

May 17th, 2023
Provincial Land Use Plans Branch
13th Flr, 777 Bay St
Toronto, ON
M7A 2J3
Canada

RE: Proposed Provincial Planning Statement, April 6, 2023

On May 3, 2023, the Council of the Municipality of Grey Highlands received a "Planning Policy Update" report from Grey Highlands Planning Staff. This report provided Council with an update on several planning policy matters that are affecting the Municipality, including the potential changes within the proposed Provincial Planning Statement (2023). Given that the commenting period on the 2023 PPS is only 60 days, the scope of the 2023 PPS review within the report to Council was limited to the policy implications of the proposed agricultural lot creation policies. The potential impacts to the agricultural land base were not discussed in detail in the report, as Grey Highlands is a rural municipality with substantial agricultural areas, and the reasoning behind the existing prohibition on agricultural lot creation is generally understood by Council.

During the meeting, Grey Highlands Council debated the merits of the proposed changes to the provincial agricultural lot creation policies. Some Councillors expressed concern with the proposed changes and argued that lot creation should remain prohibited in agricultural designations to protect farmland for future generations. Other Councillors identified limited residential lot creation in agricultural designations as a potential means of creating parcels where family members of farmers can live, and as a means of generating income for a farming operation.

Council did not come to a consensus as to whether or not they supported the proposed changes; however, the general consensus at the table was that the Province has not provided municipalities with adequate time to discover,



understand, and debate the potential impacts of these changes prior to the closing date of the comment period. Furthermore, Council was generally in agreement that section 4.3.3.2 of the 2023 PPS, which prohibits official plans and zoning by-laws from being more restrictive than the updated PPS, is not appropriate. This policy removes the ability for municipalities to debate the merits of residential lot creation in agricultural areas. As is the case with most other policies within the PPS, Grey Highlands Council believes it is the Province's role to set the general policy direction while allowing municipalities to choose whether or not they want to be more restrictive.

Planning staff of the Municipality of Grey Highlands would like to raise the following operational challenges with Draft PPS agricultural lot creation policies:

1. Human Resource Capacity

Residential lot creation in agricultural areas has been prohibited for several decades. The monetary value of a rural/agricultural building-lot today is magnitudes higher than it was when lot creation was permitted in agricultural areas. Under the proposed policies in section 4.3.3, and specifically 4.3.3.2, there is the potential for the creation of thousands of new parcels within the agricultural designation in Grey Highlands alone. Given the pent-up demand and potential for lot creation in agricultural lands, the municipality will likely receive hundreds of consent applications for residential lots within the agricultural designation within a matter of months.

Like most rural municipalities, Grey Highlands has a modest complement of planning staff. The current complement of three planners and one administrative employee enables the Municipality to process a total of roughly 120 *Planning Act* applications each year. The municipality does not have the capability to process what is likely to be



100+ consent applications in a matter of months if the PPS is passed with section 4.3.3.2.

The recent procedural changes that have been implemented through Bill 109 and Bill 23 have already consumed substantial staff capacity. The municipality can theoretically hire more staff, but there will be a lag in the municipal budgeting process relative to the Province's decision to implement the PPS. Furthermore, Grey Highlands Staff doubt that the Province of Ontario as a whole has enough professional planning capacity to allow all rural municipalities to scale up their planning staff compliment in order to process the impending wave of consent applications that will result from these changes.

Planning Staff are concerned that this wave of consent applications will overwhelm the entire planning system in all of rural Ontario. The *Planning Act* legislates strict timelines for processing applications—timelines that are now financially penalized by recent *Planning Act* amendments—and municipalities are often already forced to make decisions that they may feel unprepared to make. The inclusion of policy 4.3.3.2 may result in a flood of decisions that are being made permanently and prematurely, which is likely to result in planning outcomes that are detrimental to the public interest.

Furthermore, processing these consent applications will divert staff resources from important policy updates. Grey Highlands is currently implementing a new zoning by-law, and plans on initiating the process to draft a new official plan following the implementation of the zoning by-law. These updates will have significant positive impacts on enabling more attainable housing stock—impacts that are much more significant than allowing lot creation in agricultural areas. If staff resources are diverted from policy updates to focus on processing agricultural consents, then the effect of the PPS update will be to delay the passing of enabling development policies in Grey Highlands.



These staffing issues can be avoided with the removal of policy 4.3.3.2 from the Draft PPS. This would allow municipalities to properly phase-in permission for lot creation in agricultural areas and increase staff capacity if they chose to do so at a later date.

2. Absence of Official Plan Policies

Section 4.3.3.2 prohibits municipalities from having more restrictive official plan policies than section 4.3.3 of the Draft PPS. Agricultural lot creation has been prohibited by the PPS for decades; therefore, there are no municipal official plans that contain the necessary policies to properly guide residential lot creation in agricultural areas. There are more elements that must be considered to ensure appropriate lot creation than what are included in section 4.3.3 of the Draft PPS.

For example, in Grey County, the frontage of a new residential lot in a **rural** designation cannot be less than 1/3 of the depth of the lot. This prevents the creation of odd-shaped lots, such as a lot that is 20 metres wide by 400 metres deep. A 20m x 400m lot is 8,000 square metres, which is the standard lot size that would result from policy 4.3.3.2 in the Draft PPS. The official plan policies that prohibit the creation of such odd-shaped lots do not apply to agricultural lots, because the official plan does not contemplate the creation of residential lots in agricultural designations.

The Draft PPS overrides all existing official plans without providing municipalities with an opportunity to add the necessary lot creation policies to guide residential lot creation in agricultural areas. Staff anticipate that the approach to forcing municipalities to permit agricultural lot creation under section 4.3.3.2 in the absence of needing to adopt the appropriate implementing policies in official plans will result in appeals to the Tribunal that relate to lot creation matters under section 51 (24) of the Planning Act. It is possible that the Tribunal will be overloaded with appeals relating to an absence of



appropriate official plan policies to guide residential lot creation in agricultural areas.

3. Interrelationship of Rural and Agricultural Lands

Section 4.3.3.2 of the Draft PPS removes the ability for official plans to be more restrictive than section 4.3.3 with regard to residential lot creation in **agricultural** areas. Many official plans, such as Grey County's Official Plan, already permit residential lot creation in **rural** designations while limiting the number of permitted lots relative to the original Township lot fabric. Section 4.3.3 of the Draft PPS follows a similar approach for limited residential lot creation in agricultural designations, although the reference point is based on lots existing on January 1, 2023.

The Draft PPS contains **no** explicit direction to allow a minimum number of lots to be created within rural areas relative to some former or existing lot fabric. If the PPS is implemented in its current form, then the lot creation policies will have the effect of making it easier to create residential lots in agricultural areas than rural areas. The prohibition on lot creation in agricultural areas relative to rural areas is the principal differentiation between the two designations under the current policy framework in Grey Highlands. This policy change effectively swaps the development protection of rural and agricultural areas. Staff believe that this is not likely to be the intent of the Province with the recent amendments to the PPS, but the Province should be aware that this will be the result.

Request

The Council of the Municipality of Grey Highlands makes the following requests:



Municipality of Grey Highlands

206 Toronto St. S., Unit 1
PO BOX 409
Markdale, ON N0C 1H0

GreyHighlands.ca

1. That the Ministry extends the Draft PPS commenting period by 90 additional days.
2. That section 4.3.3.2 of the 2023 PPS be removed entirely.

Regards,

Matt Rapke
Manager of Planning
rapkem@greyhighlands.ca

