendation

1. That report PDR-CW-21-24 be received, regarding Bill 185, Cutting Red Tape to Build More Homes Act, 2024, and the proposed update to the Provincial Planning Statement 2024; and
2. That report PDR-CW-21-24 be forwarded on to the province as the County of Grey’s comments on the proposed legislative and policy updates as posted on the Environmental Registry through postings #019-8462, #019-8366, #019-8368, #019-8369, #019-8370, and #019-8371; and
3. That this report be shared with; the County’s Planning and Economic Development Advisory Committee, Agricultural Advisory Committee, and member municipalities in Grey County;
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

On April 10, 2024, the province introduced Bill 185, the *Cutting Red Tape to Build More Homes Act*. Bill 185 proposes updates to the *Planning Act*, the *Development Charges Act*, the *Municipal Act*, in addition to several other pieces of provincial legislation.

The province also recently released a new draft Provincial Planning Statement (PPS) 2024 for review and comment via the Environmental Registry of Ontario (ERO). The new draft PPS follows the province’s 2022 and 2023 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 revised 2024 PPS is similar to the 2023 draft PPS, but does contain some changes in relation to comments received on the 2023 version.

Based on the timelines associated with Bill 185 and the draft 2024 PPS, it was not feasible to first bring reports to the County's Planning and Economic Development Committee, as well the Agricultural Advisory Committee, similar to the May 2023 reports. Staff have consolidated comments on the legislative and policy changes into this report and recommend that it be shared with the province as the County's comments on Environmental Registry postings #019-8462, #019-8366, #019-8368, #019-8369, #019-8370, and #019-8371.

## Background and Discussion

On April 10, 2024, the province introduced Bill 185, the *Cutting Red Tape to Build More Homes Act*. Bill 185 proposes changes to the *Planning Act*, the *Development Charges Act*, the *Municipal Act*, in addition to several other pieces of provincial legislation. That same day, the province also provided a new draft 2024 Provincial Planning Statement (PPS). Both Bill 185 and the draft 2024 PPS further the government's priority of eliminating barriers for the creation of housing and employment opportunities.

Through 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 a positive or negative manner. Through this analysis, staff will also reference past staff reports on previous legislative and policy changes that have been linked to in the Attachments section of this report.

Links to the proposed legislative and policy changes, through Environmental Registry postings #019-8462, #019-8366, #019-8368, #019-8369, #019-8370, and #019-8371 are also included in the Attachments section of this report.

County staff also met with local municipal planners on April 30, 2024, to get municipal feedback on the proposed changes. Staff also had the opportunity to meet with a number of other County Planning Directors to discuss the changes through the Western Ontario Wardens Caucus planning subject matter experts group.

Staff recommend that this report be shared with the province as the County's comments on the above-noted Environmental Registry postings.

## Summary of Comments on Bill 185, PPS 2024, and Associated Consultations

A detailed summary of, and staff commentary on, the proposed legislative, regulatory and policy changes has been provided in Tables 1 – 4 in Appendix 1 to this report. For the sake of brevity, staff will not summarize all the changes directly in this report, but rather will focus on a summary of the recommended comments to be shared with the province.

### *Development Charges Act Changes (see Table 1 in Appendix 1 for more details)*

1. Items 1 – 3 (i.e. repealing the mandatory five-year phase-in of development charge rates, reinstated studies as an eligible capital cost for DC collection, and allow municipalities to extend their DC By-laws from 5 years to 10 years without the need for a

DC Background Study) – The changes are generally positive, and rectify previous concerns the County had with earlier changes to the *Development Charges Act*.

2. Item 5 – This change is supported in principle, but the County still has concerns with (a) the municipal administration needed to exempt development charges (DCs) for affordable housing, (b) the details of the future housing bulletin (i.e., will it be broken out by municipality, county, or larger area), (c) the potential loss of revenue to the County and member municipalities. The County requests further details from the province on their earlier promise to ‘keep municipal DC revenue whole’. Furthermore, the County is also requesting that the province consider adding land acquisition and social housing (i.e., County owned housing) as a DC eligible expense.

### *Planning Act Changes (see Table 2 in Appendix 1 for more details)*

1. Item 1 – Limits on third-party appeals may reduce the overall number of appeals and ‘speed up’ some development processes. It may however place more pressure on approval authorities and/or erode confidence in local governments if adequate discussion and consensus building is not achieved.
2. Item 2 – Allowing a developer to appeal a settlement area boundary change will negatively impact a municipality’s ability to keep a settlement area boundary firm, and focus intensification efforts in existing serviced areas. When this change is paired with the proposed changes to the PPS to remove comprehensive reviews, this change becomes even more concerning.
3. Item 3 – Making pre-submission consultation voluntary is concerning as it limits a municipality’s ability to work collaboratively with developers ahead of a formal application process. The County recommends that a finite and defined pre-submission consultation process would be preferable to removing it altogether or simply making it voluntary.
4. Item 4 – The County supports removing the mandatory fee refunds for zoning amendment and site plan applications.
5. Item 5 – Allowing for a motion to the Ontario Land Tribunal (OLT) at the pre-submission consultation stage is not supported. This could have the effect of creating divisions between municipalities and developers earlier in the process, and when paired with voluntary pre-submission consultation becomes even more concerning.
6. Item 6 – The County supports updating notice provisions under both the *Planning Act* and the *Development Charges Act*.
7. Item 7 – The County supports the intent of seeing increased additional residential units (ARUs). However, there should be some space for municipal autonomy as it pertains to technical matters such as setbacks or lot coverage, which may be needed for snow storage or other purposes. A ‘one size fits all approach’ for all ARUs may not be suitable for the entire province. The County encourages the province to consider greater education, promotion, and funding efforts for ARUs.
8. Item 8 – The County generally supports the ‘use it or lose it’ changes, but request additional details on draft plan extensions, the ability to reinstate a lapsed draft plan, or legal consequences for removing an approval.
9. Item 9 – The County generally supports combining the Minister’s Zoning Order (MZO) and Community Infrastructure Housing Accelerator (CIHA) processes, provided there are appropriate transitions for the existing CIHAs that have been approved.

10. Item 10 – The County remains concerned with removing upper tier planning responsibilities.
11. Items 11, 12, and 13 – The County sees potential merit in the changes around parking standards, standardized housing designs, and expedited community service facility approvals in principle; subject to seeing additional details on how municipalities would be involved in the approvals process, including the municipal role in providing and planning for infrastructure.

### *Municipal Act Changes (see Table 1 in Appendix 1 for more details)*

1. Item 1 – The County generally supports servicing allocation by-laws, provided municipalities have autonomy to allocate capacity accordingly, and that it does not unduly impact municipalities that already have a by-law in place.
2. Item 2 – The County has reservations about allowing municipalities to bonus, both in the potential impact on municipal finances, as well as the competition it could create between municipalities.

### *Provincial Planning Statement Changes (see Table 1 in Appendix 1 for more details)*

1. Item 1 – The County supports the removal of the additional residential lot creation abilities in prime agricultural areas, which were in the 2023 PPS. Additional clarification is requested to ensure that ARUs cannot be similarly severed as a ‘back-door’ method to get residential lot creation. Further clarification is also requested with respect to land-extensive energy facilities in prime agricultural areas. It is also recommended that the province develop a provincial energy land-use policy guide, similar to the province’s ‘Guidelines on Permitted Uses in Ontario’s Prime Agricultural Areas.’
2. Item 2 – The County supports the removal of multi-lot residential development from rural areas and lands.
3. Item 3 – The County requests further clarification on some of the non-defined terms in the servicing section, as well as additional clarity on the new partial servicing provisions.
4. Item 4 – The County supports the reinstatement of an affordable housing definition which is tied to income.
5. Items 5 and 6 – The County does not support the removal of the need for a comprehensive review for a settlement area expansion or employment lands removal. While some flexibility around scoping a comprehensive review is supportable, the removal of the requirement is not supported. Further, the County requests that restrictions regarding the separation between employment areas and sensitive uses not be weakened.
6. Item 7 – The County supports the implementation of a 20 – 30 year planning horizon with specific carve-outs where longer-term planning can still be done. With respect to using the Ministry of Finance population projections, while there is merit to all municipalities using a standard projection method, there needs to be some municipal input or autonomy to ensure that local conditions are reflected. The impact of inflated projections could negatively effect municipal infrastructure planning and development charges.

7. Items 8, 10, and 11 – The County has no concerns with the strategic growth area, natural heritage, and water sections of the PPS. With respect to the watershed planning, the province should consider additional funding to municipalities and conservation authorities for watershed planning.
8. Item 9 – The County requests greater leadership throughout the PPS on climate Change.

In general, there are several legislative changes which speak to new regulations, or new regulation making authority. The County requests that municipalities be given the opportunity to comment on these future regulations, prior to their finalization. For several of the proposed regulations it is difficult to determine the scope of the regulation, including any potential positive or negative impacts, without first seeing the draft wording to be included.

## Legislated Requirements

Should new legislation pass, the County and member municipalities will be required to comply with any legislative changes or associated regulations. Should a new PPS be approved, then any County or municipal decisions will be required to be consistent with the updated PPS, subject to any transition provisions included with the document.

## Financial and Resource Implications

At this stage, the financial impact of the proposed policy and legislative changes is not known. Based on the proposed changes to the *Development Charges Act* outlined in Appendix 1, Table 1, items 1 – 4 are generally viewed as positive or neutral and should not negatively impact County finances. Item 5 remains unclear as to how it could impact the County's collection of development charges and therefore the impact it could have on the County's tax levy. Previously the province has stated that they will 'keep municipalities whole' as it pertains to development charges, but staff do not yet have any details on how this will be done.

Staff will continue to monitor the Provincial Planning Statement review, as well as Bill 185 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 as well as member municipal official plans and zoning by-laws.

## Relevant Consultation

- Internal: Legal Services, CAO/Deputy CAO, Finance, Economic Development, Tourism and Culture, Planning
- Contribution to Climate Change Action Plan Targets – See commentary in Appendix 1, Table 4.
- External: Member municipalities in Grey, Western Ontario Wardens Caucus subject matter experts planning group

# Appendices and Attachments

## Environmental Registry of Ontario Postings

[ERO #019-8462](#): An updated proposed Provincial Planning Statement, with new and updated policies for feedback based on the results of the 2023 consultation of the proposed Provincial Planning Statement ([ERO #019-6813](#));

[ERO #019-8366](#): Removing barriers to additional residential units;

[ERO #019-8368](#): Proposed amendments to Ontario Regulation 73/23: Municipal Planning Data Reporting regulation;

[ERO #019-8369](#): Changes to the Planning Act, City of Toronto Act, 2006, and Municipal Act, 2001;

[ERO #019-8370](#): Regulatory changes under the Planning Act and Development Charges Act, 1997: Newspaper Notice Requirements and Consequential Housekeeping Changes;

[ERO #019-8371](#): Changes to the Development Charges Act, 1997, to enhance municipalities' ability to invest in housing-enabling infrastructure;

## Past County Staff Reports

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

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

[PDR-PEDAC-19-23 County Comments on Bill 97 and Draft PPS 2023](#)

[PDR-AAC-20-23 Draft Provincial Policy Statement 2023](#)

[PDR-CW-21-23 County Comments on 2023 Draft Provincial Policy Statement](#)

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

## Appendix 1: Detailed Summaries and Comments on Bill 185, Provincial Planning Statement 2024, and Associated Consultations

### *Proposed Changes to the Development Charges Act*

The province is proposing to make a number of changes to the *Development Charges Act* summarized in Table 1 below.

**Table 1: Development Charges Changes and Staff Comment**

Item #	Proposed Change	Background	Staff Comment
1	Repeal the mandatory five-year phase-in of development charges (DC) rates.	Bill 23, the <i>More Homes Built Faster Act, 2022</i> required a mandatory phase in of DC rates after a new DC by-law is passed. This phase-in included reductions as follows; 20% in year one, 15% in year two, 10% in year three, and 5% in year four. The full DC would then apply in year five and beyond. Bill 185 would now 'reverse' the requirement for phased in DCs.	Staff raised concerns with this proposed change when it was first introduced in Bill 23. Staff are supportive of the province repealing this section in the <i>Development Charges Act</i> . Individual municipal councils will still have the ability to phase in DCs, but it will no longer be mandatory to do so.
2	Reinstate studies as an eligible capital cost for DC collection.	Bill 23 removed studies such as DC background studies from those eligible costs that municipalities could collect DCs on. The effect of this change was that such studies would then need to be funded through the general levy, as opposed to being funded through DCs. Bill 185 would now revert back to the pre-Bill 23 standards and allow such studies to be funded through DCs.	Staff raised concerns with this proposed change when it was first introduced in Bill 23. Staff are supportive of the province reinstating the ability to collect DCs for such studies which are crucial to supporting growth and related infrastructure.
3	Allow municipalities to extend their DC by-laws from 5-years to 10-years without the need for a new DC background study.	Bill 23 enabled municipalities to have DC by-laws for a period of ten years, which was an extension of the previous DC by-law period of five years. This new change would allow municipalities to extend an existing by-law to a ten-year period, without the need for a new background study and the associated processes.  New DC by-laws will still be subject to a new background study and associated consultation process.	Staff are supportive of this change. It will assist those municipalities that want to extend their existing DC by-laws. Municipalities who wish to pursue a new DC by-law will still have the opportunity to do so.
4	Reduce the time limit on frozen DCs.	Bill 108, the <i>More Homes More Choice Act, 2019</i> froze DCs where there was a site plan or zoning by-law amendment application for a period of two years. This proposed change would have the effect of reducing that two-year freeze to an 18-month freeze, in hopes that it will spur developers to move more quickly.	Staff are supportive of this change in principle, but question whether it applies only on a go forward basis, or if it also applies to DCs that may already be in that 'frozen-period'.
5	DC exemptions for affordable housing are to be in effect on June 1, 2024.	This change is not new, but was not yet in effect. By June, the province will bring forward a bulletin to provide the necessary implementation information for municipalities and developers.	Although County staff support the intent of this change in principle, staff remain concerned with the impact it could have on municipal DC revenues, as well as the workloads attached to the implementation of these changes. Staff are eager to see how this gets implemented, including the scope of affordability considered. Staff would also request additional detail on how the province will 'keep municipal DC revenues whole' as per their earlier commitment. In addition, the province should also consider adding land acquisition and social housing (i.e., County owned housing) back in as DC eligible expenses.

### *Proposed Changes to the Planning Act and Regulations*

The province is proposing to make a number of changes to the *Planning Act* and associated regulations summarized in Table 2 below.

**Table 2: Planning Changes and Staff Comment**

Item #	Proposed Change	Background	Staff Comment
1	New limits on third-party appeals to the Ontario Land Tribunal (OLT) for official plans (OPs), official plan amendments (OPAs), zoning by-laws (ZBLs), and zoning by-law amendments (ZBLAs).	The province first introduced this change as part of Bill 23. Prior to the passing of Bill 23, this portion of Bill 23 was removed, with respect to OPs, OPAs, ZBLs, and ZBLAs. Through Bill 23 the province did make changes to consent and minor variance appeals. Bill 185 would now include OPs, OPAs, ZBLs, and ZBLAs, in addition to the limitation already in effect for consents, minor variances, and subdivision/condominium.	<p>The proposed changes significantly limit the ability for the public or others to appeal a planning decision, unless the proposed appellant falls under the defined list of a “specified person”. These provisions are like the changes made to plans of subdivision, wherein the “specified persons” are generally only utility providers or public authorities, including municipalities. Proponents will still have the ability to appeal a decision (i.e., a refusal, non-decision, or conditions on an approval). This proposed change applies retroactively to any existing third-party appeal where no hearing date has been scheduled as of April 10, 2024.</p> <p>This proposed change would be significant to the public, municipalities, and developers. The proposed changes should result municipalities spending less time and money at the OLT in instances where a third-party appeal may have been lodged under the current planning regime. However, once members of the public become aware of these changes, they may place additional social pressure on councils to refuse applications, knowing that no further public appeal rights exist. Through this change, it may pivot in ‘how we plan’ at municipalities. It may be appropriate to ‘front-end’ technical considerations, and better equip councillors in their role as it relates to the public good and how that gets operationalized in the decision-making process. Both staff and councillors will need to be very effective in frank communication around the social/economic needs of our community and how and why that balances out the unequal ‘costs’ or ‘perceived impacts’ that go with the change. Collectively, community buy-in is still important and it may require additional emphasis on staff in identifying or mediating changes/compromises/solutions through the application review process. Neighbours, for example, will have legitimate concerns that need to be addressed within applications, and now will not have further recourse via appeal. If we do not prioritize finding/negotiating workable solutions, staff are worried that this will further erode public trust in local government. While NIMBY [Not in My Backyard] can be bad for our communities, a lack of public trust or willingness to engage in productive ways could also have unintended negative impacts.</p> <p>If the province were to wish to further limit some third-party appeals, but not all appeals, then limiting appeals on ZBLAs associated with plans of subdivision or condominium may be an easy first step. Appeals are already limited on plans of subdivision or condominium, so limiting them on associated ZBLAs appears reasonable. Limiting appeals on social or affordable housing projects could also be a good ‘next step’, though sometimes the affordability of a project is not always certain at the planning application stage,</p> <p>If the majority of planning applications can no longer be appealed by third parties, the need for the OLT would appear far reduced. The government has recently ‘up-staffed’ the OLT to deal with the backlog of files. However, if these changes are approved, it would appear that this up-staffing may only be needed on a short-term basis.</p>

Item #	Proposed Change	Background	Staff Comment
2	New appeal rights for settlement area expansion applications.	Currently applicants cannot appeal a refusal of a settlement area expansion at the official plan or zoning by-law level. Bill 185 would now allow applicants to appeal such refusals, so long as the proposed expansion does not include greenbelt lands.	Municipalities undertake extensive official plan creation processes, which set settlement area boundaries, and guide future infrastructure planning / investment. As per item # 1 above, new official plans, including the settlement area boundaries would no longer be appealable. As such, it then seems contrary to municipal planning efforts to have a proponent apply for an expansion two years later, be refused by the municipality, who has recently undergone this extensive planning process, only to now have the standalone official plan amendment appealed to the OLT. Staff have concerns with this proposed change, as it will impact a municipality's ability to keep a firm settlement area boundary and encourage redevelopment and intensification on existing infrastructure. This change becomes even more concerning when coupled with the proposed changes to the PPS which eliminate the firm requirement for a comprehensive review to expand a settlement area.
3	Pre-submission consultation can no longer be mandatory.	Bill 185 will still allow municipalities to offer pre-submission consultation to those wishing to file planning applications for OPA, ZBLA, subdivision, etc. However, developers will not be required to engage in pre-submission consultation. This change appears to be partially in response to municipalities 'front-ending' the development review process through pre-submission consultation in response to the mandatory Bill 109 fee refunds which are proposed to be removed in Bill 185 (see Item # 4).	<p>Staff understand the intent of this proposed change, but do not support the change. Bill 109 forced many municipalities to 'ramp up' their pre-submission consultation processes to avoid the required fee refunds on site plans and zoning by-law amendments. Staff believe that a more appropriate response by the government would be to place limitations or definition to the pre-submission consultation process, rather than removing it altogether.</p> <p>With the proposed repeal of the Bill 109 refunds, staff believe many municipalities would be amenable to a reduced pre-submission consultation process, given that the threat of refunds is gone. Staff highlighted this as part of the recent staff report on planning efficiencies. The County's Legal Services staff noted that if the pre-submission consultation process became a de facto replacement for the development review process, then the government could view this as contrary to seeing more homes built faster and take action to 'crack down' on such processes. The recommendation from the planning efficiencies report was for a clearly defined and finite pre-submission consultation process.</p> <p>Pre-submission consultation, when done properly is meant to save developers time by giving early feedback on (a) what is required in support of an application, and (b) giving feedback to developers on their proposals, in some cases before they have even bought the lands. While some developers may still choose to engage in pre-submission consultation, others may choose to by-pass this process. For those that by-pass the process it could result in more applications being deemed incomplete, and further delaying decisions later in the process.</p>
4	Bill 109 site plan and zoning by-law amendment fee refund requirements are being repealed.	Bill 109 introduced mandatory municipal fee refunds for site plan and ZBLAs, when such applications were not processed within the statutory timelines. Bill 185 is now proposing to repeal those fee refund requirements.	Staff are supportive of this change. Bill 109 had several unintended spin-off effects including municipalities refusing applications that would have previously been deferred, and municipalities processing applications asynchronously where they would have previously been done concurrently. Staff believe that municipalities will still be motivated to process applications efficiently even without the threat of fee refunds, and that municipalities will not be forced into refusals, where an application otherwise could have been deferred.

Item #	Proposed Change	Background	Staff Comment
5	New appeal rights for appealing an incomplete application determination.	Currently some development applications, e.g., OPAs, ZBLAs, plans of subdivision have to be deemed complete or incomplete within 30 days of their submission. It is only after the applications are deemed complete that the formal public process and circulation begins. If a municipality deems an application incomplete the applicant can make a motion to the OLT, for the tribunal to determine if the application is complete or not. Bill 185 proposes to change this process to allow an applicant to bring a motion to the OLT at either the pre-submission consultation or application submission stages.	Staff do not support this proposed change. In many cases when the pre-submission consultation process is underway, there are few details known about the proposed development. Having the threat of a motion to the OLT when staff are still trying to understand the proposal, and give feedback on it, is not helpful, and could result in further 'divisions' between developers and municipalities as well as create further delays and costs for both municipalities and developers. Staff see merit in keeping this process 'as is' i.e., the applicant can still bring a motion to the OLT after an application is submitted and deemed incomplete. Staff see further opportunity for conflict or confusion with the ability to refer an incomplete pre-submission consultation proposal to the OLT, when pre-submission consultation would now be voluntary (as per item # 3 above). If both these changes (items # 3 and 5) are implemented it is unclear what will constitute pre-submission consultation, and therefore what can be referred to the OLT at that pre-submission stage. Coupling optional pre-submission, with the threat of a motion to the OLT at that pre-submission consultation stage, does not seem conducive to fostering better working relationships between staff and applicants, or an expedited development process.
6	Updated notice requirements for <i>Planning Act</i> and <i>Development Charges Act</i> notices.	Currently municipalities are required to give notices of <i>Planning Act</i> and <i>Development Charges Act</i> matters by publishing a notice in a newspaper with sufficient general circulation in the area. Through the proposed regulatory changes, municipalities would be able to provide notice on a municipal website if there is no local print newspaper available.	Staff support these modernization efforts by the province. While newspaper notices may have been an effective way to provide notice in the past, it has not kept pace with (a) changes in technology, (b) the reduction in newspaper readers, and (c) the closure of many community newspapers. In Grey County, and other municipalities with large seasonal populations, staff would also hear complaints that someone living outside of Grey is unlikely to subscribe to a local newspaper in Grey. With better web-accessibility, and the ability to have residents subscribe to municipal e-newsletters, staff are confident that appropriate notice can still be given, even without community newspapers.
7	Increased scope of additional residential unit (ARU) regulations, and exempting ARUs from some <i>Planning Act</i> requirements.	The minister currently can make regulations for a second and third ARU in single-detached, semi-detached, rowhouses, or ancillary structures. This proposed revision would increase the scope of said regulations to cover more than just second and third units, but any ARUs, as well as the land on which the ARUs are situated. These regulations, if utilized, could also exempt ARUs from other <i>Planning Act</i> requirements such as maximum lot coverage, setbacks, height limitations, limits on bedrooms, etc. These changes would build on previous 'as-of-right' permissions through earlier legislation such as Bill 23, where limitations were placed on parkland, development charges, and parking requirements.	<p>Staff support the intent of the province seeking to make it easier to establish ARUs. That said, staff believe these changes could be quite divisive for both municipalities and individual neighbourhoods. Staff believe there should still be some space for municipal autonomy here, given the differing geographies of the province. Matters such as setbacks and lot coverage may create impacts for municipalities. For example, in Grey County, if a lot is developed beyond current lot coverage standards it may create issues in winter for snow storage which could impact both municipalities and neighbours. With varying snowfall levels across the province, it does provide rationale for some geographic municipal autonomy in this regard. A 'one size fits all' approach for ARUs may not work for the entire province.</p> <p>County staff fully support the development of ARUs in a wide variety of scenarios (i.e., both within settlement areas and in rural areas). In Environmental Registry posting #019-8366 the province has provided some discussion questions for consideration. On such question is as follows: "Are there any other changes that would help support development of ARUs?"</p> <p>In speaking with both builders and Grey County residents, three of the main reasons for not pursuing an ARU are; (1) lack of knowledge or understanding about ARU permissions, (2) costs, and (3) concerns over becoming a landlord and 'getting stuck with a troublesome</p>

Item #	Proposed Change	Background	Staff Comment
			tenant'. Staff would encourage all levels of government i.e., provincial, county, and municipal to consider (a) greater education on ARU permissions, (b) pre-approving standalone detached ARU models, (c) financial incentives to construct or retrofit a home with ARUs, and (d) education for new landlords and possible updates to the <i>Residential Tenancies Act</i> . Staff would note that recent federal announcements appear to support item (c) above.
8	'Use it or lose it' provisions for site plans and plans of subdivision.	Municipalities across Ontario have felt unfairly targeted for being partially to blame for the current housing crisis. In response, many municipalities noted that they have approved developments where the developer is choosing not to develop. These proposed changes would allow approved site plans to be withdrawn, where the developer has not got a building permit within a set time period. Draft plans of subdivision will also have lapse dates, including retroactive lapse dates being applied to subdivisions draft approved before March 27, 1995. Municipalities will also have the ability to pass by-laws under the <i>Municipal Act</i> which set criteria for when water and sewer allocation can be withdrawn (see commentary in Table 3 below).	Staff generally support these changes. Staff will be interested to see further details as it relates to the ability to appeal or further extend such approvals. While the County is not responsible for site plans, the County currently has several draft approved subdivisions where there is no development activity. Current <i>Planning Act</i> permissions would allow the County to amend the conditions of draft plan approval to add a lapse date. That said, those lapse dates frequently get extended. County staff have been cautioned in the past that even where there are no appeal rights on letting a subdivision lapse, the County could still be challenged in the courts if it was not acting reasonably. Staff would further note that other recent <i>Planning Act</i> changes allow an applicant to apply to reinstate a lapsed subdivision approval where it has lapsed within the past five years, and there have been no agreements of purchase and sale. As such, while staff support the intent of these changes, additional detail on both extending and reinstating lapsed subdivisions would be helpful as it applies to these new provisions.
9	New framework for Minister's Zoning Orders (MZO), and repeal of Community Infrastructure Housing Accelerators (CIHA).	<p>The province plans to both repeal the CIHA process which was introduced by Bill 109, as well as introducing a new framework for requesting a MZO. The new MZO framework is not a legislative change, but rather new criteria found in a separate guide which can be found here: <a href="#">Link to MZO Framework</a> In order to be considered for a MZO, a proposal needs to meet at least one of the following two tests:</p> <ol style="list-style-type: none"> <li>1. Deliver on a provincial priority that is supported by a minister e.g., long-term care, hospitals, housing, education, manufacturing, etc.</li> <li>2. Support from either a single tier or lower tier-municipality.</li> </ol> <p>As part of the new MZO process the province is also seeking justification with respect to timing, rationale for why the process cannot go through a municipal planning process, a description of public and Indigenous community engagement, etc.</p>	County staff do not have any significant concerns with the MZO changes. MZOs are a tool that has been used sparingly in Grey County to date. Any transparency that can be added to the process is beneficial. The revised MZO process would replace the CIHA process. County staff do not have any concerns with the removal of the CIHA, provided there are appropriate transition policies for those CIHAs which have already been granted, such as the CIHA in Town of The Blue Mountains. The province has noted the following as it relates to existing CIHAs: " <i>Provide transition rules to permit CIHA orders that have been made to date to continue functioning as municipal zoning by-laws.</i> "
10	Upper tiers municipalities with planning responsibilities.	Further to the Bill 23 changes that created some upper tiers without planning responsibilities, the province is now clarifying that Peel, Halton, and York Regions will lose those responsibilities on July 1, 2024. There has been no date set yet for Simcoe County, Durham, Niagara, or Waterloo Regions, but they are all still listed as upper tiers without planning responsibilities.	In providing comments on the draft Bill 23, back in 2022, Grey County raised concern with respect to these upper tiers losing planning responsibilities. These concerns have not changed.
11	Parking standards around protected major transit station areas.	The minister will have new abilities to make regulations regarding minimum parking requirements. Parking minimums will also be prohibited around protected major transit station areas (MTSAs).	With respect to the new regulation authority for other areas (i.e., beyond MTSAs) staff do not have any concerns in principle, but are curious as to where or how these regulations could be used in non-MTSA locations and request further detail or examples on how such regulations

Item #	Proposed Change	Background	Staff Comment
			may be used. County staff have no concerns with prohibiting parking minimums around MTSAs. Staff would note that Grey County does not have any MTSAs.
12	Facilitating standardized housing designs.	Provide new regulation-making authority for planning approvals for standardized housing. The proposed changes would only apply within serviced settlement areas outside of the greenbelt. Where the criteria are met, some <i>Planning Act</i> requirements would no longer apply.	Staff need more detail on this proposed change, and how municipalities would be involved in said approvals before providing further comment on this one. Staff support this change in principle, provided municipalities who provide the infrastructure to such housing are duly consulted, and have the ability to request necessary infrastructure improvements e.g., signalization or turn-lanes on a County or municipal road. Staff also request some further clarification on how such standardized housing design approvals would be considered with future Building Code changes. For example, if a standardized design was approved in 2025, but then the Building Code was updated in 2026, would that approved design still be valid, or would the approval need to be updated to match the more recent Building Code?
13	Expediting the approval process for community service facility projects.	Create regulation-making authority to streamline approvals for community service facility projects such as public schools (kindergarten – grade twelve), hospitals, and long-term care facilities.	Staff support this change in principle, provided municipalities who provide the infrastructure to such facilities are duly consulted, and have the ability to request necessary infrastructure improvements e.g., signalization or turn-lanes on a County or municipal road.

### *Proposed Changes to the Municipal Act*

The province is proposing to make a number of changes to the *Municipal Act* and associated regulations summarized in Table 3 below.

**Table 3: Municipal Act Changes and Staff Comment**

Item #	Proposed Change	Background	Staff Comment
1	Municipal management of servicing allocation by-laws.	Similar by-law making authority already exists under the <i>Planning Act</i> , but through Bill 185, this section would be repealed in favour of similar powers being added to Section 86 of the <i>Municipal Act</i> . The by-laws could set criteria for when capacity is both allocated or withdrawn. Once a by-law is passed, decision making authority must be granted to an employee, agent, or officer of the municipality. There are no proposed appeal rights for allocation decisions made under approved by-laws. The by-law itself is also not appealable to the OLT.	County staff have no concerns with this proposed change. In speaking with member municipalities who would be passing such by-laws, they noted that they are generally in support of such changes. Some planners noted there should be a proviso that it does not negatively impact those municipalities that already have an allocation by-law in place.
2	Regulations to authorize bonusing by municipalities for specified manufacturing, industrial, or commercial businesses.	This proposed change to the <i>Municipal Act</i> , would create regulation-making authority to permit municipalities to grant assistance, either directly or indirectly, for specified manufacturing, industrial, or commercial businesses. This would be used where the government “considers that it is necessary or desirable in the provincial interest to attract investment in Ontario.”	Staff have some reservations about how such bonusing regulations would be used, and whether it would cause competition between municipalities to ‘offer the best financial incentives’ to attract investment. In recent years there have been several high-profile competitions between American and Canadian municipalities to attract major employers. In some cases, the American bonusing offers were extensive, and appear potentially damaging to municipalities. While staff support the ability for Ontario municipalities to compete globally, staff do not want to see ‘weaponized competition’ for investment attraction, at the possible expense of long-term municipal financial sustainability (i.e., municipalities feeling that they need to offer larger incentives than their neighbours, to the detriment of their long-term financial stability).

			<p>If the province is going to consider bonusing regulations, perhaps they could also consider granting additional powers to municipalities to assist non-profits in creating affordable housing. Staff note that through Community Improvement Plans (CIPs), municipalities do have the ability to offer some incentives to certain types of development. Rather than establishing new bonusing regulations, perhaps the province could enhance CIP abilities, including authorizing all counties in Ontario to have CIPs for housing and other purposes. Currently only prescribed upper-tiers can have CIPs.</p> <p>Staff would further note that bonusing is not currently explicitly defined in the <i>Municipal Act</i>. If any type of bonusing is to be considered through regulation, it would need to be very clearly defined. The goals and values of municipalities may not always align with those of private businesses. Use of bonusing could lead to concerns about public money being used for private good, or even allegations of corruption. From a municipal perspective there should also be clear sustainable benefits to the municipality.</p>
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### *Proposed Changes to the Provincial Planning Statement (PPS)*

The province is proposing to make a number of changes to the *Provincial Planning Statement* summarized in Table 4 below.

**Table 4: Provincial Planning Statement Changes and Staff Comment**

Item #	PPS Policy Section and Subject Matter	Background	Staff Comment
1	4.3 Agriculture	<p>Within the draft 2023 PPS, one of the most concerning proposed changes was to allow for three residential lots to be severed from Agricultural properties, with no ability for municipalities to be more restrictive than the provincial policies. The draft 2024 PPS has removed those residential lot creation policies. This draft PPS would also allow for ARUs to be permitted on-farms, and appears to permit ARUs to be severed as surplus farm dwelling severances.</p> <p>The 2024 draft also requires municipalities to use an agricultural-system approach, versus the 2023 draft which only encouraged such approaches.</p> <p>Similar to the 2023 draft, the 2024 draft also includes a revised definition for 'on-farm diversified uses' (OFDUs) which includes ground-mounted solar and battery storage systems as being permitted in prime agricultural areas at an ODFU scale. A definition for 'agricultural impact assessments' and enabling policies throughout the PPS have also been added.</p> <p>The 2024 PPS also encourages municipalities to foster a robust agri-food network and facilitate near-urban and urban agriculture.</p>	<p>Staff are pleased to see that the residential lot creation provisions from the 2023 draft PPS have been reconsidered. Staff support allowing ARUs in agricultural areas, and would note that the County Official Plan already permits such uses. However, staff do not support allowing for the severance of ARUs, except where such an ARU is severed with the primary dwelling as part of a surplus farm dwelling severance. For example, if a primary dwelling had a basement apartment, and through farm consolidation a farmer severed the dwelling with the basement apartment ARU, then staff could support said severance. Allowing a detached ARU to be separated from the farm and the primary dwelling would not be supported by staff and could be seen as a 'back-door' method to get increased residential severances on agricultural lands. Staff request that the province reconsiders this change, or clarifies this section of the PPS.</p> <p>Staff do not have any concerns with the agricultural-system approach, the agricultural impact assessments definition/policies, and the policies supporting agri-food networks and agri-food systems.</p> <p>With respect to the revised ODFU definition, which now speaks to land-extensive energy facilities, staff are requesting some additional clarity. More specifically in prime agricultural areas will land-extensive energy facilities only be permitted at an ODFU scale, or will they still</p>

Item #	PPS Policy Section and Subject Matter	Background	Staff Comment
			<p>potentially be considered under section 4.3.5 of the PPS (non-agricultural uses in prime agricultural areas)?</p> <p>It is also recommended that the province develop a provincial energy land-use policy guide. This guide would replace the gap left by the repeal of the <i>Green Energy Act</i>, offering municipalities and energy companies a consistent framework for locating energy projects, while also protecting the environment, farmland, and public health and safety. The guide would be similar to the province's <a href="#">'Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas'</a>, which have helped municipalities and farmers apply consistent land use policies. The proposed energy policy guide would similarly aid municipalities and energy companies in implementing projects awarded by IESO to meet the energy goals outlined in the IESO's <a href="#">Pathways to Decarbonization</a> document.</p>
2	2.5 and 2.6 Rural Areas and Lands in Municipalities	The draft 2023 PPS included a new provision for multi-lot residential development on rural lands in municipalities. The 2024 draft PPS has deleted that provision. Most of the other policies in the 2024 version are fairly similar to the 2020 PPS.	Staff are supportive of this 2024 change and had previously raised concerns with the 2023 draft which allowed for multi-lot residential development.
3	3.6 Sewage, Water, and Stormwater	<p>The 2023 and 2024 drafts of the PPS are very similar as they pertain to servicing policies. Two notable changes in the 2024 version include;</p> <ol style="list-style-type: none"> <li>1) a new policy regarding the allocation and reallocation of unused servicing capacity to meet housing needs, and</li> <li>2) a new clause under the partial servicing policies which considers partial services in rural settlement areas where new development is serviced via individual wells, with municipal or communal sewers.</li> </ol>	<p>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.</p> <p>With respect to allocation and reallocation policies, staff have no concerns with this addition.</p> <p>Regarding the new partial services provisions, staff do have some concerns as it may apply to some of Grey County's rural settlement areas. The policies appear to give explicit permission for development in rural settlement areas on individual wells, with municipal sewage treatment. Conversely however, these policies could be read to exclude such development on individual septic systems with municipal water. If this is the case, it would potentially limit new development in several of Grey County's settlement areas including Balmy Beach, Chatsworth, East Linton, Leith, Oxenden, Shallow Lake, and Walter's Falls. The only settlement area in Grey which has individual wells, with municipal sewage treatment, is Flesherton. County staff request further clarification with respect to this change, and whether staff have interpreted it correctly.</p>
4	2.2 Housing	The draft 2023 PPS proposed to remove the definition for 'affordable' housing as it applied to both owned and rental housing. The 2024 PPS has reinstated an 'affordable' definition which is very similar to the 2020 PPS definition (i.e., it's still tied to income and the housing market). The only difference is that the 2024 version references prices in the municipality, versus the 2020 definition references the regional market area. There are also some definition changes, including removing the	Staff are supportive of these proposed changes. Having an affordable definition which is the twofold test of being tied to income, or the housing price in the municipality is a welcome change. Tying the price to the average price in the municipality versus the regional market area, may align well with the province's affordability bulletin that is to be issued for the purposes of determining DC exemptions based on affordability.

Item #	PPS Policy Section and Subject Matter	Background	Staff Comment
		definition for 'special needs' and replacing it with a definition for 'additional needs housing'.	
5	2.3.2 Comprehensive Reviews for Settlement Area Boundary Expansions	<p>The draft 2023 PPS proposed to remove the requirement for a comprehensive review for new or expanded settlement areas. The 2024 draft PPS still proposes to remove the comprehensive review requirements, but has added the following items:</p> <ol style="list-style-type: none"> <li>1) a few additional criteria for municipalities to consider when expanding a settlement area,</li> <li>2) a 'shall consider' test for the criteria, versus the 2023 draft's 'should consider' test, and</li> <li>3) a stronger test for the establishment of a new settlement area.</li> </ol>	<p>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.</p> <p>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 2024 PPS does allow for some greater flexibility in this regard.</p> <p>Staff have concerns that 'easing up' on 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.</p> <p>Staff believe that the new policies will create more opportunities for sprawl in the County's agricultural and rural lands. These policies also need to be read in concert with the proposed <i>Planning Act</i> changes, discussed at item # 2 of Table 2 above, regarding new appeal rights where a settlement area expansion is refused.</p> <p>Staff support the increased requirements for the establishment of a new settlement area, but would prefer the former comprehensive review policies.</p>
6	2.8 Employment Lands	Similar to the draft 2023 PPS, the 2024 draft has removed the need for a comprehensive review when considering a conversion of a designated employment area to a non-employment use.	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

Item #	PPS Policy Section and Subject Matter	Background	Staff Comment
		<p>Although slightly different from the 2023 draft, the 2024 PPS appears to continue to have weakened the restrictions regarding the separation between employment areas and sensitive land uses.</p> <p>The definition for 'employment area' is also proposed to be revised to match the 'area of employment' definition in Bill 97.</p>	<p>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.</p> <p>Staff are not supportive of this change to weaken the separation needed between employment areas and sensitive land uses. The importance of employment lands has never been higher, and therefore these lands need to be protected from neighbouring incompatible land uses.</p> <p>Staff do not have any concerns with the proposed definition change.</p>
7	2.1 Planning for People and Homes	<p>The draft 2023 PPS proposed to extend the planning horizon from the previous standard of 25-years to a new minimum standard of 25 years. In the 2024 draft PPS it now requires planning for at least 20 years, but not exceeding 30 years. Longer-term planning can still be done for infrastructure, public service facilities, strategic growth areas, and employment areas.</p> <p>New to the 2024 draft PPS, is the requirement that planning authorities shall base population and employment projections on the Ministry of Finance (MOF) 25-year projections, and may modify projections as appropriate.</p>	<p>Staff have no concerns with the change to the planning horizon, and support the 20 – 30 year horizon, with specific 'carve-outs' for areas where longer-term planning can still be done.</p> <p>Staff have mixed feelings about requiring all population and employment projections to be based on the MOF projections. On the positive side, it may mean that all municipalities across the province are treated equally, and that the County no longer needs to undertake a specific growth management strategy (GMS). However, it could also mean that there is less ability for local nuance and input into growth forecasts, and less influence on how that growth will be projected. In the past, the County has completed regular GMS updates to (a) inform the County and municipal official plans, and (b) inform the County's development charges background study. In looking at the current MOF projections they appear to be higher than the County's own projections, which could lead to an over-estimation of the growth numbers, and result in DCs which do not accurately reflect the County's growth needs. It is also worth noting that the MOF projections only include the County as a whole, so the County would likely still need to undertake an exercise to allocate that growth between the nine member municipalities in Grey.</p>
8	2.4 Strategic Growth Areas	Both the 2023 and 2024 draft PPS include a new section 2.4 titled 'strategic growth areas'. The term 'strategic growth areas' is also a newly defined term in the PPS.	Staff do not have any concerns with the 2024 draft policies as it pertains to strategic growth areas, but would note that such policies are likely more pertinent to larger and faster growing municipalities.
9	2.9 Climate Change	Section 2.9 of the 2024 draft PPS is the same as the 2023 draft PPS.	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.
10	4.1 Natural Heritage	The draft 2024 PPS policies are very similar to the existing 2020 natural heritage policies.	Staff have no concerns with the proposed natural heritage policies.
11	4.2 Water	The 2024 draft PPS introduces a new requirement for large and fast-growing municipalities, as well as upper-tier municipalities which contain a large and fast-growing municipality, to undertake watershed planning. Other municipalities are	Staff are supportive of this policy in principle. Staff would however request that the province considering making funding available to municipalities and conservation authorities for watershed planning, as it will be an added cost and requirement for many municipalities.

Item #	PPS Policy Section and Subject Matter	Background	Staff Comment
		<p>simply encouraged to undertake watershed planning. Watershed planning is encouraged to be undertaken with applicable conservation authorities.</p>	