



Report to: Development Services Committee

Meeting Date: May 30, 2023

SUBJECT: Comments on the Proposed Provincial Planning Statement

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REVIEWED BY: Transportation, Environmental Services, Natural Heritage,
Cultural Heritage, Urban Design, Building Standards, Legal,
and Development Planning

RECOMMENDATION:

- 1) That the report dated May 30, 2023 titled "Comments on the Proposed Provincial Planning Statement" be received;
- 2) That this report be forwarded to the Minister of Municipal Affairs and Housing as the City of Markham's comments on the Proposed Provincial Planning Statement;
- 3) That the Province be advised of the City of Markham's concerns in changes to the planning system in Ontario that eliminates the Provincial Policy Statement and Growth Plan, potentially resulting in less affordable housing, more urban sprawl, uncoordinated growth and inefficient use of infrastructure investments;
- 4) That the Province include policies on affordable housing and maintain the definition of "affordable" tied to income thresholds for low to moderate income individuals in the Proposed Provincial Planning Statement;
- 5) That the Province include growth forecasts in the Proposed Provincial Planning Statement for large and fast growing municipalities to continue the integrated and coordinated approach to managing growth and delivering infrastructure;
- 6) That the Province maintain a standard methodology for determining the supply of land needed to support forecasted growth to ensure a consistent approach across Ontario;
- 7) That the Province include policies in the Proposed Provincial Planning Statement requiring municipalities to meet minimum intensification targets and minimum density targets in greenfield areas to support the development of compact and complete communities and the efficient use of infrastructure;

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- 8) That the Province include policies in the Proposed Provincial Planning Statement for the creation of new settlement areas or settlement area boundary expansions to only occur as part of a comprehensive process through a municipally initiated official plan amendment;
 - 9) That the Province maintain the existing definition of employment area, including the discretionary consideration of institutional and commercial uses (retail and office) to support economic growth. Should the proposed definition be approved, provisions be included in the Proposed Provincial Planning Statement permitting the protection and continuation of existing employment area uses.
 - 10) That Council support the proposed flexibility to consider employment conversions outside of a municipal comprehensive review/comprehensive review, but recommends that the Province restrict conversions to those initiated by a municipality;
 - 11) That the Province maintain policies and growth forecasts from the Growth Plan that link land use planning and infrastructure planning to support growth in the Proposed Provincial Planning Statement. Should the Province proceed without growth forecasts, a methodology for identifying and protecting for longer term infrastructure should be provided to municipalities;
 - 12) That the Province include policies in the Proposed Provincial Planning Statement that includes the incorporation of development approved through a Minister's Zoning Order as a part of the 25 year planning horizon, and not in excess;
 - 13) That Council support the inclusion of strategic growth area and major transit station area policies in the Proposed Provincial Planning Statement as they relate to fast and large growing municipalities;
 - 14) That Council not support the proposed new lot creation policies in rural areas and agricultural areas;
 - 15) That the Province consider adding a specific policy to address lot creation on a smaller parcel to enable the protection of protected heritage resources in rural and agricultural areas;
 - 16) That the Province re-introduce policies from the Provincial Policy Statement on Energy Conservation, Air Control and Climate Change in the Proposed Provincial Planning Statement and the overall approach to preparing for the impacts of a changing climate;
 - 17) That the Province maintain the existing cultural heritage and archaeological resource policies and definitions from the Provincial Policy Statement and Growth Plan in the Proposed Provincial Planning Statement, and add a new policy

- that addresses unprotected built heritage resources and cultural heritage landscapes;
- 18) That the Province provide training to municipalities prior to the Proposed Provincial Planning Statement coming into effect as the changes represent a significant shift in the land use planning framework in Ontario; and
- 19) That Staff be authorized and directed to do all things necessary to give effect to this resolution.

EXECUTIVE SUMMARY:

On April 6, 2023 the Province of Ontario (the “Province”) released [Helping Homebuyers, Protecting Tenants: Ontario’s Housing Supply Action Plan April 2023](#) (the “Action Plan”), and tabled the [Helping Homebuyers, Protecting Tenants Act, 2023 \(“Bill 97”\)](#). The Action Plan and Bill 97 are the latest initiatives by the Province to address the housing crisis in Ontario.

The Province is undertaking consultation on the proposed statutory, regulatory and policy changes and has posted 12 items on the Environmental Registry of Ontario (“ERO”) and Ontario Regulatory Registry (“ORR”) for comment. Comments on the legislative and regulatory changes proposed by the Action Plan and Bill 97 with consultation deadlines of May 5 and 21, 2023 were reported to Council on May 2, 2023 through a staff report titled “[Comments on the Helping Homebuyers, Protecting Tenants Act 2023 \(Bill 97\) and Associated Changes](#)”.

This report provides comments on the [Proposed Provincial Planning Statement](#) which has a commenting deadline of June 5, 2023. This report is organized according to the changes proposed to the land use planning policy framework in Ontario, which if passed will:

- Revoke the Provincial Policy Statement, 2020;
- Revoke A Place to Grow: Growth Plan for the Greater Golden Horseshoe;
- Approve the Proposed Provincial Planning Statement, April 6, 2023; and,
- Approve the Proposed Approach to Implementation of the Proposed Provincial Planning Statement.

Based on the analysis completed by staff, the Proposed Provincial Planning Statement will fundamentally change how, where, and when municipalities plan for and manage growth. These changes, if approved, will weaken the land use planning system in Ontario and result in community outcomes that do not optimize infrastructure investment including transit infrastructure and may result in growing urban sprawl and less affordable housing. If approved, the Proposed Provincial Planning Statement will result in the following key changes:

- Removal of policies regarding the provision of affordable housing and the definition of “affordable”, impacting the ability to provide affordable housing for low to moderate income individuals;

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- Removal of tools such as growth forecasts, a standard land needs assessment methodology, minimum intensification and minimum greenfield density targets currently used to manage growth and promote compact development across the GGH;
 - Removal of policies restricting the creation of new settlement areas and enabling privately initiated settlement area boundary expansions and employment area conversion requests without a municipal comprehensive review or comprehensive review that will potentially lead to inefficient land use patterns that do not optimize existing or planned infrastructure;
 - Removal of policies for infrastructure to support growth that align land use, servicing and transportation planning to create sustainable and complete communities;
 - Amendments to the definition of employment area and employment area policies that will impact the long-term integrity and viability of employment areas;
 - Amendments to lot creation policies that would permit residential lot and multi-lot creation in rural and agricultural areas, and limit a planning authority's ability to restrict the permission, raising concerns about the impacts of unmanaged growth in these areas; and
 - Amendments to energy conservation and climate change policies that point to a notable and concerning shift away from a comprehensive approach to preparing for the impacts of a changing climate, and promoting resiliency.

Staff recommend the Province maintain several growth management and housing related policies and concepts from the Growth Plan and Provincial Policy Statement (PPS 2020) that are proposed to be repealed to continue historical and ongoing efforts to plan for compact, sustainable and complete communities. Further, should the Proposed Provincial Planning Statement be approved, sufficient time for transition including training should be provided.

PURPOSE:

This report provides comments on the Environmental Registry of Ontario (ERO) posting associated with the Proposed Provincial Planning Statement with a consultation deadline of June 5, 2023.

BACKGROUND:

On April 6, 2023 the Province of Ontario (the "Province") released [Helping Homebuyers, Protecting Tenants: Ontario's Housing Supply Action Plan April 2023](#) (the "Action Plan"), and tabled the [Helping Homebuyers, Protecting Tenants Act, 2023 \("Bill 97"\)](#). The Action Plan and Bill 97 are the latest initiatives by the Province to address the housing crisis in Ontario, and are preceded by the:

- [More Homes, More Choice Act, 2019 \(Bill 108\)](#);
- [More Homes for Everyone Act, 2022 \(Bill 109\)](#); and

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- [More Homes Built Faster Act, 2022 \(Bill 23\)](#).

The Action Plan and Bill 97 introduced amendments to seven statutes governing land use planning, development and rental housing, and associated regulatory changes, with the intent of advancing the Province's goal of building 1.5 million homes by 2031 of which Markham has pledged to facilitate 44,000 units. The Province also introduced changes to the land use planning policy framework comprising the Proposed Provincial Planning Statement that will replace the Provincial Policy Statement, 2020, and A Place to Grow: Growth Plan for the Greater Golden Horseshoe with an integrated province-wide policy document.

The Province is undertaking consultation on the proposed statutory, regulatory and policy changes and has posted 12 items on the Environmental Registry of Ontario ("ERO") and Ontario Regulatory Registry ("ORR") for comment. The consultation period ranges from 30 to 60 days from the date the initial proposals were posted with the following key deadlines:

- May 6 and 21, 2023; and
- June 5, 2023.

Comments on the legislative and regulatory changes proposed by the Action Plan and Bill 97 with consultation deadlines on May 5 and 21, 2023 were reported to Council on May 2, 2023 through a staff report titled "[Comments on the Helping Homebuyers, Protecting Tenants Act 2023 \(Bill 97\) and Associated Changes](#)". It is noted that at the time this report was prepared, Bill 97 has received second reading.

This report provides comments on the Proposed Provincial Planning Statement, and associated changes to the provincial land use planning policy framework, to meet the Province's June 5, 2023 consultation deadline. The report builds on comments provided by staff to address the Province's housing focused policy review of the Provincial Policy Statement, 2020 and the Growth Plan that were reported to Council on December 12, 2022 as part of the "[Comments on the More Homes Built Faster Act, 2023 \(Bill 23\) and Associated Registry Postings – Part 2](#)".

It is noted that as of May 24, 2023 the natural heritage policies and the related definitions intended to be included in the Proposed Provincial Planning Statement are still under consideration by the Province and not available for comment. Staff will provide an addendum report once the policies are available for review.

OPTIONS/ DISCUSSION:

This discussion is organized according to changes proposed to the land use planning policy framework in Ontario, which if passed will:

- Revoke the Provincial Policy Statement, 2020;
- Revoke A Place to Grow: Growth Plan for the Greater Golden Horseshoe;
- Approve the Proposed Provincial Planning Statement, April 6, 2023; and,

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- Approve the Proposed Approach to Implementation of the Proposed Provincial Planning Statement.

1. Revoke the Provincial Policy Statement, 2020

The Provincial Policy Statement (“PPS”), 2020 is issued under the *Planning Act* and provides policy direction on matters of provincial interest related to land use planning and development. It is the primary document in Ontario’s policy-led planning framework, and establishes the policy foundation for regulating the use and development of land across the province. The purpose of the PPS is to provide for appropriate growth and development while protecting resources of provincial interest, public health and safety, and the quality of the natural and built environment. The PPS is complemented by other provincial plans, and implemented through municipal official plans. Decisions by a planning authority, or municipality, are required to be consistent with the PPS.

The Province has proposed to revoke the PPS, 2020 and replace it with the Proposed Provincial Planning Statement. Most of the policies in the PPS, 2020 have been retained in the Proposed Provincial Planning Statement, some with modifications. Several policies however are not being carried forward. The key policies that are proposed to be deleted upon revocation of the PPS, 2020 are discussed below. A detailed list of the policies proposed to be revoked is included in Appendix A.

Proposed removal of policies regarding the provision of affordable housing and the definition of “affordable” will impact the ability to provide affordable housing for low to moderate income individuals

The PPS, 2020 requires planning authorities to establish and implement minimum targets for the provision of affordable housing for low and moderate income households and provides for a definition of “affordable” that is income based. The affordable housing policies and definition of “affordable” are not being carried forward in the Proposed Provincial Planning Statement. In relation to this, the Proposed Provincial Planning Statement expands the definition of “housing options” to include a broader range of housing types, arrangements and densities.

The proposed changes are concerning as they would impact the limited opportunities available to planning authorities to plan for and achieve affordable housing, and likely increase the need for affordable housing.

The PPS, 2020 definition of “affordable” is consistent with the 2014 Markham Official Plan and initiatives to address the need for affordable and rental housing. As documented in *Housing Choices: Markham’s Affordable and Rental Housing Strategy*, one in three households in the City have housing affordability issues, and there is a need for affordable housing options for households with low and moderate incomes. The proposed policy changes will impact the City’s ability to plan for, monitor progress, and protect affordable housing opportunities for low to moderate income individuals.

In relation to this, staff previously provided [comments on changes introduced through Bill 23](#) that would define “affordable housing” as a residential unit where the rent or

purchase price is 80% or less of the average market rent or purchase price. Further, a bulletin from the Minister to inform the affordable prices/rents in municipalities has not been released to date. Staff maintain the position that the definition of affordable housing should preserve the link with income thresholds to ensure low to moderate income individuals are targeted, and caution that increasing the supply of housing will not necessarily improve housing affordability.

Recommendation: Policies from the PPS, 2020 requiring planning authorities to establish and implement targets for the provision of affordable housing, and the definition of “affordable” tied to income based thresholds should be included in the Proposed Provincial Planning Statement.

2. Revoke A Place to Grow: Growth Plan for the Greater Golden Horseshoe

The “Growth Plan” builds on the policy foundation of the PPS, and was introduced under the *Places to Grow Act, 2005*. It provides a more detailed framework for managing growth and development in the Greater Golden Horseshoe (“GGH”), which is one of the fastest growing regions in North America. The Growth Plan establishes a long-term vision for the GGH that supports economic prosperity, protects the environment, and supports the achievement of complete communities. It also provides the policy direction to achieve this vision by prescribing where, how and when growth can occur that is reinforced through complementary policies the Greenbelt Plan, Oak Ridges Moraine Conservation Plan, and Niagara Escarpment Plan. The Growth Plan is implemented through official plans, which must conform with Growth Plan policies. The Growth Plan is an award-winning policy document securing the prestigious American Planning Association award in 2007.

The Province has proposed to revoke the Growth Plan, and replace it with the Proposed Provincial Planning Statement. Although some of the Growth Plan policies will be carried forward in the Proposed Provincial Planning Statement, the majority will be repealed. The key policies that will be repealed are discussed below, and a detailed list is included in Appendix A.

Proposed removal of growth forecasts will result in an uncoordinated and inconsistent approach to managing growth across the Greater Golden Horseshoe

The Growth Plan currently requires upper- and single-tier municipalities to accommodate minimum population and employment forecasts to a planning horizon of 2051 in accordance with Schedule 3. Upper-tier municipalities are required to allocate the forecasted population and employment growth to their respective lower-tier municipality. The concept of using growth forecasts to manage growth is not being carried forward into the Proposed Provincial Planning Statement, representing a significant shift in the approach to growth management.

The Province has indicated that lower-tier municipalities are expected to meet or exceed the growth forecasts assigned to them by an upper-tier municipality and it is anticipated

that over time, municipalities will prepare their own growth forecasts when it is necessary to update the population and employment forecasts beyond 2051.

Based on the proposed changes, Markham will still be required to accommodate a minimum of 608,500 people and 301,700 jobs by 2051 per the forecasts in the 2022 York Region Official Plan (YROP). At the time of the next Official Plan Review, the City can develop its own local population, housing, and employment projections to meet land needs of at least 25 years. It should be noted that there does not appear to be a limit for how far beyond 25 years a municipality can plan.

The proposed changes will provide municipalities with the flexibility to determine how much growth they can accommodate, but there is no technical guidance on the limits to the increased flexibility, which may be conducive to speculative planning and unjustified urban expansions or urban sprawl.

The growth forecasts in the Growth Plan provide a coordinated approach to managing growth across the GGH that supports broader growth aspirations for the regional economy and the delivery of necessary infrastructure to support forecasted growth in a fiscally responsible manner. The broader growth forecasts were also used to support other government sectors such as Metrolinx and the Ministry of Transportation to align infrastructure investment with land use planning.

Recommendation: Prescribed growth forecasts should be included in the Proposed Provincial Planning Statement for large and fast growth municipalities to support broader regional planning and the coordination of infrastructure planning and delivery for specific high growth geographic areas where the coordination of inter-municipal infrastructure such as transit is required.

A standard growth forecast or projection methodology should be maintained to ensure consistency when municipalities determine the amount of land needed to accommodate growth

The Proposed Provincial Planning Statement does not carry forward requirements for a land needs assessment (LNA) to be undertaken through a Municipal Comprehensive Review (MCR) to demonstrate how much land is required to accommodate forecasted growth. The LNA is a modern approach and a standard methodology prescribed by the Minister that ensures there is a consistent approach to land supply calculations. Without a standard methodology, municipalities and stakeholders may develop their own unique approaches and assumptions to determine the amount of land needed to support growth. Further, there is the potential for lengthy delays and appeals to official plan amendments and updates, as a result of contested methodologies. A standard approach to growth forecasting and projections will support all municipalities in Ontario and ensure a transparent and consistent approach is undertaken.

Recommendation: A standard methodology for growth forecast and projections be included as guidance material for the Proposed Provincial Planning Statement to guide and ensure a consistent and transparent approach is used across Ontario.

Proposed removal of mandatory minimum intensification and greenfield density targets may limit the ability to plan for complete communities, achieve compact forms of development and support transit investment

The Growth Plan currently requires municipalities to meet minimum intensification targets in delineated built up areas, and minimum density targets in designated greenfield areas to accommodate the growth forecasts. These concepts were developed to minimize urban sprawl and support compact built forms by ensuring a proportion of new development was within existing urban areas and new greenfield development was compact.

Minimum intensification and greenfield density targets are not included in the Proposed Provincial Planning Statement and will be replaced by new policies that encourage municipalities to generally support intensification and encourage a minimum density of 50 people and jobs per hectare in new or expanded settlement areas for large and fast-growing municipalities like Markham.

Markham's approach to accommodating forecasted growth is based on directing the majority of growth to built-up areas with an emphasis on the creation of compact and efficient communities, well served by public transit and with a balance of residential and employment opportunities. Markham's planned intensification target is 60%, as outlined in the 2014 Official Plan. This rate is above the minimum phased rates of 50% and 55% in the 2022 YROP.

The 2022 YROP also identifies a minimum density target of 70 residents and jobs per hectare for designated greenfield areas in Markham. This is the same target in the 2014 Official Plan established for new settlement areas which comprise the Future Urban Area, lands north of Major Mackenzie Drive East.

The City is currently planning for and achieving compact forms of development beyond the prescribed minimums in provincial and regional plans. The proposed removal of minimum intensification rates and density targets from provincial plans may encourage urban sprawl, less compact development, and impact the efficient use of land and infrastructure. Further, the City will have to rely on local policies which may be subject to appeal should the current standards of compact growth be maintained.

Recommendation: Policies requiring municipalities to meet minimum intensification targets and minimum density targets in greenfield areas should be included in the Provincial Planning Statement to ensure the continuity with the form and pattern of development that supports the compact and complete communities.

The creation of new settlement areas or settlement area boundary expansions should only occur through a municipally initiated official plan amendment

The Growth Plan currently includes policies that prohibit municipalities from identifying new settlement areas or expanding settlement area boundaries outside of a municipal

comprehensive review, with the exception of 40-hectare expansions subject to specific criteria. Further, the Growth Plan includes a series of considerations to support expansion inclusive of the natural heritage system, key hydrological areas, the wise use and management of resources, greenbelt countryside lands, and protecting public health and safety.

The Proposed Provincial Planning Statement, will allow the creation or expansion of settlement areas at any time and by a municipality or privately initiated application. The conditions to be met to support settlement expansions are also significantly reduced to only address infrastructure, agriculture, and minimum separation distances. It is also noted that landowners will also be able to apply for settlement area boundary expansions at any time, however a municipality's decision to refuse such applications continues to be sheltered from appeal in the *Planning Act*.

The proposed removal of restrictions on settlement area boundary expansions will provide municipalities with more flexibility to direct where growth can occur and make timely decisions without having to undertake comprehensive reviews. However, it will also make it challenging for municipalities like Markham to promote intensification and compact development that use land efficiently, and coordinate land use and infrastructure planning and delivery. Further, the municipality may be faced with numerous applications to expand its urban boundary in a piecemeal and ad hoc fashion without guidance from a comprehensive plan to inform integrated land use, environmental, and infrastructure considerations.

Recommendation: The creation of new settlement areas and the expansion of existing settlement area boundaries should only occur as part of a comprehensive process through a municipally initiated official plan amendment.

Municipalities will need to update their official plans to provide site specific permissions for uses that will no longer align with the proposed Provincial definition of employment area

The definition of “employment area” from the PPS, 2020 and Growth Plan is proposed to be scoped to exclude institutional and commercial uses (including retail and office uses) not associated with the primary employment use. The new definition includes only manufacturing, research and development in connection with manufacturing, warehousing, and goods movement. A new policy is also proposed that would similarly prohibit retail and office uses from employment areas. This change signals a more prescriptive approach to planning employment areas and less flexibility to support other important employment generating uses.

As discussed in the report “[Comments on the Helping Homebuyers, Protecting Tenants Act, 2023](#)”, Bill 97 proposed similar changes to the definition of “area of employment” in the *Planning Act*. Staff were not supportive of the proposed changes, as they would limit the range of uses that can be designated in new employment areas and put existing employment lands that do not meet the new definition at risk of conversion to non-employment uses, this includes potential film production uses which are not clearly

defined as manufacturing and/or industrial. Staff maintain this position and recommend that the existing definition of employment area in current provincial plans be included in the Proposed Provincial Planning Statement.

The proposed change to the “area of employment” definition in the *Planning Act* is intended to take effect upon proclamation. Accordingly, given that existing employment areas across many municipalities currently provide for a range of uses that include commercial and institutional uses, the Province has indicated that time-sensitive official plan updates will need to be made to align with the new definition, and employment areas that do not meet the definition will be not be subject to employment conversion policies.

This means that the 2014 Markham Official Plan will need to be amended to provide site-specific permissions that authorize the continuation of employment uses that are not consistent with the new Provincial definition for “areas of employment”. At this time, Bill 97 has already received a second reading and it is not clear when the proclamation date would be or the extent of transition policies. Given this, staff recommend that the Province include provisions in the Proposed Provincial Planning Statement permitting the continuation of existing employment uses in employment areas and should the changes be approved, a sufficient transition period should be provided to allow municipalities time to undertake a technical review of employment areas, consult with stakeholders and bring forward an official plan amendment to implement the changes.

Recommendation: The existing definition of employment area be maintained, including the discretionary consideration of institutional and commercial uses. Should the definition be approved, provisions be included in the Proposed Provincial Planning Statement permitting the protection and continuation of existing employment uses in employment areas.

The ability of privately initiated employment conversions outside of a municipal comprehensive review will limit the tools available to preserve the long-term integrity and viability of employment areas

The Growth Plan currently restricts requests for the conversion of employment areas for non-employment uses through a municipal comprehensive review, and only where the need for additional land to accommodate growth forecasts can be demonstrated. These provisions are proposed to be repealed and will be replaced with policies in the Proposed Provincial Planning Statement that would permit employment conversion requests at any time, as well as simplify the tests to demonstrate the need for the conversion.

The proposed changes would allow employment conversions to be considered by municipalities and through private application outside of a municipal comprehensive review and against less stringent criteria. While the flexibility to consider employment applications may be of benefit for municipally initiated applications that can be considered comprehensively, there are concerns about the potential impacts of privately initiated employment conversion requests undertaken in a non-comprehensive manner, which may lead to the fragmentation of Markham’s employment areas, and

corresponding implications on the long term integrity and viability of employment areas, protection and creation of jobs, and local economy.

In relation to this, it is noted that no changes have been made to provisions in the Planning Act that currently restrict appeals on decisions that refuse an employment conversion request.

Recommendation: That Council not support privately initiated employment conversions and recommend that employment conversions be limited to those initiated by a municipality through a comprehensive process.

Growth Plan policies for infrastructure to support growth should be retained in the Proposed Provincial Planning Statement to align land use, servicing and transportation planning to create sustainable and complete communities

The Growth Plan places a strong emphasis on coordinating land use planning, infrastructure investments, and environmental protection to identify the most cost-effective options for sustainably accommodating forecasted growth. The principles of aligning land use and infrastructure planning, and optimizing existing infrastructure before constructing new infrastructure are integrated throughout the Growth Plan policies for infrastructure to support growth. The policies provide a comprehensive approach to help municipalities in the GGH improve the way they plan for and deliver all forms of infrastructure, but are not being carried forward in the Proposed Provincial Planning Statement. In contrast, the policies in the Proposed Provincial Planning Statement are more general in nature. Proposed modifications to the policies in the Proposed Provincial Planning Statement also suggest a shift away from coordinating land use and infrastructure planning.

The Growth Plan policies for infrastructure to support growth should be carried forward in the Proposed Provincial Planning Statement to provide more detailed direction to align land use and infrastructure planning, particularly the sequencing and phasing of new development, and continue current efforts to develop sustainable and complete communities.

Recommendation: That the Province maintain policies from the Growth Plan that link land use planning and infrastructure planning to support growth in the Proposed Provincial Planning Statement. Should the Province proceed without growth forecasts, a methodology for identifying and protecting for longer term infrastructure should be provided to municipalities.

3. Proposed Provincial Planning Statement, 2023

The Proposed Provincial Planning Statement introduced by the Province to replace the PPS, 2020 and Growth Plan will have a profound impact on the way municipalities manage growth within the Greater Golden Horseshoe. It will fundamentally change how, when, and where municipalities plan for growth. As noted above, the Proposed Provincial Planning Statement aims to integrate the PPS, 2020 and Growth Plan to create one land

use planning policy framework for Ontario. This section discusses the key changes introduced in the Proposed Provincial Planning Statement. Detailed comments on the proposed change are provided in Appendix B.

Official Plan updates will be required to accommodate a minimum land supply of 25 years, and incorporate development approved through a Minister's Zoning Order

The planning horizon cap of planning authorities providing sufficient land available for “up to 25 years” has been extended to “at least 25 years” to meet projected needs. This adjustment opens the door to municipalities expanding their urban boundaries to plan for lands well beyond a 25-year period, which is in line with planning for infrastructure and intensification. There are approximately 370 hectares of land available in Markham that are outside of the existing settlement area and remaining for urban expansion (i.e. Whitebelt).

A new policy is also added indicating that development approved through a Minister's Zoning Order (MZO) shall be in addition to the projected needs over the planning horizon established in an official plan. The additional growth approved by a MZO would therefore be incorporated at the time of the municipality's next official plan update.

Staff are concerned that the proposed changes, particularly those relating to development approved through an MZO, will make it challenging for a planning authority to coordinate and phase land use and infrastructure planning to accommodate and service growth with the necessary soft and hard community infrastructure. The broader implication is that historical and ongoing efforts to promote the development of compact, complete and sustainable communities will be undermined. Over the long-term this means the remaining lands available for greenfield development will be characterized by more dispersed forms or land extensive development without the public infrastructure and community amenities residents in Markham have come to expect.

Recommendation: Policies from the PPS, 2020 regarding the amount of land required to accommodate projected growth should be re-introduced in the Proposed Provincial Planning Statement. It is also recommended that development approved through MZOs and incorporated in official plans should contribute to the 25 year planning horizon, not in excess.

Markham is identified as a large and fast growing municipality with specific planning responsibilities for strategic growth areas and major transit station areas

The Province has identified a list of 29 municipalities including Markham which are referred to in a new definition and Schedule 1 to the Proposed Provincial Planning Statement as “large and fast-growing municipalities”. These municipalities are required to identify and focus growth and development in SGAs in their official plans as well as identify minimum density targets and the appropriate type and scale of development permitted in SGAs.

The Proposed Provincial Planning Statement integrates the Growth Plan concepts of a strategic growth area (SGA) and major transit station area (MTSA) with varying levels of direction for implementing the associated policies including delineating boundaries and setting minimum density targets on higher order transit corridors. This was previously a responsibility of upper- and single-tier municipalities. Planning for SGA and MTSA policies are mandatory for large and fast growing municipalities and can be applied at the discretion of all other planning authorities.

In the 2014 Markham Official Plan, SGAs are identified and delineated as Regional Centres, key development areas on Regional Corridors, intensification areas and certain Local Centres and Corridors. There are 23 MTSAs in Markham identified and delineated in the 2022 YROP. The MTSA boundaries and minimum densities will be incorporated into the 2014 Markham Official Plan as a part of the upcoming official plan review.

The establishment of these policies will also allow the City to modify delineated boundaries and minimum densities to reflect local planning; further future boundary delineations and minimum densities will be the responsibility of the City.

Recommendation: Staff support the identification of Markham as a large and fast growing municipality and the increased planning responsibility to delineate the boundaries and set minimum densities for Strategic Growth Areas and Major Transit Station Areas.

Proposed amendments to lot creation policies would permit residential lot and multi-lot creation in rural and agricultural areas, and limit a planning authority's ability to restrict the permission, raising concerns about unmanaged growth in these areas

Proposed amendments to lot creation policies carried forward from the PPS, 2020 on rural lands in municipalities, agricultural areas would permit residential lot creation and multi-lot residential development, if certain conditions are met, where it was previously discouraged or very difficult to do so. It is noted that a new policy is proposed to be added to expanded lot creation policies in agricultural areas that would prevent local official plans and zoning bylaws from including more restrictive policies, except to address public or health and safety concerns.

The proposed amendments would reduce a planning authority's ability to plan for and manage growth in rural and agricultural areas. They also raise concerns about inefficient, sprawling development patterns, the fragmentation of valuable farmland, and impacts on the character of rural areas as well as the long-term viability of existing farm operations.

Lands in Markham outside the current urban settlement boundary reflect a rural landscape typical of urban edge conditions and include a variety of agricultural operations, and other non-agricultural uses. These countryside areas complement natural heritage areas by providing additional environmental benefits and at the same time, have the potential to support a viable and sustainable agricultural presence.

The Countryside Area as shown on Map 9 – Countryside Agricultural Area in the 2014 Markham Official Plan consists of lands outside the Greenbelt which would be impacted by the proposed revisions to expand residential lot and multi-lot creation in rural and agricultural areas. It is noted that a portion of the lands identified as Countryside Area were brought into the urban boundary through the 2022 YROP as a new Community Area and Employment Area.

Recommendation: That Council not support the proposed expanded lot creation policies in rural areas and agricultural areas.

Recommendation: That the Province consider a specific policy to only address lot creation on a smaller parcel to enable the protection of protected heritage resources in rural and agricultural areas.

The proposed replacement of energy conservation and climate change policies point to a notable and concerning shift away from a comprehensive approach to preparing for climate change and promoting resiliency

While the title has been retained, the policies relating to Energy Conservation, Air Control and Climate Change in the PPS, 2020 will not be carried forward. Instead, they are proposed to be replaced by more general, high-level policies that do not provide direction on how the policies should be implemented across different thematic areas, which is important given the connections between land use, development, environmental protection and climate change. References to “preparing for the impacts of a changing climate” in the Vision and integrated in various policies regarding land use, infrastructure and public service facilities, municipal servicing, among others, are proposed to be removed and amount to a significant shift away from planning for complete and sustainable communities that are climate ready.

Recommendation: Policies on Energy Conservation, Air Control and Climate Change and an overall approach to preparing for the impacts of a changing climate from the PPS, 2020 be included in the Proposed Provincial Planning Statement.

The existing provisions regarding cultural heritage resources and archaeological resources should be retained and augmented to ensure the conservation and protection of these resources, including those that are not formally protected under the Ontario Heritage Act

Proposed amendments to various policies and definitions would impact a planning authority’s ability to conserve and protect cultural heritage resources and archaeological resources, particularly resources that are not already protected under the Ontario Heritage Act. Proposed amendments shift the requirement to conserve these resources from those that are evaluated as ‘significant’ to only those that are ‘protected’. Specific concerns are detailed in Attachment B.

Recommendation: Existing cultural heritage and archaeological resource policies and definitions from the PPS, 2020 and Growth Plan should be included in the Proposed

Provincial Planning Statement, and add a new policy that addresses unprotected built heritage resources and cultural heritage landscapes.

4. **Proposed Approach to Implementing the Proposed Provincial Planning Statement**

A separate document simultaneously released by the Province outlines the proposed approach to implement the Proposed Provincial Planning Statement, which includes the following:

- Effective Date and Transition - The effective date of the Proposed Provincial Planning Statement is targeted for fall 2023. Any decision on a planning matter made on or after the effective date would be subject to the new policies. It is noted that the only exception would be if a transition regulation is made under a new ministerial authority proposed to the *Planning Act* through Bill 97. It is also noted that the Province intends to release the final Provincial Planning Statement shortly before the target effective date to provide municipalities with the opportunity to review and adapt to the policy changes.
- Timing for Official Plan Updates - Municipal official plans are intended to be updated as scheduled per requirements in the *Planning Act* to implement the new policies. Markham will be initiating a review of the 2014 Official Plan in 2023. Staff are updating the official plan review work plan based on the proposed changes to the land use planning framework recently introduced by the Province.
- Matters Specific to the Greater Golden Horseshoe - The implementation of several changes impacting land use planning in the GGH are also outlined in the document. The salient points about each matter have been integrated in the report sections pertaining to growth forecasts, employment, and upper-tier planning responsibilities.

Recommendation: Staff recommend the Province provide training to municipalities prior to the Proposed Provincial Planning Statement coming into effect as the changes represent a significant shift in the land use planning framework in Ontario.

Next Steps:

City staff recommend that this staff report be forwarded to the Ministry of Municipal Affairs and Housing as the City of Markham's comments on the Proposed Provincial Planning Statement for the ERO posting with a June 5 commenting deadline.

FINANCIAL CONSIDERATIONS

There are no direct financial implications related to this report. Should the changes come into effect, there may be financial implications to the City's Official Plan Review as the scope may be expanded to respond to the new provincial land use planning framework. Further, the City and Region has made significant infrastructure investments which may be threatened and not optimized if an increasing proportion of growth is in non-intensified areas resulting in additional costs to service future development.

HUMAN RESOURCES CONSIDERATIONS

There are no direct human resource implications related to this report.

ALIGNMENT WITH STRATEGIC PRIORITIES:

The Proposed Provincial Planning Statement does not fully align with Goal 3.2 of Building Markham’s Future Together, 2023-2023 (BMFT): Build complete communities that offer a range of housing and employment opportunities, transportation options and outstanding community amenities. While the Proposed Provincial Planning Statement will facilitate Provincial efforts to increase the supply of housing, it will do so at the expense of the other conditions required to support the development of a complete community (e.g., employment, infrastructure, community amenities, affordable housing, etc.).

BUSINESS UNITS CONSULTED AND AFFECTED:

All impacted city departments have been consulted on this staff report.

RECOMMENDED BY:

Darryl Lyons, RPP, MCIP
Deputy Director, Planning & Urban Design

Giulio Cescato, RPP, MCIP
Director, Planning & Urban Design

Arvin Prasad, RPP, MCIP
Commissioner, Development Services

ATTACHMENTS:

Appendix A – Key Policy Concepts Revoked or Modified from the PPS, 2020 and Growth Plan

Attachment B – City of Markham Comments on the Proposed Provincial Planning Statement