

Draft Provincial Planning Statement 2023

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Prepared by:	Bailey Chabot Planning Services
Recommended by:	General Manager of Growth and Infrastructure
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Report Summary

This report provides information regarding the City of Greater Sudbury Planning Staff's comments on the Province's proposed Provincial Planning Statement (Statement) that would replace the current Provincial Policy Statement (2020) (PPS) as the primary province-wide land use planning policy. Comments on the proposed Statement, as outlined in this report will be submitted to the Province before the June 5, 2023, deadline.

Relationship to the Strategic Plan, Health Impact Assessment and Community Energy & Emissions Plan (CEEP)

As this report is for information only, it has no direct relationship to Council's Strategic Plan or CEEP.

Financial Implications

There are no financial implications associated with this report.

Background

The Province has introduced the draft Provincial Planning Statement to replace the Provincial Policy Statement (2020) as the primary province-wide land use planning policy. It integrates policies from *A Place to Grow: Growth Plan for the Greater Golden Horseshoe* as well as introduces new policies and definitions to support the achievement of housing objectives and to influence government approval processes.

This report outlines staff's comments which were developed following an assessment of the implications of the draft Provincial Planning Statement on planning in Greater Sudbury.

Staff Report

Background

The Province of Ontario developed a [Housing Supply Action Plan](#) to address the nation-wide housing supply shortage. The Plan's key aim is for Ontario to build 1.5 million new homes by 2032. To achieve this target, the Province introduced changes to land use planning legislation and policy, including the integration of the [Provincial Policy Statement \(2020\)](#) and [A Place to Grow: Growth Plan for the Greater Golden Horseshoe](#) into a new Provincial Planning Statement.

In Ontario, the current Provincial Policy Statement (henceforth referred to as the "PPS" in this report) is the primary, province-wide, land use planning policy document. A Place to Grow: Growth Plan for the Greater Golden Horseshoe (Growth Plan for GGH) is a growth plan issued under the Places to Grow Act, 2005. It provides a more detailed framework for where and how growth should be accommodated in the Greater Golden Horseshoe (GGH). The Growth Plan for GGH complements other plans that apply specifically to this region, such as the Greenbelt Plan, Oak Ridges Moraine Conservation Plan, and the Niagara Escarpment Plan.

Under the Planning Act, planning decisions must be consistent with policy statements such as the PPS. As such, City planning staff review all land use planning proposals, from Official Plan Amendments to minor variances, to ensure compliance with the PPS. The Planning Act also requires that planning decisions conform to relevant provincial plans. Presently the Growth Plan for Northern Ontario, 2011 is the only growth plan applicable to the City of Greater Sudbury. As with the PPS, staff review land use planning proposals to ensure conformity with the Growth Plan for Northern Ontario.

The Growth Plan for GGH applies, as its name suggests, to the Greater Golden Horseshoe, which extends from Niagara Region to the County of Peterborough and includes up to Waterloo Region, County of Wellington and County of Simcoe to the west. It was developed specifically to direct growth and development in southern Ontario and is tailored to address the specific growth opportunities and challenges of the GGH. Therefore, the policies within the Growth Plan for GGH are not directly aligned with growth and development occurring in northern Ontario and in the City of Greater Sudbury specifically.

Draft Provincial Planning Statement, 2023

The Province is currently consulting on proposed policies for an integrated, province-wide, land use planning policy document called the Provincial Planning Statement, henceforth referred to as the "Statement" in this report. As proposed, the Statement integrates the Growth Plan for GGH and the PPS and introduces new policies and definitions, all with the aim of meeting the housing target and speeding up planning approval processes. The proposed Statement's vision is "building more homes for all Ontarians." The proposed policies are grouped under five pillars:

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

As with the PPS, the proposed Statement would apply province-wide, and all land use planning decisions would need to be consistent with the policies therein.

In its current form, the Statement does not clearly distinguish between policies designed for high-growth, densely populated areas from having province-wide application. This increases the potential for the Statement to inadvertently slow development in other parts of the province, like northern Ontario, where the factors influencing land use policies for dense, fast-growing areas might be less applicable.

Furthermore, the Statement presents as a set of conflicting policies: those that recognize the need to support intensification, compact built-form, and complete communities, and those that make it easier to expand settlement areas and sever prime agricultural land. The following sections discuss the opportunities that the Statement policies present to continue good planning practices in Greater Sudbury and those that present challenges in a northern Ontario and Greater Sudbury context.

Opportunities

The Statement presents many policies that support the City's ongoing commitment to good planning practices, including:

(1) Continued Focus on Compact Built Form and Complete Communities

The proposed Statement introduces definitions for "compact built form", "complete communities", "low impact development", "strategic growth areas", "urban growth centres", and "watershed planning" which support both new and amended policies. These definitions and their associated policies are supportive of the City's good planning practices, such as focusing growth in serviced areas, protecting the climate through compact development, and promoting mixed-use development that leads to complete communities. Additional policies that enhance good planning practices include those that address:

- Intensification of employment uses;
- Compact, mixed-use development that incorporates compatible employment uses to support the achievement of complete communities;
- Collaboration with school boards to achieve innovative approaches in the design of schools and associated childcare facilities, such as schools integrated in high-rise developments, in strategic growth areas, and other areas with a compact built form;
- Permitting and facilitating all types of residential intensification, the conversion of existing commercial and institutional buildings for residential use, development and introduction of new housing options within previously developed areas, and redevelopment which results in a net increase in residential units;
- Supporting general intensification and redevelopment to support the achievement of complete communities by planning for a range and mix of housing options and prioritizing planning and investment in the necessary infrastructure and public service facilities; and,
- Achieving complete communities, a range and mix of housing options, intensification and more mixed-use development by identifying and focusing growth and development in strategic growth areas by identifying an appropriate minimum density target for each strategic growth area.

(2) Housing

The Statement is aimed at generating an appropriate supply of housing. While most of the policy changes would apply provincially, some provide specific direction to large, fast-growing municipalities, the majority of which are GGH municipalities that are currently subject to the Growth Plan for GGH.

As is, the Statement would require municipalities to provide for a range and mix of housing options and establish broader permission for residential intensification, including:

- Conversion of existing commercial and institutional buildings for residential use;
- Development and introduction of new housing options within previously developed areas; and,
- Redevelopment that results in a net increase in residential units.

Municipalities would be required to align land use planning policies with housing policies, including addressing homelessness and facilitating development of a full range of housing options and affordability levels to meet local needs.

The definition of 'affordable housing' in the current PPS has not been carried forward in the Statement. The PPS generally defines 'affordable' as a function of income for ownership and rental housing. The removal of the definition is consistent with the Province's proposed changes related to inclusionary zoning and amendments to the Development Charges Act which prescribe the definition of affordable as 80 percent of the average resale price or average market rent, as opposed to relying on an income-based approach.

There is alignment between the Statement and current housing studies underway in the City, which include updated Population Projections, Supply and Demand Analysis, and Housing As-of-Right Policy Review. These studies will assist in affirming Greater Sudbury's intensification target and ensuring local housing policies align with provincial policy. Additionally, the Housing Supply Strategy, which is currently in development, will set out a series of actions to increase the supply of a full range of housing options across the City.

(3) Employment

Mixed Use – Land for Employment Outside of Employment Areas

Overall, the Statement protects and preserves lands used for industrial and manufacturing purposes while promoting mixed-use development where the mix of uses are compatible. For example, draft policy 2.8.2 encourages industrial, manufacturing and small-scale warehousing uses to locate outside of employment areas but within strategic growth areas and mixed-use areas with frequent transit. These uses must be able to locate adjacent to sensitive land uses (such as residential) without adverse effects. This proposed change aligns with the recommendations of the City's Employment Land Strategy, which views many of the light industrial uses, in particular those permitted in the M1-1 and M1 Zones, as compatible with service, office and commercial uses provided that appropriate urban design and compatibility criteria are considered.

Protection of Employment Areas

The definition of 'employment areas' has been revised to prohibit any institutional uses and commercial uses that are not associated with the primary employment use. This is to protect employment areas from conflict with non-primary employment uses.

The requirement for municipal comprehensive review has not been continued in the proposed Statement. This may support employment area viability by maximizing use of municipal services in the area while providing benefits from co-location of similar uses, without the need for a lengthy municipal comprehensive review. The City's Employment Land Strategy proposes a policy framework to facilitate the consideration of settlement area boundary expansions. The framework would have required that expansions greater than 40 hectares be supported by a 'municipal comprehensive review', while proposals for expansions less than 40 hectares would require a planning justification report. While staff agree that a full municipal comprehensive review may not be appropriate in all instances, justification for any proposed expansions should remain a requirement.

Conversions

The Statement would permit planning authorities to remove lands from employment areas at any time, outside of a municipal comprehensive review process provided that certain criteria are met. Criteria include ensuring sufficient land supply is maintained, no negative impact on the remainder of the employment area and ensuring there is appropriate services and infrastructure. The City must maintain a 20-year supply of industrial lands, and should continue to promote a range of locations, site sizes, zoning, and serviced or readily serviceable sites for employment land development. The earlier land demand analysis recommended maintaining a supply of 100 net hectares in industrial lands to accomplish these objectives. Any conversion requests should be evaluated with these factors in mind.

(4) Other

The Statement complements other initiatives such as the City's Nodes and Corridors Strategy and the Downtown Master Plan Update by encouraging planning authorities to identify and focus growth and development in Strategic Growth Areas, which include settlement areas, nodes and corridors. The intent is to develop complete communities that offer a greater range and mix of housing options and mixed uses. It also encourages the prioritization of investments in infrastructure and public service facilities to support these strategic growth areas. The City's second phase of the nodes and corridors strategy, which will be presented to Planning Committee in Q4, considers all these elements.

Challenges

Notwithstanding proposed definitions and policies of the Statement that support good planning, the following policies present challenges to good planning in the context of northern Ontario:

(1) Private Communal Servicing

Private communal servicing is defined in the proposed Statement as *“sewage works within the meaning of section 1 of the Ontario Water Resources Act that serves six or more lots or private residences and is not owned by a municipality”* and a *“non-municipal drinking-water system within the meaning of section 2 of the Safe Drinking Water Act, 2002 that serves six or more lots or private residences”*. The current PPS directs development to areas of municipal servicing, for both water and wastewater, and permits private communal servicing only in instances where municipal services are not available or not feasible. The proposed Statement notes that municipal services are the preferred form of servicing, but it does not prioritize the utilization of municipal services over private communal services. Additionally, the proposed Statement has struck the provision that intensification and redevelopment within settlement areas be directed to locations of existing municipal services to optimize the use of these services.

The Statement could result in the following negative impacts:

- Existing and planned municipal services that become less financially viable as development is less focused on serviced areas;
- Increased development in rural, unserved areas that counter the trend of good planning practices; and,
- Risk of forced transfer of ownership of the private communal services to the City should they fail, including all ongoing operational and replacement costs in perpetuity.

(2) Settlement Area Creation and Expansion

Under the current PPS, a settlement area can only be created or expanded following a comprehensive review and only where it has been demonstrated that sufficient opportunities to accommodate growth and to satisfy market demand are not available through intensification, redevelopment, and designated growth areas. Other criteria must also be satisfied, including ensuring that sufficient infrastructure and public service facilities are in place to allow for the expansion and the protection of prime agricultural land and farming operations. The comprehensive review is complex and requires population and employment projections, is integrated with infrastructure and public service facility planning, confirms sufficient water quality and quantity, and ensures wastewater service can be accommodated.

Through the 2020 version of the PPS, policy changed to permit the adjustments of settlement area boundaries outside of a comprehensive review provided there would be no net increase in land within the settlement area. The Employment Lands Strategy recommends that the City establish a planning policy regime that supports the consideration of settlement area expansion for industrial uses where there is an offsetting removal of some other industrial lands from within the settlement area elsewhere in the city. The objective of providing some flexibility enhances the City's ability to establish a supply of industrial land supply in strategic locations where historical demand has been observed and existing infrastructure can be leveraged.

The Statement permits settlement area creation or expansion at any time, and suggests that planning authorities only “*consider*” where there is sufficient infrastructure and public service facilities and the general protection of agricultural lands, rather than requiring a planning authority to do so.

This policy change is concerning given that, overall, there is more than sufficient land supply both for residential and employment lands within the existing settlement areas throughout the City and staff would not recommend an expansion of settlement area. If implemented, the anticipated impacts could allow for development in areas unsupported by municipal water and wastewater services, making those existing and planned municipal services less financially viable as development is focused elsewhere. A departure from the City’s master plans, such as approving settlement area expansions in areas where they were not accounted for, will create hardship in infrastructure planning and viability. This policy change would also have the double effect of impacting prime agricultural areas given that settlement areas exist adjacent to the communities of Azilda, Chelmsford, Blezard Valley and Val Therese, possibly removing prime agricultural lands from the agricultural reserve through a settlement area adjustment. Reducing the amount of area reserved for food production runs counter to the City’s Official Plan, the Greater Sudbury Food Strategy, and the general aims of sustainable development and good planning. It’s important to note that a request to expand a settlement area would need to be considered by Council; should Council refuse, the applicant would not have a right to an appeal and the decision is final.

(3) Lot Creation in Prime Agricultural Lands

The Statement prescribes lot creation standards in prime agricultural areas. Residential lot creation in prime agricultural areas would only be permitted if agriculture is the principal use of the existing parcel of land and the lots created from an original parcel (as it existed on January 1, 2023) does not exceed three (i.e., 3 created +1 retained). Any new lot would:

- Be limited to the minimum size needed to accommodate the use plus sewer and water services (e.g., septic system and well);
- Require access on a public road, with appropriate frontage for ingress and egress; and,
- Need to be adjacent to existing non-agricultural land use or consist primarily of lower-priority agricultural lands.

In the City of Greater Sudbury, prime agricultural areas correspond to the Agricultural Reserve land use designation. The Statement would require the City to amend the lot creation policies of the Official Plan as well as the associated provisions in the Zoning By-law.

Staff is concerned that the proposed changes with the Statement would lead to the further fragmentation of the City’s prime agricultural areas and increase the risk of land use conflicts between residential and agricultural operations. This fragmentation leads to the loss of farmland and could result in negative impacts on species at risk. As stated in the previous section, converting food producing lands to other uses is contradictory to good planning and sustainable development. Several staff reports presented to Council conclude that there is ample supply and choice of residential lots in the City given the City’s existing policies, land supply, and rate of uptake. A 2018 report, for example, notes that, over a 9-year period, 60-70% of the newly created rural lots had not yet been built upon.

(4) Contradictory Approach to Development

The Statement includes contradictory policies from the standpoint of sustainable development and good planning. On one hand support is given to the development of compact and complete communities with mixed uses that utilize municipal services. On the other hand, support is also given rural development of lots with private communal services, the creation of residential lots in prime agricultural areas, and the ability to create and expand settlement areas without substantial justification. This conflicting approach in setting development priority is concerning for reasons already noted in this report. The City of Greater Sudbury

should continue to follow good planning practices, such as focusing residential growth and intensification in municipally serviced settlement areas, while allowing limited rural lot creation. This approach ensures that growth is more environmentally and financially sustainable.

Unchanged and Unknown Sections

Some sections of the proposed Statement have not changed substantially or have not yet been provided for comment and review by the Province. The section of the PPS regarding cultural heritage and archaeology as well as the section regarding natural hazards are proposed to be included in the Statement and remain relatively unchanged. The Province has yet to release their proposed section pertaining to natural heritage.

Next Steps

The Planning Policy Statement and Phase 2 Review of the Official Plan

The City began Phase 2 Review of the Official Plan in 2019 and a draft was submitted to the Ministry of Municipal Affairs and Housing (MMAH) in February 2022. With the substantial changes proposed by the Province over the past few months, City staff does not anticipate receiving comments back from MMAH until fall 2023 at the earliest. In this same timeframe, the City has also begun the updates to its master plans, including the water/wastewater master plan. These plans are used to inform and support land use planning policies and designations of the Official Plan. Staff will continue to monitor the relevance of the Phase 2 Review of the Official Plan considering the many provincial changes to land use planning guidance being proposed and will update Council as needed.

Submit Comments

The Province is accepting comments regarding proposed Provincial Planning Statement until June 5, 2023. Staff are preparing to submit comments on the proposed PPS prior to the deadline that reflect the issues identified in this report.

References

1. Housing Supply Action Plan - <https://www.ontario.ca/page/more-homes-more-choice-ontarios-housing-supply-action-plan>
2. Provincial Policy Statement, 2020 - <https://files.ontario.ca/mmah-provincial-policy-statement-2020-accessible-final-en-2020-02-14.pdf>
3. A Place to Grow: Growth Plan for the Greater Golden Horseshoe - <https://files.ontario.ca/mmah-place-to-grow-office-consolidation-en-2020-08-28.pdf>
4. Proposed Provincial Planning Statement - <https://ero.ontario.ca/index.php/notice/019-6813>
5. More Homes Built Faster Act, 2022 (Bill 23) Staff Report - <https://pub-greatersudbury.escribemeetings.com/filestream.ashx?DocumentId=48457>