

April 2023

A WSP White Paper on:

Bill 97 (Helping Homebuyers, Protecting Tenants Act, 2023) & Draft Provincial Planning Statement, April 6, 2023



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1 Introduction

On Thursday, April 6, 2023, the Ontario Government announced several changes to the planning system that will significantly impact how communities are planned and built in the Province. These include:

- Introducing Bill 97: *Helping Homebuyers, Protecting Tenants Act, 2023*
- Revoking A Place to Grow: Growth Plan for the Greater Golden Horseshoe (The Growth Plan)
- Revoking the Provincial Policy Statement, 2020 (current PPS)
- Introducing the Proposed Provincial Planning Statement, April 6
- Introducing the Proposed Approach to Implementation of the proposed Provincial Planning Statement

Bill 97 received its First Reading on April 6, 2023. The Proposed Provincial Planning Statement (the “Policy Statement”), and Proposed Approach to Implementation were both posted on the Environment Registry of Ontario (“ERO”) on April 6, 2023.

These proposed changes are part of an ongoing series of changes to the planning system by the Government of Ontario as part of the Ontario Government’s More Homes, More Choice Housing Supply Action Plan initiative.

This White Paper provides an overview of the key changes to the Ontario planning system proposed by Bill 97 and the Provincial Planning Statement. We will discuss policies that have been carried forward from the Growth Plan and the PPS, 2020, as well as policies that have not been retained by the Proposed Policy Statement. We will also discuss some of the effects these changes, along with changes previously made under Bill 23, may have on how municipalities plan for growth and assess planning applications.

The Policy Statement’s ERO posting (ERO #019-6813), stated that the proposed changes stem from a 66-day consultation process which began on October 25, 2022, to seek input on a housing-focused policy review of A Place to Grow and the Provincial Policy Statement (ERO # 019-6177). The intent of the proposed Policy Statement is to address the following policy pillars:

- Generate an appropriate housing supply
- Make land available for development
- Provide infrastructure to support development
- Balance housing with resources
- Implementation

The proposed Provincial Planning Statement may prove to be the most consequential change to land use planning in Ontario since the introduction of Places to Grow in 2005. WSP will monitor the progress of this proposal to keep our clients up-to-date and informed on these important policy changes.

2 Key Changes

Bill 97 and the proposed Provincial Planning Statement include new policies, and new ways of planning for growth in the Province. Some of the most significant proposed changes include:

Authorizing the Minister to Disregard the Policy Statement – Bill 97 includes provisions to allow the Minister, when enacting a Zoning Order, to disregard policy statements made under Section 3 of the *Planning Act*, including the proposed Provincial Planning Statement (Section 3.5 of this White Paper).

Revoking the Growth Plan for the Greater Golden Horseshoe – Policies related to Strategic Growth Areas and Major Transit Station Areas would be carried forward, but only single- and lower-tier municipalities listed as Large and Fast-Growing Municipalities will be required to implement intensification and density targets (Section 4.1.1 and 4.1.3 of this White Paper).

Planning authorities would be required to prepare their own population and employment forecasts to determine land needs at the time of Official Plan reviews and updates. Upper-tier Municipalities without Planning Authority would no longer be responsible for allocating growth to lower-tier municipalities (Section 4.2.1 of this White Paper).

The concepts of Delineated Built-up Areas and Designated Greenfield Areas would no longer apply and the Province would not mandate intensification or density targets, leaving it to planning authorities to determine the appropriate levels of intensification (Section 4.2.2 of this White Paper).

Removal of Comprehensive Review Requirements – Expansions of Settlement Areas and removal of lands from Employment Areas would no longer require a Comprehensive Review and Official Plan update under Section 26 of the *Planning Act*. Proponents would be permitted to apply for Settlement Area expansion or removal of lands from Employment Areas at any time. Planning authorities would be encouraged to consider certain factors when expanding Settlement Areas, however, the strict criteria of the current PPS are not proposed to be carried forward (Section 5.1 and 5.2 of this White Paper).

Greater Permission for Rural Development – Proposed Policies would allow multi-lot residential development on Rural Lands (Section 5.4.2 of this White Paper), and up to three new lots could be created in Prime Agricultural Areas (Section 5.4.3.2 of this White Paper). Removal of Prime Agricultural Lands would only be permitted for the expansion of a Settlement Area; however, this would no longer require a Comprehensive Review (see above).

Refinement of Employment Area Policies – The proposed Policy Statement would clarify that certain Employment Uses are appropriate for mixed use areas (Section 5.5.1 of this White Paper) and require that planning authorities assess and update their Employment Areas (Section 5.5.2 of this White Paper). It would also allow the removal of lands from Employment Areas without a comprehensive review (see above).

A detailed summary of these and other proposed policies are provided in the sections below.

3 Bill 97

Bill 97: *Helping Homebuyers, Protecting Tenants Act, 2023* proposes amendments to:

- *Building Code Act*
- *City of Toronto Act*
- *Development Charges Act*
- *Ministry of Municipal Affairs and Housing Act*
- *Municipal Act*
- *Planning Act*, and
- *Residential Tenancies Act*

This White Paper focuses on the proposed amendments to the *Planning Act*, with some discussion of related changes to other legislation.

Schedule 6 to Bill 97 amends the *Planning Act* with changes related to Areas of Employment, transitional matters, the refund of planning fees, provisions related to the appeal of interim control by-laws and site plan approval, provisions related to Orders of the Minister, and other minor amendments.

3.1 Areas of Employment

Bill 97 proposes to delete and replace the current definition of “area of employment” in Section 1(1) of the *Planning Act*. The proposed definition provides criteria for the types of businesses that may be included within an Area of Employment. This helps clarify new policies proposed in the Provincial Planning Statement, discussed in a later section.

The new proposed definition is:

“area of employment” means an area of land designated in an official plan for clusters of business and economic uses, those being uses that meet the following criteria:

1. The uses consist of business and economic uses, other than uses referred to in paragraph 2, including any of the following:
 - i. Manufacturing uses.

- ii. Uses related to research and development in connection with manufacturing anything.
- iii. Warehousing uses, including uses related to the movement of goods.
- iv. Retail uses and office uses that are associated with uses mentioned in subparagraphs i to iii.
- v. Facilities that are ancillary to the uses mentioned in subparagraphs i to iv.
- vi. Any other prescribed business and economic uses.

2. The uses are not any of the following uses:

- i. Institutional uses.
- ii. Commercial uses, including retail and office uses not referred to in subparagraph 1 iv.

To clarify, traditional employment uses such as manufacturing, research, and development in connection to manufacturing, warehousing, and movement of goods and related or ancillary uses are still considered employment uses. Institutional uses and commercial uses not related to traditional employment uses are not considered employment uses.

This proposed change goes hand-in-hand with new policies proposed in the Provincial Planning Statement, as will be discussed further.

Bill 97 proposes to amend Section 1 of the *Planning Act* by adding a new subsection (1.1), as follows:

Area of employment

(1.1) An area of land designated in an official plan for clusters of business and economic uses is an “area of employment” for the purposes of this Act even if the area of land includes one or more parcels of land whose use is excluded from being a business and economic use under paragraph 2 of the definition of “area of employment” in subsection (1) provided that the following conditions are satisfied:

- 1. The parcels of land in question are subject to official plan policies authorizing the continuation of the use.
- 2. The use was lawfully established on the parcel of land before the day subsection 1 (1) of Schedule 6 to the Helping Homebuyers, Protecting Tenants Act, 2023 came into force.

In other words, under the proposed provisions, if a municipality wishes to protect uses currently located in Employment Areas that are not considered appropriate for Employment Areas under

the new definition, it will need to amend its Official Plan to specifically authorize their continued use.

3.2 Transitional Matters

Section 3 of the *Planning Act* establishes the Minister's authority to issue Policy Statements. Bill 97 proposes new subsections to give the Minister authority to establish transitional provisions related to the issuance of a Policy Statement, as follows:

(6.1) The Minister may make regulations providing for transitional matters which, in the opinion of the Minister, are necessary or desirable to facilitate the implementation of a policy statement issued under subsection (1), other than a policy statement deemed under subsection (8) to be a policy statement issued under subsection (1).

Same

(6.2) Without limiting the generality of subsection (6.1), a regulation under that subsection may,

(a) provide for transitional matters respecting matters, applications and proceedings that were commenced before or after a policy statement comes into effect;

(b) provide that the policy statement being implemented does not apply, in whole or in part, to specified matters, applications and proceedings or providing that a previous policy statement continues to apply, in whole or in part, to the specified matters, applications and proceedings;

(c) deem a matter, application or proceeding to have been commenced on the date or in the circumstances described in the regulations.

The proposed Approach to Implementation states, "The government is seeking feedback on any specific transition issues anticipated to be associated with these proposed new policies that could be mitigated through the use of this proposed new regulation-making authority (including any potential issues associated with the repeal of the existing Growth Plan transition regulation O. Reg. 311/06)."

In previous iterations of the Provincial Policy Statement, the document has been approved with an effective date at some point in the future. After that effective date, all planning decisions were required to be consistent with the new PPS. With the authority proposed to be added to the *Planning Act*, the Minister may choose to have some policies of the proposed Policy Statement come into effect before others.

3.3 Refund of Planning Fees

Amendments to the *Planning Act* made under Bill 109 the *More Homes for Everyone Act, 2022* included requirements for planning authorities to refund portions of application fees (up to a full refund) if the municipality failed to make a decision on certain types of applications by certain deadlines.

Bill 97 proposes to further amend the *Planning Act* so that applications that would have been considered eligible for a refund by July 1, 2023, will be considered to have never been eligible for a refund:

(10.13) Any refund of fees required under subsection (10.12), as it read before the day subsection 6 (1) of Schedule 6 to the *Helping Homebuyers, Protecting Tenants Act, 2023* came into force, with respect to applications received before July 1, 2023, shall be deemed never to have been required.

Bill 97 also proposes to exempt prescribed municipalities from the refund provisions introduced through Bill 109.

3.4 Appeal of Interim Control By-laws and Site Plan Approval

Bill 97 proposes to amend Section 38(4) of the *Planning Act* to expand the appeal rights for Interim Control By-laws to include, “Any person or public body who was given notice of the passing of [an interim control by-law] but shortens the appeal period from 60 days to 50 days”. Currently, the *Planning Act* permits only the Minister to appeal an Interim Control By-law as part of the initial adoption. Extensions may be appealed by persons or public bodies.

Interim Control By-laws are used by Municipalities to freeze development, in accordance with the provisions of the by-law, for a period of up to one year to provide the municipality an opportunity to study and enact new policies or regulations to address an issue of concern.

This tool has been used by municipalities when the Zoning By-law fails to appropriately address contentious land uses such as cannabis cultivation facilities or short-term rental accommodations. Passing an interim control by-law allows municipalities to prevent new developments which would otherwise have been permitted under existing zoning.

3.5 Orders by the Minister

In recent years, the Provincial Government has increasingly made use of Minister’s Zoning Orders under Section 47 of the *Planning Act*, to expedite planning approvals for new development by bypassing local zoning by-law amendment processes. Bill 97 proposes to expand the Minister’s powers, with amendments to the *Planning Act* to allow for the non-application of policy statements in Zoning Orders, and to allow the Minister to impose certain

agreements on proponents and municipalities by order when the Provincial Land and Development Facilitator is engaged.

3.5.1 Non-Application of Policy Statements

Currently, Section 3(5) of the *Planning Act* requires that all planning decisions made by “the council of a municipality, a local board, a planning board, a minister of the Crown and a ministry, board, commission or agency of the government, including the Tribunal” must be consistent with a policy statement issued under Section 3.

Bill 97 proposes to exempt orders made under Section 47 (Minister’s Zoning Orders) of the *Planning Act* from the requirement to be consistent with Policy Statements issued under Section 3:

Section 47 of the Act is amended by adding the following subsection:

Non-application of policy statements, etc.

(4.0.1) The Minister may, in an order made under clause (1) (a), provide that policy statements issued under subsection 3 (1), provincial plans and official plans do not apply in respect of a license, permit, approval, permission or other matter required before a use permitted by the order may be established.

There is currently no formal application process for individual applicants to request a Minister’s Zoning Order, and no ability to appeal an order made by the Minister. The Community Infrastructure and Housing Accelerator Guideline requires the Councils of local municipalities to provide public notice and public consultation prior to requesting a Zoning Order by resolution, but the Minister has authority to make Zoning Orders independent of this process. In some cases, the Minister has issued an order without such a resolution of Council.

This proposed change represents a significant shift away from the policy-led planning system that has been established in Ontario and further reduces transparency related to the use of Minister’s Zoning Orders. The Minister would be able to choose whether or not to follow any established planning policies, meaning that even policies established by the Minister would not provide the public with certainty with regards to the type and location of development that may be permitted through a Minister’s Zoning Order. In addition, it is not clear how this applies to Section 2 of the *Planning Act* related to matters of provincial interest, which is not exempt from being assessed for MZOs, though the test in Section 2 is only to have “regard” and not the consistent and/or conform test in Section 3.

3.5.2 Agreements under Minister’s Order

Bill 97 proposes to add the following new Section 49.2 to the *Planning Act*:

Minister’s order re agreements

49.2 (1) If the Minister has directed the Provincial Land and Development Facilitator or a Deputy Facilitator appointed under subsection 12 (2) of the Ministry of Municipal Affairs and Housing Act to advise, make recommendations or perform any other functions with respect to land, the Minister may, by order, require the owner of the land to enter into one or more agreements with the Minister or with a municipality addressing any matters that the Minister considers necessary for the appropriate development of the land.

The "Provincial Land and Development Facilitator" ("PLDF") helps the province, municipalities, developers, businesses, and community groups resolve issues related to growth management, land use and infrastructure planning, and environmental protection by providing impartial facilitation services or by acting as a negotiator on behalf of the province. The Office of the PLDF was established in 2020 in its current form, but it is unclear when the PLDF would be engaged to resolve a land use planning dispute.

The new provision does not appear to be restricted to matters related to Minister's Zoning Orders under Section 47 but could be applied in any matter involving the PLDF.

The order may require the owner of land to "to provide anything or pay for anything in excess of what the owner is required to provide or pay for under this Act, the *Development Charges Act*, 1997 or any other Act". The Minister would be required to inform the municipality in writing of the matters that the agreement must address, and the agreement may be registered on the title of the land, but Bill 97 also proposes to exempt these orders from Part III (Regulations) of the *Legislation Act*.

Part III of the *Legislation Act* includes provisions related to the filing of regulations, which includes orders by the Minister. This may mean that the agreements proposed to be authorized would not be published in the Ontario Gazette or e-laws, presenting another issue of transparency related to orders by the Minister.

3.6 Other Minor Amendments

A number of minor, but potentially meaningful, amendments to the *Planning Act* are proposed by Bill 97. These include:

- Subsection 16 (3.1) of the Act is amended by adding "other than the primary residential unit" at the end.
 - This change clarifies that the provision restricting Official Plans from requiring more than one parking space for Additional Residential Units does not apply to the primary residential unit.
- Clause 17 (24.1) (c) of the Act is amended by striking out "parcel of urban residential land" and substituting "parcel of land".
- Clause 17 (36.1) (c) of the Act is amended by striking out "parcel of urban residential land" and substituting "parcel of land".

- Subclause 22 (7.2) (c) (iii) of the Act is amended by striking out “parcel of urban residential land” and substituting “parcel of land”.
- Clause 34 (19.1) (c) of the Act is amended by striking out “parcel of urban residential land” and substituting “parcel of land”.
 - These changes delete references to “parcel of urban residential land” in relation to the appeal rights for Official Plans and Official Plan amendments that permit an Additional Residential Unit within an ancillary building if there is already an Additional Residential Unit within the primary dwelling.
- Subsection 41 (1.2) of the Act is amended by striking out “residential units” at the end and substituting “residential units unless the parcel of land includes any land in a prescribed area”.
 - This provision is related to the definition of “development” in the context of Site Plan Control. Under Bill 23, development of less than 10 residential units was excluded from this definition of development, meaning that Site Plan Control could not be applied. The proposed amendment would allow Site Plan Control on lands within a prescribed area.
 - On April 6, 2023, the Government posted proposed regulations (ERO #019-6822) that would prescribe lands within 120 metres of a shoreline or 300 metres of a rail line as being eligible for Site Plan Control.

4 Revoking of A Place to Grow: Growth Plan for the Greater Golden Horseshoe

The most significant change with the proposed Provincial Planning Statement is the revoking of A Place to Grow: Growth Plan for the Greater Golden Horseshoe. Currently, the Growth Plan applies to sixteen single- and upper-tier municipalities (and the lower-tier municipalities within them). The Growth Plan provides high level policy direction for planning for growth and intensification within the Growth Plan area and provides population and employment forecasts which must be implemented through the Official Plans of affected municipalities.

The proposed Policy Statement carries forward some of the concepts and principles of the Growth Plan, but most of the regional planning policies of the Growth Plan are not proposed to be replicated. This, in conjunction with changes under Bill 23 which designate many of the upper-tier municipalities within the Growth Plan area as “Upper-tier Municipalities without Planning Authority”, would leave a gap in regional planning guidance which will be discussed further in the White Paper.

Single- and Upper-Tier Municipalities within the Growth Plan Area	Upper-tier Municipalities without Planning Authority (Bill 23)
<ul style="list-style-type: none"> • County of Brant • County of Dufferin • Regional Municipality of Durham 	<ul style="list-style-type: none"> • Regional Municipality of Durham • Regional Municipality of Halton • Regional Municipality of Niagara

Single- and Upper-Tier Municipalities within the Growth Plan Area	Upper-tier Municipalities without Planning Authority (Bill 23)
<ul style="list-style-type: none"> • County of Haldimand • The Regional Municipality of Halton • City of Hamilton • City of Kawartha Lakes • Regional Municipality of Niagara • County of Northumberland • Regional Municipality of Peel • City of Peterborough • County of Simcoe • City of Toronto • Regional Municipality of Waterloo • County of Wellington • Regional Municipality of York 	<ul style="list-style-type: none"> • Regional Municipality of Peel • County of Simcoe • Regional Municipality of Waterloo • Regional Municipality of York

4.1 Growth Plan Policies to be Carried Forward

The proposed Policy Statement carries forward a number of concepts, terms, and policies, with modifications, from the Growth Plan. In most cases, the policies carried forward are already present in the current PPS and are not translated word-for-word from the Growth Plan to the proposed Policy Statement. The exceptions include:

4.1.1 Strategic Growth Areas

The policy framework for Strategic Growth Areas (SGAs) established in the Growth Plan has been carried forward in the proposed Policy Statement, as well as the Growth Plan's definition for SGAs.

4.1.2 Urban Growth Centres

Urban Growth Centres (UGCs) identified in the Growth Plan are carried forward into the proposed Policy Statement but only as a legacy concept – there are no policies for identifying UGCs, and municipalities may now reduce their size or change their location through an Official Plan Amendment. It is unclear whether the density targets for UGCs identified in Section 2.2.3 of the Growth Plan still apply.

4.1.3 Major Transit Station Areas

The concept of Major Transit Station Areas (MTSAs) has been carried forward into the proposed Policy Statement, including the existing density targets for MTSAs outlined in Section 2.2.4.3 of the Growth Plan (i.e., 200 combined residents and jobs per hectare for MTSAs around subway

stations, 160 for those around light rail or bus rapid transit stations, and 150 for those around GO transit commuter rail stations). Policies from the Growth Plan directing development within MTSAs (e.g., planning for affordable housing or providing alternative development standards) have not been carried forward.

4.1.4 Performance Indicators and Monitoring

Section 5 (Implementation and Interpretation) of the Growth Plan contains policies that commit the Minister to developing a set of performance indicators to measure the effectiveness of the Plan and require municipalities to monitor and report on their implementation of Growth Plan policies. These implementation policies have been carried forward to the proposed Policy Statement, albeit with encouraging language (“should”) for municipalities’ monitoring, rather than directive (“will”).

4.2 Growth Plan Policies to be Revoked

Beyond the major concepts and policies listed above, the bulk of the Growth Plan is proposed to be revoked entirely. This also means the Greater Golden Horseshoe (GGH) as a regional planning concept will also cease to exist, with implications for the planning processes of those municipalities located within the GGH. Notable concepts and policies to be revoked include the following.

4.2.1 Growth Forecasts and Land Needs Assessment Methodology

The Growth Plan provides a top-down, regional planning framework for growth management in the Greater Golden Horseshoe, by identifying minimum population and employment forecasts for all upper- and single-tier municipalities in the GGH. Municipalities within the GGH are currently required to apply the forecasts in their Official Plans (and allocate the forecasts between their local municipalities, in the case of upper-tier municipalities). Under the proposed Policy Statement, upper-tier municipalities with planning authority are required to establish growth forecasts and allocate growth to lower-tier municipalities. Municipalities with upper-tiers without planning authority are required to establish their own growth forecasts.

The Land Needs Methodology for determining whether municipalities have enough land to accommodate forecasted growth is also proposed to be revoked, meaning each planning authority will be responsible for choosing its own methodology, which may be challenged by other interests.

4.2.2 Delineated Built-up Area and Designated Greenfield Areas

In the development of the original 2006 Growth Plan, the Province delineated a built-up area (BUA) for each upper- and single-tier municipality in the GGH, which represented the extent of the developed urban area in those municipalities at the time. Any development taking place

outside of the delineated built-up area (BUA) is designated greenfield development. These two concepts have not been carried forward into the proposed Policy Statement. Instead, all municipalities are encouraged, and Large and Fast-Growing Municipalities are required, to identify Strategic Growth Areas.

4.2.3 Intensification Targets and Density

Along with the delineation of a BUA and greenfield, the Growth Plan directs for a certain proportion of annual growth to happen within the BUA (referred to as the “intensification target”) and directs for greenfield development to achieve a minimum density of residents and jobs (depending on the municipality). The removal of the BUA and greenfield concepts also means the revocation of these intensification and density targets. Given this BUA/greenfield balance has been a central part of growth planning within the GGH for almost 20 years, this change will require a large shift in thinking for municipal planning in GHH municipalities.

Under the proposed Policy Statement, planning authorities are encouraged to establish appropriate density targets for any new, or expanded area, of a settlement area, and the Large and Fast-Growing Municipalities are encouraged to establish a density target of 50 residents and jobs per gross hectare for new, or expanded area, of a settlement area.

4.2.4 Municipal Comprehensive Review

The current Growth Plan directs that settlement boundary expansions and conversions of lands in employment areas may only be undertaken through a Municipal Comprehensive Review. This process has not been carried forward in the proposed Policy Statement (more analysis on this below).

4.2.5 Natural Heritage System

The Growth Plan defines a Natural Heritage System (NHS) for the Growth Plan, which has been mapped by the Province, and is required to be incorporated into the Official Plans of GGH municipalities. The NHS for the Growth Plan expands the identification and protection of key natural heritage features and key hydrological features from the Greenbelt, Niagara Escarpment, and Oak Ridges Moraine Conservation Plans to the remainder of the Greater Golden Horseshoe Area.

The proposed Policy Statement notes that natural heritage policies are still under review, so it is unclear as of this point whether the policies and mapping of the NHS of the Growth Plan will be carried forward.

5 Replacement of the Provincial Policy Statement, 2020

The proposed Provincial Planning Statement follows the same general structure of the current PPS, 2020 with some minor modifications. It includes an introduction that covers generally the same points and basis for policy as the current PPS and five chapters of policies organized along familiar themes:

- Building Homes, Sustaining Strong and Competitive Communities
- Infrastructure and Facilities
- Wise Use and Management of Resources
- Protecting Public Health and Safety
- Implementation and Interpretation

Formally, the Provincial Policy Statement, 2020 is proposed to be revoked, and the new policy statement would have a slightly different name, “Provincial Planning Statement”, but there are enough policies that are the same, or similar, to the current PPS for the proposed Policy Statement to be considered an update, rather than an entirely new document.

The following provides an overview of the key changes to policies currently found in the PPS 2020, which are proposed to be modified, including changes related to:

- Municipal Comprehensive Review
- Settlement Areas
- Housing
- Rural Policies, including development in Prime Agricultural Areas
- Employment
- Infrastructure, including Transportation, Land Use Compatibility, Sewage, Water and Stormwater
- Implementation and Interpretation
- Coordination, and
- Large and Fast-Growing Municipalities

This White Paper also discusses minor changes to policy found throughout the Policy Statement.

Missing from this version of the proposed Provincial Planning Statement are policies and definitions related to Natural Heritage. A note in section 4.1 states:

As of April 6, 2023, natural heritage policies and related definitions remain under consideration by the government. Once proposed policies and definitions are ready for review and input, they will be made available through a separate posting on the Environmental Registry of Ontario. ERO# 019-6813 will be updated with a link to the relevant posting once it is available.

5.1 Municipal Comprehensive Review

The proposed Provincial Planning Statement does not include any references to “Comprehensive Review.” The concept of a Municipal “Comprehensive Review” has been a key element of Ontario’s land use planning system since the release of the 2005 Provincial Policy Statement and has been a requirement for settlement area boundary expansion, employment land conversions, and removal of prime agricultural lands until now.

The purpose of requiring a comprehensive review for these types of updates is to ensure that population and employment projections, opportunities for intensification, infrastructure improvements, and other factors related to planning for growth are considered. It’s also intended to slow down change since a comprehensive review would typically only occur every 5 or 10 years as part of a Section 26 Official Plan Review.

The absence of “Comprehensive Review” requirements in the proposed Policy Statement means that Settlement Area Boundary Expansions, Employment Land conversions, and the removal of Prime Agricultural Lands could be permitted through an Official Plan Amendment at any time. The proposed policies specific to these types of amendments will be discussed in greater detail in later sections of this White Paper.

Some of the requirements of a Comprehensive Review would still be required, or encouraged, by policies related to Settlement Area expansion, planning for infrastructure, and general policies related to Official Plan reviews and updates.

Section 2.1.1 of the proposed Policy Statement directs planning authorities to, at the time of each official plan update, make sufficient land available to accommodate an appropriate range and mix of land uses to meet projected needs for a time horizon of at least 25 years. The second paragraph of the proposed policy further states that any development authorized through a Minister’s Zoning Order “shall be in addition to projected needs over the planning horizon established in the official plan.”

This may present a challenge to municipalities as they attempt to right-size their settlement areas, establish intensification targets, and plan for infrastructure investments as the Minister would have the authority to overlook established policies through a Zoning Order.

5.2 Settlement Areas

Section 2.3 of the proposed Policy Statement addresses “Settlement Areas and Settlement Area Boundary Expansions.” The concept of Settlement Areas as built-up areas where development is concentrated with a mix of land uses is not proposed to change, however, the criteria for the establishment and expansion of Settlement Areas is proposed to change.

Section 2.3.2 of the proposed Policy Statement states:

Land use patterns within settlement areas should be based on densities and a mix of land uses which:

- a) efficiently use land and resources;
- b) optimize existing and planned infrastructure and public service facilities;
- c) support active transportation;
- d) are transit-supportive, as appropriate; and
- e) are freight-supportive.

Point (b) from the current PPS was not carried forward in this section but is generally reflected in the policies for Settlement Area expansions, and in the Infrastructure policies. The more significant change is from “shall” to “should”. This suggests that there may be less pressure on planning authorities to meet the criteria listed when planning for development within Settlement Areas.

Other policies from the current PPS, which require planning authorities to identify locations for transit-supportive development, and accommodate and establish targets for intensification, have not been carried forward in this section of the proposed Policy Statement, but are reflected in other policies related to those specific subjects.

The requirements related to the establishment and expansion of Settlement Areas are provided in Section 2.3.4 of the proposed Policy Statement:

In identifying a new settlement area or allowing a settlement area boundary expansion, planning authorities should consider the following:

- a) that there is sufficient capacity in existing or planned infrastructure and public service facilities;
- b) the applicable lands do not comprise specialty crop areas;
- c) the new or expanded settlement area complies with the minimum distance separation formulae;
- d) impacts on agricultural lands and operations which are adjacent or close to the settlement area 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
- e) the new or expanded settlement area provides for the phased progression of urban development.

This is a significant change from the current PPS which requires that planning authorities “shall” meet the criteria listed in this policy, whereas the proposed Policy Statement uses “should”. The requirement for expansions to be undertaken only at the time of a Comprehensive Review has

also been removed. This suggests planning authorities may not necessarily be required to meet the standards set out in the policy, and that individual property owners would be permitted to submit Official Plan Amendment applications to expand settlement areas at any time.

With the use of “should,” planning authorities may find it difficult to turn down applications that fall short of demonstrating their proposal meets these criteria.

A new policy, 2.3.5 is proposed to provide some guidance to planning authorities to establish density targets for new or expanded Settlement Areas. The current PPS does not include a similar policy, but the Growth Plan does include Greenfield Density Targets, which serve a similar purpose:

Planning authorities are encouraged to establish density targets for new settlement areas or settlement area expansion lands, as appropriate, based on local conditions. Large and fast-growing municipalities are encouraged to plan for a minimum density target of 50 residents and jobs per gross hectare.

The use of the word “encourage” means that planning authorities are not required to establish density targets, and a standard target is not provided for municipalities that are not listed as Large and Fast-Growing. Instead, Upper Tier-Municipalities with Planning Authority may use this policy to support minimum density targets in their Official Plan policies to apply when an expansion is requested.

Single-tier municipalities and lower-tier municipalities within Upper-Tier Municipalities Without Planning Authority (as defined in the *Planning Act*) are encouraged to establish their own density targets for Settlement Area expansion lands. Only those listed as Large and Fast-Growing Municipalities are provided with a standard target of 50 residents and jobs per gross hectare, but this is still only a suggestion.

5.3 Housing

The term “Housing Affordability” appears only twice in the proposed Policy Statement, first as part of the Vision provided in Chapter One:

Ontario will increase the supply and mix of housing options and address the full range of housing affordability needs.

This is similar to the direction found in the current PPS. The second reference to housing affordability is found in Section 2.2.1(a):

2.2 Housing

1. Planning authorities shall provide for an appropriate range and mix of housing options and densities to meet projected needs of current and future residents of the regional market area by:

- a) coordinating land use planning and planning for housing with Service Managers to address the full range of housing options including housing affordability needs;

References to “Affordable Housing” and “Housing that is affordable to low and moderating income households,” which appear throughout the current PPS, have not been carried forward in the proposed Policy Statement. Instead, the proposed Policy Statement includes the following in section 2.2.1(b):

- b) permitting and facilitating:

- 1. all housing options required to meet the social, health, economic and well-being requirements of current and future residents, including additional needs housing and needs arising from demographic changes and employment opportunities.

The reference to housing options required to meet the “economic requirements” of current and future residents, could be interpreted to refer to all income levels, but this concept is not described in the proposed Policy Statement and is not defined.

The proposed Policy Statement refers to a range and mix of “Housing Options” throughout, but the definition of “Housing Options” has been modified from the current PPS definition, removing “affordable housing” as one example of “Housing Options.”

Policies in the current PPS which direct planning authorities to accommodate an appropriate affordable and market-based range and mix of housing types, establish and implement minimum targets for the provision of housing that is affordable to low and moderate income households, and to align plans with housing and homelessness plans, have not been carried forward in the proposed Policy Statement.

Read together, these changes suggest that planning authorities are not expected to take a direct role in the provision of affordable housing through the adoption of targets or the use of planning tools like Inclusionary Zoning. Instead, their role would be limited to facilitating planning approvals of affordable housing projects in coordination with Service Providers. This would seem to dilute support for other recent moves by the Province to allow for Inclusionary Zoning By-laws (mandatory provision of affordable housing units), and development charge exemptions for affordable housing projects.

5.4 Rural Policies

The definitions of “Rural Areas” and “Rural Lands” found in the current PPS have been carried forward in the proposed Policy Statement:

Rural areas: means a system of lands within municipalities that may include rural settlement areas, rural lands, prime agricultural areas, natural heritage features and areas, and resource areas.

Rural lands: means lands which are located outside settlement areas, and which are outside prime agricultural areas.

Policies related to Rural Areas and Rural Lands are found in Chapter 2 of the proposed Policy Statement, “Building Homes, Sustaining Strong and Competitive Communities”. Policies related to Prime Agricultural Areas, which are considered part of Rural Areas, are found in Chapter 4, “Wise Use and Management of Resources”.

5.4.1 Rural Areas

Section 2.5 of the proposed Policy Statement addresses Rural Areas and provides more succinct policies than the current PPS, without making many changes to the policies. Changes that have been made include the removal of the introductory paragraphs of the section and the following:

- Language related to “the conservation and redevelopment of existing rural housing stock on rural lands” (current PPS Section 1.1.4.1(d)) has not been carried forward).
- Section 1.1.4.2 of the current PPS has not been carried forward: “In rural areas, rural settlement areas shall be the focus of growth and development and their vitality and regeneration shall be promoted.”

These may be considered “motherhood statements,” but their absence signals a shift from limiting development in Rural Areas to Rural Settlement Areas such as Hamlets, Villages, and existing clusters of homes to a broader interpretation of permitting development in the Rural Area.

5.4.2 Rural Lands

Section 2.6 of the proposed Policy Statement addresses Rural Lands. As with the Rural Areas policies, introductory language from the current PPS has not been carried forward; the new language has been added to clarify or expand the list of permitted uses on Rural Lands in Section 2.6.1, which includes:

- Proposed policy (b) clarifies that “Resource-based Recreational Uses” are not intended as permanent residences.
- Proposed policy (c) expands permitted residential development to include, “multi-lot residential development, where site conditions are suitable for the provision of appropriate sewage and water services.”
- The requirement in current PPS policy 1.1.5.4 that rural development be “compatible with the rural landscape” has not been carried forward.

These changes, along with new policies proposed in Prime Agricultural Areas, signal a shift away from a compact pattern of development in Rural Areas and may limit a municipality's ability to prevent low-density sprawl outside of Settlement Areas.

5.4.3 Agriculture

The proposed Policy Statement discusses Agriculture in Chapter 4. Section 4.3 includes general policies supporting the protection of agriculture as an important resource, but also includes new policies permitting development of non-agricultural uses on Prime Agricultural lands.

The definitions of "Prime Agricultural Areas," and "Prime Agricultural Lands" have been refined, but are generally consistent with the definitions found in the current PPS:

Prime agricultural area: means areas where prime agricultural lands predominate. This includes areas of prime agricultural lands and associated Canada Land Inventory Class 4 through 7 lands, and additional areas with a local concentration of farms which exhibit characteristics of ongoing agriculture. Prime agricultural areas may be identified by the Ontario Ministry of Agriculture, Food and Rural Affairs, or by a planning authority based on provincial guidance.

Prime agricultural land: means specialty crop areas and/or Canada Land Inventory Class 1, 2, and 3 lands, as amended from time to time, in this order of priority for protection.

Some general statements from the current PPS which describe Prime Agricultural Areas have not been carried forward in Section 4.3 of the proposed Policy Statement, but are reflected in the definitions. Overall, the way Prime Agricultural Areas and Prime Agricultural Lands are described, and the policies for delineating them, are relatively unchanged compared to the current PPS. However, policies related to permitted uses and lot creation on Prime Agricultural Lands, are proposed to be changed significantly.

5.4.3.1 PERMITTED USES

Under the current PPS, permitted uses on Prime Agricultural Areas are limited to agricultural uses, agriculture-related uses, on-farm diversified uses, and extraction of minerals, petroleum resources, and mineral aggregate resources. Residential uses on existing lots are generally permitted subject to other constraints.

Section 4.3.2.4 of the proposed Policy Statement clarifies that a residential dwelling is permitted on a farm, except where prohibited due to a surplus farm dwelling severance:

A principal dwelling associated with an agricultural operation may be permitted in prime agricultural areas as an agricultural use, in accordance with provincial guidance, except where prohibited in accordance with policy 4.3.3.1 b).

Section 4.3.2.4 adds permission for up to two additional residential units which may be located within, attached to, or in close proximity to the principal dwelling, subject to certain conditions:

Subordinate to the principal dwelling, up to two additional residential units may be permitted in prime agricultural areas, provided that:

- a) any additional residential units are within, attached to, or in close proximity to the principal dwelling;
- b) any additional residential unit complies with the minimum distance separation formulae;
- c) any additional residential unit is compatible with, and would not hinder, surrounding agricultural operations; and
- d) appropriate sewage and water services will be provided.

The additional residential units may only be severed from the lot containing the principal dwelling in accordance with policy 4.3.3.1.

This proposed policy is consistent with provisions of the *Planning Act* under Bill 23, which prevent the appeal of policies adopted to authorize additional residential units (Section 17(24.1) of the *Planning Act*).

Section 4.3.2.4 of the proposed Policy Statement goes beyond allowing additional residential dwellings on Prime Agricultural Lands, by permitting the severance of the additional residential units.

5.4.3.2 LOT CREATION IN PRIME AGRICULTURAL AREAS

Under Section 2.3.4.1 of the current PPS, lot creation in Prime Agricultural Areas may only be permitted for agricultural uses, agriculture-related uses, a residence surplus to a farm consolidation, or infrastructure. The proposed Policy Statement expands permission for lot creation in Prime Agricultural Areas with Section 4.3.3:

1. Residential lot creation in prime agricultural areas is only permitted in accordance with provincial guidance for:

- a) new residential lots created from a lot or parcel of land that existed on January 1, 2023, provided that:
 - 1. agriculture is the principal use of the existing lot or parcel of land;
 - 2. the total number of lots created from a lot or parcel of land as it existed on January 1, 2023, does not exceed three;
 - 3. any residential use is compatible with, and would not hinder, surrounding agricultural operations; and
 - 4. any new lot:
 - i. is located outside of a specialty crop area;

- ii. complies with the minimum distance separation formulae;
- iii. will be limited to the minimum size needed to accommodate the use while still ensuring appropriate sewage and water services;
- iv. has existing access on a public road, with appropriate frontage for ingress and egress; and
- v. is adjacent to existing non-agricultural land uses or consists primarily of lower-priority agricultural lands.

The proposed agricultural lot creation policies should not be interpreted as allowing every existing property within the Prime Agriculture Areas of the province to create three new lots as-of-right. The conditions included in this policy will require applicants to undertake a meaningful assessment of potential impacts on adjacent agricultural operations, conduct a minimum distance separation calculation, and demonstrate consistency with all other applicable policies. The proposed change does, however, represent a major shift in planning policy for Ontario's rural municipalities. If enacted, these policies would likely result in a significant number of new severance applications.

Municipalities that wish to limit new lot creation may be able to enact policies that restrict the number of new private entrances on arterial roads or County/Regional Roads in the interest of public health and safety, but Section 4.3.3.2 of the proposed Policy Statement would prohibit policies that are more restrictive:

Official plans and zoning by-laws shall not contain provisions that are more restrictive than policy 4.3.3.1 (a) except to address public health or safety concerns.

Taken together, the proposed policies in Sections 2.5, 2.6, and 4.3 of the proposed Policy Statement, which allows more development in Rural Areas, and Section 2.3 permitting Settlement Area expansions without the need for a Comprehensive Review, would significantly weaken the municipality's ability to limit sprawl and encourage redevelopment within existing built-up areas and Settlement Areas.

5.5 Employment

Section 2.8 of the proposed Policy Statement addresses Employment. The general policies of the current PPS promoting economic development and competitiveness have been retained with some minor revisions to eliminate redundancy and to clarify Employment uses that should be considered compatible with sensitive land uses.

5.5.1 General Policies

Section 2.8.1.1(d) states:

2.8.1 Supporting a Modern Economy

1. Planning authorities shall promote economic development and competitiveness by:

d) encouraging intensification of employment uses and compact, mixed-use development that incorporates compatible employment uses such as office, retail, industrial, manufacturing and warehousing, to support the achievement complete communities.

This change helps differentiate between Employment uses that require separation from sensitive land uses, and those that are more appropriate to be located within complete communities. Other new policies in Section 2.8.1 provide more guidance:

2. Industrial, manufacturing, and small-scale warehousing uses that could be located adjacent to sensitive land uses without adverse effects are encouraged in strategic growth areas and other mixed-use areas where frequent transit service is available, outside of employment areas.

3. On lands for employment outside of employment areas, and taking into account the transition of uses to prevent adverse effects, a diverse mix of land uses, including residential, employment, public service facilities and other institutional uses shall be permitted to support the achievement of complete communities.

4. Official plans and zoning by-laws shall not contain provisions that are more restrictive than policy 2.8.1.3 except for purposes of public health and safety.

5. Major office and major institutional development should be directed to major transit station areas or other strategic growth areas where frequent transit service is available.

The above policies do not reference Land Use Compatibility Guidelines, but refer to avoiding or preventing Adverse Effects which will provide planning authorities with some measure by which to assess the appropriateness of Employment Uses in mixed-use areas. The proposed policies also seem to distinguish between “lands for employment” and “Employment Areas,” although only “Employment Areas” are defined in the proposed Policy Statement.

5.5.2 Employment Areas

Section 2.8.2 of the proposed Policy Statement addresses Employment Areas with the general intent of separating disruptive Employment uses from Sensitive Land Uses, and protecting Employment uses from the encroachment of Sensitive Land Uses. This is retained from the current PPS; however, the policies have largely been rewritten for brevity.

Section 2.8.2 would prohibit within Employment Areas:

(b) Sensitive land uses such as residential uses, commercial uses, public service facilities and other institutional uses;

- (c) retail and office uses that are not associated with the primary employment use; and
- (d) other sensitive land uses that are not ancillary to the primary employment use.

This would appear to prohibit stand-alone convenience retail or other non-employment uses intended to serve workers in Employment Areas. Under the common definition of ancillary, only non-employment uses that are part of an employment use, such as an in-house cafeteria or daycare centre, would be permitted within Employment Areas.

Section 2.8.2.3 provides stronger direction to planning authorities regarding the review and update of Employment Areas (using “shall” instead of “should”):

- 3. Planning authorities shall assess and update employment areas identified in official plans to ensure that this designation is appropriate to the planned function of employment areas.

While the Employment section does not specify when planning authorities shall assess and update their Employment Areas, Section 2.1.1 of the proposed Policy Statement directs that “At the time of each official plan update, sufficient land shall be made available to accommodate an appropriate range and mix of land uses to meet projected needs for a time horizon of at least 25 years, informed by provincial guidance.” It goes on to say that planning for Employment Areas may go beyond this timeline.

References to the “conversion” of Employment lands have not been carried forward from the current PPS; instead, the proposed Policy Statement refers to the “removal” of Employment lands. The criteria of Section 2.8.2.4, for the removal of Employment Lands has been modified and simplified compared to the current PPS, with no requirement for a Comprehensive Review:

Planning authorities may remove lands from employment areas 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:
 - 1. 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; and
 - 2. 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.

Considering that planning authorities may designate lands for employment to accommodate growth beyond 25 years, additional clarity may be required regarding how to determine

whether Employment Lands are required “over the long term”, as stated in Section 2.8.2.4(a). it would suggest that a significant surplus of employment lands would be necessary to justify removal of employment areas.

5.6 Infrastructure

Chapter 3 of the proposed Policy Statement is titled: “Infrastructure and Facilities” and includes general policies for Infrastructure and Public Service Facilities, policies for Transportation Systems, Transportation and Infrastructure Corridors, Airports, Rail and Marine Facilities, Land Use Compatibility, Sewage, Water and Stormwater, Waste Management, Energy Supply, and Public Spaces, Recreation, Parks, Trails, and Open Space.

Each of these Sections includes numerous changes compared to the current PPS intended to shorten and clarify the policies, however there are several substantive changes proposed that would affect how planning authorities plan for growth and review development proposals.

5.6.1 General Policies for Infrastructure and Public Service Facilities

Section 3.1 of the proposed Policy Statement provides general policies for infrastructure and public service facilities. These policies work hand in hand with the proposed policies related to Settlement Areas, and Strategic Growth Areas. The general intent of the policies continues to be the efficient and cost-effective use of existing infrastructure.

Section 3.1.2 of the proposed Policy Statement would encourage planning authorities to prioritize Strategic Growth Areas for infrastructure investment:

Planning and investments in infrastructure and public service facilities should be prioritized to support strategic growth areas as focal areas for growth and development.

Section 3.1.3 would encourage planning authorities to optimize existing infrastructure consider adaptive re-use before developing new infrastructure and public service facilities:

Before consideration is given to developing new infrastructure and public service facilities:

- a) the use of existing infrastructure and public service facilities should be optimized; and
- b) opportunities for adaptive re-use should be considered, wherever feasible.

Section 3.1.6 would encourage planning authorities to encourage school boards to consider innovative approaches to the development of new schools:

Planning authorities, in consultation with school boards, should consider and encourage innovative approaches in the design of schools and associated child care facilities, such

as schools integrated in high-rise developments, in strategic growth areas, and other areas with a compact built form.

It has been a common complaint in some areas of the province that school capacity has not been able to keep up with population growth. Section 3.1.6 would seem to be intended to address this, however the use of “should” and “encourage” in this and other policies related to infrastructure, would not require strict adherence to this direction.

5.6.2 Transportation Systems

Section 3.2 addresses Transportation Systems, which retains the same definition as the current PPS:

Transportation system: means a system consisting of facilities, corridors and rights-of-way for the movement of people and goods, and associated transportation facilities including transit stops and stations, sidewalks, cycle lanes, bus lanes, high occupancy vehicle lanes, rail facilities, parking facilities, park’n’ride lots, service centres, rest stops, vehicle inspection stations, inter-modal facilities, harbours, airports, marine facilities, ferries, canals and associated facilities such as storage and maintenance.

Only one change to this section is proposed. Section 1.6.7.4 is proposed to be deleted:

1.6.7.4 A land use pattern, density and mix of uses should be promoted that minimize the length and number of vehicle trips and support current and future use of transit and active transportation.

While most of the policies related to intensification, mixed-use development and complete communities would have the effect of reducing the length and number of vehicle trips, leaving this policy out of the proposed Policy Statement seems to signal a shift in priorities away from reducing vehicle trips.

5.6.3 Land Use Compatibility

The land use compatibility policies in Section 3.5 of the proposed Policy Statement have mostly been carried forward from the current PPS, with modifications to the criteria for allowing new sensitive land uses to be located adjacent to Major Facilities when avoidance is not possible.

The current PPS requires new sensitive land uses to demonstrate an identified need to be located adjacent to the Major Facility in question, that there are no reasonable alternative locations, that adverse effects on the proposed sensitive use will be mitigated or minimized, and that potential impacts to industrial, manufacturing, or other uses are minimized and mitigated.

The proposed policy in Section 3.5.2 would only retain the requirement for proposed sensitive land uses to demonstrate that “potential impacts to industrial, manufacturing or other major facilities are minimized and mitigated in accordance with provincial guidelines, standards and

procedures.” Such proposals would still need to demonstrate that avoidance is not possible, however the shift in focus from potential impacts on the sensitive land use, to impacts to the industrial use or Major Facility seems to place the onus on the existing land use to demonstrate adverse effects. The potential impacts on the proposed sensitive land use do not appear to be a priority.

5.6.4 Sewage, Water and Stormwater

Section 3.6 of the proposed Policy Statement provides Sewer, Water and Stormwater policies. The broad objectives of the proposed policies are similar to the current PPS, with an emphasis on prioritizing the efficient use of existing sewer and water services. The preferred hierarchy of services has also been retained, prioritizing municipal services, followed by private communal services, and then private individual services, however the word “hierarchy” is no longer used.

A key change is the proposed elimination of policy (currently in Section 1.6.6.4 of the PPS) that allows for individual on-site sewage services and individual on-site water services for infilling and minor rounding out of existing development within Settlement Areas. The interpretation of “infilling and minor rounding out” has been a challenge in the past and this appears to be an attempt to resolve the issue. However, it is unclear whether this is intended to prevent infilling and minor rounding out on private services, or if it is intended to allow full scale development on private services in Settlement Areas.

5.7 Implementation and Interpretation

Chapter 6 of the proposed Policy Statement addresses the implementation and interpretation of the Policy Statement. It includes a section of General Policies and a section focused on Coordination.

5.7.1 General Policies for Implementation and Interpretation

Section 6.1 of the proposed Policy Statement addresses implementation and interpretation. Throughout this section references to “This Provincial Policy Statement” have been revised to refer to “This Policy Statement.”

The majority of policies from the current PPS Section 4.0 have been carried forward; however, a number of key changes are proposed.

Section 6.4 of the proposed Policy Statement states:

4. When implementing this Policy Statement, the Minister of Municipal Affairs and Housing may make decisions that take into account other considerations to balance government priorities.

This provides the Minister with a broader purview when implementing the Policy Statement, compared to the current PPS which states that the Minister may take into account other

considerations specifically when “making decisions to support strong communities, a clean and healthy environment and the economic vitality of the Province.”

This appears to support the proposed amendment to the *Planning Act* in Bill 97 which allows the Minister to choose not to apply the Policy Statement when making an order under Section 47 (Minister’s Zoning Orders). However, the phrasing of the policy, allowing the Minister to “make decisions” that take into account other considerations to balance government priorities, implies that the Minister’s decisions in approving Official Plans may not be held to the same “consistency” standard as other planning authorities.

New policies in 6.4.6 and 6.4.7 clarify matters of interpretation that are currently part of general practice:

6. 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.

7. 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.

New Policies in Section 6.4.9 indicate that the Province intends to collect data and monitor the implementation of the Policy Statement:

9. To assess progress on implementation of this Policy Statement, the Province may:

- a) identify key indicators to measure the outcomes, relevance and efficiency of the policies in this Policy Statement in consultation with municipalities, Indigenous communities, other public bodies and stakeholders;
- b) monitor and assess the implementation of this Policy Statement through the collection and analysis of data under each indicator; and
- c) consider the resulting assessment in each review of this Policy Statement.

Under O. Reg. 73/23 Municipal Planning Data Reporting, 29 municipalities in the Province are required to collect and report data related to Official Plan Amendment, Zoning By-law Amendment, Site Plan Control, Minor Variance, Plan of Subdivision, Consent, Condominium, and Housing Accelerator applications. With the proposed policies in Section 6.4.9, this should result in the Province-wide collection of planning-related data which may be used to inform future updates to planning policies and legislation. Whether this information will be released publicly, is unclear.

5.7.2 Coordination

Section 6.2 of the proposed Policy Statement provides direction related to Coordination between planning authorities, upper-, lower- and single-tier municipalities, other orders of government, agencies, boards, and Service Managers. The proposed policies encourage coordination on a number of issues that have been carried forward from Section 1.2.1 of the current PPS, with minor modifications for clarity.

New proposed policies 6.2.2, 6.2.3, and 6.2.4 encourage or require consultation or collaboration with a number of other stakeholders in implementing the Policy Statement:

2. Planning authorities shall undertake early engagement with Indigenous communities and coordinate on land use planning matters to facilitate knowledge-sharing, support consideration of Indigenous interests in land use decision-making, and support the identification of potential impacts of decisions on the exercise of Aboriginal or treaty rights.
3. Planning authorities are encouraged to engage the public and stakeholders early in local efforts to implement this Policy Statement, and to provide the necessary information to ensure the informed involvement of local citizens, including equity-deserving groups.
4. Planning authorities and school boards shall collaborate to facilitate early and integrated planning for schools and associated child care facilities to meet current and future needs.

The proposed policies refer specifically to Indigenous communities, the general public, other interested stakeholders, and school boards. Indigenous consultation is already required as a duty of the Crown, and the *Planning Act* mandates public notice and opportunities for the public, stakeholders, and agencies such as school boards to participate in the planning process, but the proposed policies provide more direct language on the subject matter to discussed.

5.8 Large and Fast-Growing Municipalities

The proposed Policy Statement refers to “Large and Fast-Growing Municipalities” throughout. This is a new term, defined as:

Large and fast-growing municipalities: means municipalities identified in Schedule 1.

The criteria to determine which municipalities qualify as Large and Fast-Growing has not been released, however, the list includes the same municipalities which are required to track and report planning application data under O. Reg. 73/23 Municipal Planning Data Reporting:

1. City of Barrie
2. City of Brampton
3. City of Brantford

4. City of Burlington
5. City of Cambridge
6. City of Guelph
7. City of Hamilton
8. City of Kingston
9. City of Kitchener
10. City of London
11. City of Markham
12. City of Mississauga
13. City of Niagara Falls
14. City of Oshawa
15. City of Ottawa
16. City of Pickering
17. City of Richmond Hill
18. City of St. Catharines
19. City of Toronto
20. City of Vaughan
21. City of Waterloo
22. City of Windsor
23. Municipality of Clarington
24. Town of Ajax
25. Town of Caledon
26. Town of Milton
27. Town of Newmarket
28. Town of Oakville
29. Town of Whitby

As discussed in previous sections of this White Paper, certain policies of the proposed Policy Statement are mandatory for Large and Fast-Growing Municipalities. These include:

- 2.3.5 – Recommendation that Large and Fast-Growing Municipalities establish a density target for new or expanded settlement areas of 50 residents and jobs per gross hectare
- 2.4.1.1 – Requirement for Large and Fast-Growing Municipalities to identify Strategic Growth Areas, establish an appropriate intensification rate for these areas, and identify the appropriate type and scale of development with transitions to adjacent areas.
- 2.4.2.1 - Requirement for Large and Fast-Growing Municipalities to identify major transit station areas on higher order transit corridors within a 500 to 800 metre radius of a transit station.
- 2.4.2.2 – Provides minimum density targets for Large and Fast-Growing Municipalities to implement in major transit station areas and corridors
- 2.4.2.3 – Allows Large and Fast-Growing Municipalities to request lower density targets for specific major transit station areas subject to certain criteria

The proposed policies for Large and Fast-Growing Municipalities are similar to existing policies in the current Growth Plan, but would represent new policy direction for municipalities outside of the Growth Plan area such as City of Kingston, City of London, City of Ottawa, and City of Windsor.

6 Conclusion and Next Steps

The commenting period for the proposed Provincial Planning Statement ends on June 6, 2023, and the proposed Approach to Implementation indicates that the Province is targeting the fall of 2023 for when the new Policy Statement would come into effect. Planning authorities will not be required to update their Official Plans immediately. The Approach to Implementation states that the new policies will be implemented at the time of the next Official Plan review, and through any planning decisions made following the in-effect date.

WSP will continue to monitor the release of any additional materials and confirmation of effective dates in the coming months. We would welcome the chance to share further thoughts on the impacts of Bill 97 and the proposed Policy Statement on planning work in both the public and private sector throughout Ontario.

7 Contact Information

Should you wish to discuss this in more detail, please reach out to:

Chris Tyrrell MCIP, RPP

Vice President, Planning

(905) 882-7303
chris.tyrrell@wsp.com

Sabrina Coletti, MCIP, RPP

**National Director, Urban and
Community Planning**

(289) 982-4355
sabrina.coletti@wsp.com

Gregory Bender, MCIP, RPP

**Director, Urban and Community
Planning**

(647) 730-7114
gregory.bender@wsp.com

Chad John-Baptiste, MCIP, RPP

Technical Director

(289) 982-4013
chad.john-baptiste@wsp.com

Bobby Gauthier, MCIP, RPP

Practice Lead

(519) 904-1729
bobby.gauthier@wsp.com

Nadia De Santi, MCIP, RPP

Practice Lead

(613) 690-1114
nadia.desanti@wsp.com

Matt Alexander, MCIP, RPP

Practice Lead

(416) 644-0334
matt.alexander@wsp.com

Andria Sallese, MCIP, RPP

Practice Lead

(289) 982-4916
andria.sallese@wsp.com