The Regional Municipality of York

Committee of the Whole
Planning and Economic Development
October 10, 2019

Report of the Commissioner of Corporate Services and Chief Planner

Comments on Proposed Changes to the Provincial Policy Statement

1. Recommendations

- Council endorse this report and Attachment 1 as the Region's submission to the Province in response to the Environmental Registry of Ontario (ERO) postings #019-0279: Provincial Policy Statement – Proposed Policies.
- 2. The Regional Clerk forward this report and attachments to the Ministry of Municipal Affairs and Housing and the Clerks of the local municipalities.

2. Summary

This report provides Council with staff comments on proposed changes to the Provincial Policy Statement (PPS). The PPS provides long-term direction on land use planning matters of Provincial interest. The Province is consulting on proposed policy changes to the PPS to support the government's Housing Supply Action Plan.

Key Points:

- Province is proposing changes to the PPS with comments due by October 21, 2019
- While the PPS applies province-wide, proposed changes to incorporate a marketbased approach which may conflict with area specific Growth Plan policies and directions, therefore a definition is needed for clarity
- Staff are supportive of the concept of the proposed regionally significant employment areas, but further clarification is required on how they are designated
- A proposed new policy requiring municipalities to fast-track priority development applications is redundant given the new shortened application review timelines prescribed by the Planning Act through Bill 108

3. Background

Province is soliciting comments on proposed policy changes to the 2014 Provincial Policy Statement

The <u>Provincial Policy Statement (PPS), 2014</u> is issued under the <u>Planning Act</u> and applies province-wide. The PPS provides the foundation for long-term direction on land use planning matters of Provincial interest, including housing, infrastructure, natural resources, agriculture, economic development, transportation, and natural hazards. York Region's Official Plan and all land use planning decisions must be consistent with the PPS. Planning decisions must also conform to Provincial plans, such as the Growth Plan in the Greater Golden Horseshoe.

The Province committed to reviewing the PPS in support of the Housing Supply Action Plan and released proposed changes to the PPS on July 22, 2019. The proposed changes are primarily to revise the wording in the 2014 PPS and are focused on the following objectives:

- 1. Increase housing supply and mix
- 2. Protect the environment and public safety
- 3. Reduce barriers and costs
- 4. Support rural, northern, and indigenous communities
- 5. Support certainty and economic growth

The Province remains committed to existing key objectives, including efficient use and management of land and infrastructure, long term protection of agricultural lands and natural resources.

4. Analysis

Overall, proposed changes to the Provincial Policy Statement are generally supported

York Region staff are generally supportive of the proposed changes to the PPS, subject to comments outlined in this report. Staff support changes that clarify the relationship between the PPS and other Provincial plans. This includes increasing the planning horizon from 20 to 25 years, aligning growth management with infrastructure planning, increasing housing supply and encouraging transit-supportive development and intensification to promote economic prosperity. Attachment 1 provides detailed comments on the proposed changes. These comments were informed by internal circulation to Regional departments and consultation with local municipalities.

Comments are to be submitted through the Environmental Registry of Ontario and are due by October 21, 2019.

Additional guidance on the relationship between the Provincial Policy Statement and other Provincial Plans is beneficial

The PPS is to be read together with other Provincial plans that also govern land use decisions, such as the Growth Plan, Greenbelt Plan, and Oak Ridge Moraine Conservation Plan. As proposed, new wording identifies:

- 1. If the PPS and other more detailed Provincial plans provide similar policy direction, then the more detailed plan takes precedence
- 2. If they provide different policy direction on a land use matter, both the PPS and Provincial plans must be satisfied

Staff have considered the relationship between the PPS and other Provincial plans when formulating this response, since in some instances there are more detailed Provincial plans that apply in York Region. Staff have also identified where the relationship should be strengthened or clarified as discussed in this report.

Timely approvals of infrastructure becomes even more critical with proposed increase of land supply from 20 to 25-years. Timely approval of critical infrastructure is required to ensure that land supply can be adequately serviced and meet housing supply objectives. Parts of the Region's land supply approved by the Province in the 2010 Regional Official Plan are still constrained by water and wastewater servicing requirements, primarily due to outstanding environmental assessment approvals by the Province. The Province should ensure that critical infrastructure projects are approved in a timely manner to service the proposed 25-years land supply.

Clarification on the market-based approach is needed to ensure the Region's ability to provide a full range and mix of housing

Currently, the PPS, 2014 seeks to accommodate an appropriate range and mix of housing (including affordable options). Proposed changes shift the focus to accommodating an appropriate market-based range and mix of housing. As written, it is unclear what a market-based approach means. York Region staff interpret a market-based approach to be a comprehensive look at the housing market, including the existing supply, demographic shifts, market demand and future trends.

The relationship between the intensification, density and affordability targets in the Growth Plan and the market-based approach proposed in the PPS needs clarification on how they align. It is recommended that the market-based approach be defined to clarify that market demand should be one of the lenses through which growth management decisions are assessed.

Proposed changes to allow settlement area boundary expansion to satisfy market demand should be balanced with other growth management objectives and infrastructure requirements

The Province is proposing a policy change that would allow settlement area boundary expansion to satisfy market demand at the time of a municipal comprehensive review. Satisfying market demand can be subjective, therefore additional clarity is needed. It is recommended that the Province clarify market demand and identify it as one consideration together with other growth management objectives and infrastructure requirements.

Strong phasing policies in designated growth areas should be maintained to ensure orderly growth

The current PPS requires phasing policies for designated growth areas to ensure intensification targets are achieved prior to, or concurrently with, new development in designated growth areas and ensure the timing of infrastructure and public service facilities. The proposed wording changes "require" to "encourage" phasing policies. Phasing policies are essential to the orderly development of designated growth areas to ensure that development does not outpace critical infrastructure delivery. It is recommended that the original wording be maintained to require phasing policies.

York Region staff are supportive of regionally significant employment areas, subject to clarification

Staff are supportive of a new policy that allows for identification of regionally significant employment areas that provides flexibility to reflect local context and would be protected from conversions outside of a municipal comprehensive review, subject to the following clarifications:

- 1. A definition of regionally significant employment areas
- 2. Clarification on how they relate to provincially significant employment zones
- 3. Clarification these area are identified by upper- or single-tier municipalities
- 4. Confirmation that they are to be designated in Regional or single-tier Official Plans

Fast-tracking priority applications may be redundant based on reduced Planning Act timelines introduced through Bill 108

The Province proposes to add a policy requiring municipalities to identify and fast-track priority development applications that support housing and job-related growth. Staff are concerned this proposed policy is redundant as a result of recent changes to the Planning Act reducing the timeframe for making decisions on development applications.

Staff are supportive of other options to help streamline the planning and development process, including better alignment between official plans and secondary plans and opportunities to significantly reduce the time it takes to develop new secondary plans.

Proposed changes to water and wastewater servicing policies could be difficult to implement

York Region has a comprehensive program to provide York Region residents high quality water and wastewater services that meet high standards. In areas where municipal water and wastewater services are not available the current PPS permits private forms of communal servicing. A proposed change would give preference to private communal forms of servicing, which is likely to result in greater instances of private communal water and wastewater services. In aligning infrastructure and land use planning, growth is directed to areas with existing or planned municipal water and wastewater services, except in rare and unique circumstances. If the Province moves forward with the proposed policy change, mechanisms should be put in place to ensure public health and safety and financial sustainability of water and wastewater services over the long term.

5. Financial

Work related to the preparation of this report is included within the approved Planning and Economic Development budget. Staff do not anticipate significant foreseeable financial implications to the Region based on the proposed changes to the Provincial Policy Statement. There could be financial implications associated with a market demand approach related to infrastructure and preference of private communal serving proposed by the Province.

6. Local Impact

The proposed changes to the PPS have direct implications for local municipalities. A workshop was held with local municipal planning commissioners and directors, which informed the Region's response.

7. Conclusion

This report has provided a high level summary of the proposed changes to the Provincial Policy Statement and staff's detailed comments in Attachment 1. These comments were informed by internal circulation to Regional departments and in consultation with local municipalities. York Region staff are generally supportive of proposed changes to the PPS, subject to the comments on the proposed changes outlined in this report.

It is recommended that staff submit this report and the attachments to the Province as the formal submission in response to the Environmental Registry of Ontario (ERO) postings #019-0279: PPS – Proposed Policies. Once the PPS changes are finalized, staff will assess the impacts of any further changes to the current Regional municipal comprehensive review process and report back to Council as necessary.

For more information on this report, please contact Sandra Malcic, Director of Long Range Planning at 1-877-464-9675 ext. 75274. Accessible formats or communication supports are available upon request.

Recommended by: Paul Freeman, MCIP, RPP

Chief Planner

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Commissioner of Corporate Services

Approved for Submission: Bruce Macgregor

Chief Administrative Officer

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