

DATE: October 15, 2024

REPORT NO: PD-39-2024

SUBJECT: **Information Report – New Provincial Planning Statement Overview 2024 and Provincial Transition Recommendation**

CONTACT: Brian Treble, Director of Planning & Building

OVERVIEW:

- On August 20th, 2024, the new Provincial Planning Statement was released and is set to come into force on October 20th, 2024. Any decision made on or after October 20, 2024 must conform to the new PPS.
- The designation of the Greater Golden Horseshoe Growth Plan area and the Ministry’s requirements under that Act will be removed as of the same date.
- Area of Employment is now a term defined in the Planning Act that also comes into effect on October 20, 2024.
- These new changes are presented by the Province in order to help municipalities support growth by reducing and strengthening planning rules, simplifying approvals to build homes and eliminate duplication.
- Only minor changes were made to the PPS since the last draft version was released by the Province for comment in April of 2024.
- One of the bigger changes for West Lincoln is that municipalities are now required to use an agricultural system approach to maintain and support the long term economic prosperity and production capacity of the agri-food network.
- This report summarizes and identifies many of the key changes to the PPS, 2024.
- A track changes version of the Provincial Planning Statement is also attached to this report for reference purposes as prepared by the law firm of Osler Law.
- The Township of West Lincoln is in the process of undertaking a 5 year review of the Township of West Lincoln Official Plan as funded by the 2023 Budget which is required to establish conformity within the Region of Niagara Official Plan and the new proposed policy statement. Future reports will address proposed policy changes.

RECOMMENDATION:

1. That, Information Report PD-39-2024, regarding “Recommendation Report – New Provincial Planning Statement Overview 2024 and Provincial Transition Recommendation”, dated October 15th, 2024, be received.

ALIGNMENT TO STRATEGIC PLAN:

Theme

- **CHAMPION strategic and responsible growth**

BACKGROUND:

The Province announced the intention to merge the Growth Plan and the Provincial Policy Statement into one new Provincial Planning Statement. This process has gone through three consultation sessions and now comes into effect on October 20, 2024. A red lined version of the new document is attached to this report.

CURRENT SITUATION:

The PPS, 2024 replaces A Place to Grow: Growth Plan for the Greater Golden Horseshoe (“**Growth Plan**”) and the Provincial Planning Statement (PPS), 2020 by integrating them into a single planning document which applies province-wide.

The PPS, 2024 introduces new policies and definitions that were not contained in the PPS, 2020. The PPS, 2024 also incorporates and, in some cases modifies a number of existing Growth Plan policies that carry forward and, in some cases, modify policies and definitions.

The PPS 2024 is considered a policy statement for the purpose of Section 3 of the Planning Act.

The PPS 2024 must be applied to all municipal planning decisions made on or after October 20, 2024, subject to a possible transition regulation.

29 Large and Fast-Growth Municipalities:

The PPS, 2024 contains certain policies that only apply to large and fast-growing municipalities, which are those with the greatest need for housing. The Statement defines large and fast-growing municipalities by reference to the 29 municipalities listed in Appendix – Schedule 1 to the Statement.

Planning for People and Homes:

Policy 2.1.1 provides that planning authorities shall base population and employment growth forecasts on Ontario Population Projections published by the Ministry of Finance and may modify these projections as appropriate.

The policy also provides that planning for infrastructure, public service facilities,

strategic growth areas and employment areas may extend beyond this time horizon.

Policy 2.1.6 removes the concept of “healthy, liveable and safe communities” contained in the PPS, 2020 and instead provides that “[p]lanning authorities should support the development of complete communities.” Complete communities is a new defined term.

Housing:

Policy 2.2.1(a) re-introduces the requirement from the PPS, 2020 that planning authorities establish and implement minimum targets for the provision of housing that is affordable to low and moderate income households.

The Statement re-introduces low and moderate households as a defined term (with slight modifications from PPS 2020). This policy requires that the full range housing options, including affordable housing be given consideration.

Policy 2.2.1(b)2 continues to require planning authorities to permit and facilitate the development and redevelopment of underutilized commercial and institutional sites for residential development.

The policy has been further revised to specifically identify underutilized shopping malls and plazas as potential commercial sites for redevelopment to add residential units.

Settlement Areas and Settlement Area Boundary Expansion:

The PPS, 2024 includes significant changes, modifications and additions to previous policies in relation to settlement areas. For example, policy 2.3.1.4 now requires (instead of encourages) planning authorities to establish minimum targets for intensification and redevelopment. Policy 2.3.1.5 has also been modified to provide that planning authorities are encouraged (but not required) to establish density targets for designated growth areas (rather than settlement areas).

New policy 2.3.1.6 directs planning authorities to establish and implement phasing policies, where appropriate, to ensure that development within designated growth areas is orderly and aligns with the timely provision of infrastructure and public service facilities.

The PPS 2024 permits a planning authority to identify a new settlement area or allow a settlement area boundary expansion at any time (even if outside the Municipal Comprehensive Review process). It also removes the current conditions required to be satisfied before settlement area additions or boundary expansions are permitted.

Section 2.3.2.1 now provides that in identifying a new settlement area or allowing a settlement area boundary expansion, planning authorities “shall consider” the following:

1. the need to designate and plan for additional land to accommodate an appropriate range and mix of land uses;

2. if there is sufficient capacity in existing or planned infrastructure and public service facilities;
3. whether the applicable lands comprise specialty crop areas;
4. the evaluation of alternative locations which avoid prime agricultural areas and, where avoidance is not possible, consider reasonable alternatives on lower priority agricultural lands in prime agricultural areas;
5. whether the new or expanded settlement area complies with the minimum distance separation formulae;
6. whether impacts on the agricultural system are avoided, or where avoidance is not possible, minimized and mitigated to the extent feasible as determined through an agricultural impact assessment or equivalent analysis, based on provincial guidance; and
7. the new or expanded settlement area provides for the phased progression of urban development.

The PPS, 2024 includes a new standalone policy 2.3.2.2, which provides that planning authorities may identify a new settlement area only where it has been demonstrated that infrastructure and public service facilities to support development are planned or available.

Strategic Growth Areas:

The PPS, 2024 imposes general policies for strategic growth areas that focus on achieving complete communities, a range and mix of housing options, intensification and mixed-use development. New policies provide that within strategic growth areas, planning authorities should prioritize planning and investment for infrastructure and public service facilities, identify the appropriate scale and type of development etc.

Major Transit Station Areas:

Section 2.4.2 modifies the current Growth Plan policies for major transit station areas. Notably, the PPS, 2024 imports the existing minimum density targets for major transit station areas from the Growth Plan.

Similarly, policy 2.4.2.2 modifies an existing Growth Plan policy and applies mandatory medium density targets within major transit station areas on higher intensity transit corridors to all municipalities with major transit station areas.

Policy 2.8.1.1(e) is a new policy which requires planning authorities to promote economic development and competitiveness by addressing land use compatibility adjacent to employment areas by providing an appropriate transition to sensitive land uses.

Rural Areas:

The PPS 2024 does not make significant changes to the PPS 2020 policies related to rural areas. It is notable that policy 2.6.1 of the PPS 2024 does not specifically alter multi residential development and /or permitted uses on rural lands.

Employment:

For lands outside of employment areas, policy 2.8.1.2 encourages the development of industrial, manufacturing and small-scale warehousing uses that can be operated adjacent to sensitive land uses without causing adverse effects. This adjacency is encouraged within strategic growth areas and within other mixed-use areas where frequent transit service is available.

Policy 2.8.2.5 significantly modifies the PPS 2020 policies related to the removal of lands from employment areas. This is also referred to as an employment conversion.

The PPS 2024 permits planning authorities to remove lands from employment areas. This is often referred to as an “employment conversion.” The PPS, 2024 permits planning authorities to remove lands from employment areas at any time (rather than through a Municipal Comprehensive Review), only where it has been demonstrated that:

- a) there is an identified need for the removal and the land is not required for employment area uses over the long term;
- b) the proposed uses would not negatively impact the overall viability of the employment area by:
 - i. avoiding, or where avoidance is not possible, minimizing and mitigating potential impacts to existing or planned employment area uses in accordance with policy 3.5;
 - ii. maintaining access to major goods movement facilities and corridors;
- c) existing or planned infrastructure and public service facilities are available to accommodate the proposed uses; and
- d) the municipality has sufficient employment lands to accommodate projected employment growth to the horizon of the approved official plan.

The definition of employment area is revised and now references the amended definition of “area of employment” in the Planning Act that was adopted through Bill 97 and which will come into force on October 20, 2024. The PPS,2024 defines employment areas as, “those areas designated in an official plan for clusters of business and economic activities including manufacturing, research and development in connection with manufacturing, warehousing, goods movement, associated retail and office, and ancillary facilities. An employment area also includes areas of land described by subsection 1(1.1) of the Planning Act. Uses that are excluded from employment areas are institutional and commercial, including retail and office areas not associated with the primary employment areas listed above. The Provincially significant employment zones identified in the Growth Plan are not carried forward into the PPS, 2024.

Land Use Compatibility:

The policies set out in section 3.5 will make it easier to establish sensitive land uses in the vicinity of existing or planned industrial, manufacturing or other major facilities that are vulnerable to encroachment.

Sewage, Water and Stormwater:

Policy 3.6.1(a) provides that planning for sewage and water services shall accommodate forecasted growth in a timely manner that promotes the efficient use and optimization of existing municipal sewage services and municipal water services, as well as existing private communal sewage services and private communal water services. Policy 3.6.1(b) now makes reference to ensuring that services are provided in a manner that protects the quantity and quality of water and aligns with comprehensive municipal planning for these services where applicable.

Policy 3.6.1 (c) now includes reference to energy conservation. Policy 3.6.1(d) requires the consideration of opportunities at all stages of the planning process, including consideration of opportunities to allocate and reallocate, if necessary, the unused system capacity of municipal water services and municipal sewage services to support the efficient use of these services to meet current and projected needs for an increased housing supply.

Natural Heritage:

Aside from amending certain definitions, the PPS, 2024 does not make any changes to the natural heritage policies of the PPS, 2020.

Water:

A new policy 4.2.3 encourages municipalities, and requires large and fast-growing municipalities, to undertake watershed planning. A new policy 4.2.4 provides that where planning is conducted by an upper-tier municipality that includes one or more lower-tier large and fast-growing municipalities to undertake watershed planning. A new policy 4.2.4 provides that where planning is conducted by Upper Tier municipalities that include one or more lower tier and fast growing Municipalities, the upper tier shall undertake watershed planning.

Agriculture:

The PPS, 2024 now requires (instead of encourages) planning authorities to use an agricultural system approach, based on provincial guidance, to maintain and enhance a geographically continuous agricultural land base and support and foster the long-term economic prosperity and productive capacity of the agri-food network.

Policy 4.3.2.4 permits a principal dwelling associated with an agricultural operation to be located in prime agricultural areas as an agricultural use, in accordance with provincial guidance, except where prohibited by policy 4.3.3.3.1(c) (lot creation and adjustments).

Policy 4.3.2.5 provides that where a residential dwelling is permitted on a lot in a prime agricultural area, up to two additional residential units shall be permitted in accordance with provincial guidance, provided that specified criteria are met. This criteria includes compliance with the minimum distance separation formulae, compatibility with surrounding agricultural operations, the appropriate provision of sewage and water services, the ability to address public health and safety concerns, the request for additional units to be of limited scale and located within, attached or in close proximity to the principal dwelling or

farm building cluster and minimize land taken out of agricultural production.

The Province's stated intent of this policy is to permit more housing on farms for farmers, farm families and farm workers, without creating new lots.

The PPS, 2024 generally maintains the PPS, 2020 policies regarding lot creation in prime agricultural areas. Specifically, policy 4.3.3.1 discourages lot creation and would only permit lot creation for agricultural uses, agriculture-related uses and infrastructure.

Policy 4.3.5.2 requires an agricultural impact assessment or equivalent analysis based on Provincial guidelines where it is not possible to avoid impact from any new or expanding non-agricultural use on surrounding agricultural lands and operations.

New policy 4.6.4(b) encourages planning authorities to develop and implement "proactive strategies for conserving significant built heritage resources and cultural heritage landscapes."

Indigenous:

Policy 4.6.4.5 modifies an existing PPS 2020 policy and requires planning authorities to engage early with Indigenous Communities. It has also been broadened to ensure their interests are considered when identifying, protecting and managing not only archaeological resources but also built heritage resources and cultural heritage landscapes.

Natural Hazards:

Policy 5.2.1 is carried over from the PPS, 2020 but requires planning authorities to collaborate with conservation authorities, where they exist, to identify hazardous lands and hazardous sites, and manage development in these areas in accordance with provincial guidance.

Implementation and Interpretation:

Policy 6.1.12 carries over a policy from the Growth Plan which provides that density targets represent minimum standards and that planning authorities are encouraged to go beyond these minimum targets. Policy 6.1.13 requires minimum density targets to be revisited at the time of each official plan update.

The PPS, 2024 contains new policies in section 6.2 requiring planning authorities to engage with the public, school boards and publicly assisted post-secondary institutions in efforts to implement the PPS, 2024.

The Ministry of Municipal Affairs and Housing is currently seeking feedback on whether a transition regulation for the PPS, 2024 is necessary to address matters such as development applications that are currently under appeal. Regional staff have informed the Province of a few such applications including OPA 63 that should be given consideration. See Schedule 2 to this report.

FINANCIAL IMPLICATIONS:

Not applicable to this report.

INTER-DEPARTMENTAL COMMENTS:

Administrative staff have discussed the Province's request for comments on matters under appeal and support the Region bringing OPA 63 to the attention of the Province. This amendment implements Secondary Plan policies for the expanded urban boundary lands and is unfinished because of the ongoing mediation efforts that affect lands in Stage 4 of the expansion area.

Township Planning staff are currently in the process of releasing an RFP for the review of the Township of West Lincoln Official Plan. This review is required to review policy against the Regional Official Plan as approved by the Province on November 4, 2022 and now the new Provincial Planning Statement. A few agricultural and environmental policy changes are anticipated as a result of the new PPS.

CONCLUSION:

This report is prepared to keep Committee and Council informed of the changes that have recently been made and announced by the Province to the Provincial Planning Statement which will come into effect on October 20, 2024. Also, this report informs Council of Administrative staff's support of the Regional staff's request that the transition regulations should also recognize that OPA 63 is still subject to further mediation as it relates to environmental lands in Phase 4.

SCHEDULES:

1. *Provincial Planning Statement, 2024 – Unofficial comparison to the 2020 Provincial Policy Statement – OSLEW Law*
2. Regional Report and Correspondence – CWCD 2024-163

Prepared & Submitted by:

Brian Treble
Director of Planning & Building

Approved by:

Truper McBride
CAO