

Report from: Planning and Building Services

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Report Number: PBS-072-2023

File: 35.31.82 and 35.31.1

Subject: Proposed Provincial Planning Policy Instrument

Strategic Pillar:

This report aligns with the following St. Catharines Strategic Plan pillars: economic prosperity, diversity, social well-being, environmental stewardship and organization excellence.



Recommendation

That staff forward Report PBS-072-2023 and its Appendices to those identified in the Notifications section of this report, including the Premier, the Minister of Municipal Affairs and Housing, and local Members of Provincial Parliament; and

That Council authorize staff to provide comments to the Environmental Registry of Ontario regarding proposed Provincial Planning Policy Instrument, prior to June 5, 2023.

Summary

The Province has presented a proposed Provincial Planning Statement for review and comment, which is intended to replace the existing Provincial Policy Statement and A Place to Grow: Growth Plan for the Greater Golden Horseshoe. The proposed policy document includes a vision which establishes an intention to support building more homes. However, the Policy Statement has removed minimum density targets, relaxed processes, and requirements for settlement area expansions, and reduces protections for prime agricultural lands, including those lands identified specialty crop area.

Despite the draft policy document being incomplete, with natural heritage policies still being considered by the Province, the implementation plan indicates fall 2023 for the policies to take effect.

Staff have concerns that the proposed policies are not adequate to guide appropriate development and land use planning in the Province, do not address the housing crisis, and will lead to development patterns that are unsustainable and will have detrimental effects in the long term.

Relationship to Strategic Plan

Provincial policy documents, including the Provincial Policy Statement and A Place to Grow: Growth Plan for the Greater Golden Horseshoe, which are the subject of this report, provide the framework and guidance for creation of growth and development policies at the local level. The Province's proposal to change these policy documents will necessitate changes to the City's planning documents (the Official Plan and Zoning By-law) and adversely impact the City's long-term strategy towards a dynamic, innovative, sustainable and livable community, including provision for economic prosperity, diversity, social well-being, environmental stewardship and organization excellence.

Background

In Fall 2022, the Province posted a notice to the Environmental Registry of Ontario (ERO) indicating intention to review and combine the [Provincial Policy Statement](#) (Policy Statement) and [A Place to Grow: Growth Plan for the Greater Golden Horseshoe](#) (Growth Plan) to create a streamlined province-wide land use planning policy framework. The proposed [Provincial Planning Statement](#) (Planning Statement), which would replace the existing Policy Statement and Growth Plan, is another step in the Province's plan to address housing supply in Ontario. The Planning Statement was posted for review ([ERO number 019-6813](#)) on April 6, 2023, with the commenting period closing June 5, 2023.

Report

Current Policy Framework

Land use planning in Ontario functions within a hierarchy of provincial, regional, and local policies and plans (Appendix 1). Regional and local policy is informed by and must be consistent with provincial policies. The Policy Statement and Growth Plan are key provincial planning documents that guide growth, development, and land use planning in the Province of Ontario.

The Policy Statement establishes the policy foundation for development and use of land within the Province. The Policy Statement directs appropriate development, protection of resources, public health and safety and enhancement of the natural and built environment.

The Growth Plan designates the boundaries of the City's Urban Area and establishes policies and direction for the accommodation of growth. It sets out policies encouraging compact, service efficient development, infill and intensification, mixed use, and transit supportive intensification growth corridors and nodes. The Growth Plan establishes

minimum housing and employment density targets that must be planned for in the local Official Plan.

Proposed Provincial Planning Statement (Planning Statement)

The proposed Planning Statement is a significant shift from the current policy framework. The proposal would result in the revocation of the Growth Plan, one of four existing provincial land use plans, and a plan which establishes policies directing growth, development, and land use within the Greater Golden Horseshoe, one of the fastest growing regions in North America. Rather than a planning document addressing growth in a specific region, the proposed approach involves incorporating some of the policies from the Growth Plan in the proposed Planning Statement, which would apply province wide.

Vision and Objectives

The proposal indicates the Planning Statement incorporates policies captured under the following five pillars:

1. Generate an appropriate housing supply
2. Make land available for development
3. Provide infrastructure to support development
4. Balance housing with resources
5. Implementation

Absent from the stated pillars of the proposed streamlined policy framework is any mention of affordability, public health and well-being, climate change adaptation or sustainability. These are of particular interest and concern when the City, along with numerous municipalities in the Province, has declared both a Climate Emergency (2019) and more recently, a Mental Health, Homelessness and Addiction Crisis (April, 2023).

Housing and Growth

The Planning Statement proposes to eliminate minimum density and intensification targets for cities. Instead, local planning authorities are to conduct their own growth forecasting, establish growth targets and have enough land designated in the Official Plan to meet projected needs for at least 25 years. Staff are not concerned with the extension of the time horizon, from the existing requirement of up to 25 years. However, the removal of provincially established growth targets is of concern, as it will lead to variation and inconsistencies in the approach to and accommodation of growth in the Province. The changes could allow valuable land resources to be squandered for low-density, inefficient development patterns in some municipalities that may be resistant to change and the need to use land more efficiently.

The Planning Statement indicates any development potential resulting from a Minister's Zoning Order (MZO) shall be in addition to the projected needs for the planning horizon, established in the official plan. The additional growth is to be incorporated into the

official plan at the time of the local planning authority's next official plan update, however until the update occurs, any resulting development potential would not be considered to contribute to the municipal accommodation of growth. This approach has the potential to skew local growth metrics and create confusion on the progress of the municipality towards accommodating projected growth.

The Planning Statement has identified a list of large and fast-growing municipalities, which includes the City of St. Catharines. Large and fast-growing municipalities will be required to identify and focus growth and development in strategic growth areas and identify an appropriate minimum density target. However, density targets for strategic growth areas have been removed from the policies and no policy guidance or direction has been provided in their place. Again, this will lead to inconsistencies and variation in the approach to accommodation of growth in the Province.

Without policy and direction from the Province establishing appropriate minimum densities, each local planning authority will be left to undertake significant study and evaluation independently, which is likely to be inconsistent with approaches and outcomes in other areas. Without provincial guidance on growth targets, growth and development will be disproportionate, will create conflicts at municipal boundaries, and compromise achieving the Province's vision of providing a sufficient supply of housing.

Settlement Areas

The Planning Statement proposes less stringent tests for identification of new settlement areas or allowing a settlement area boundary expansion and would no longer require a municipal comprehensive review for their consideration. As such, they can be considered at any time, and will result in increased pressure on local planning authorities to consider expansions, perhaps most concerningly, without the requirement to evaluate the need or the availability of suitable alternatives. In addition, the policy outlining the considerations for establishment of a settlement area or boundary expansion uses supportive language "should" rather than the stronger term of "shall". This will further increase pressures for growth beyond existing settlement area boundaries by weakening the criteria. Of significant concern is the removal of policies that prohibit settlement areas and boundary expansions into specialty crop areas and the natural heritage system (identified in the Greenbelt Plan). These prohibitions exist within the Policy Statement and Growth Plan today. The lack of protection for prime agricultural lands, including speciality crop, as well as natural heritage features, will threaten agricultural lands, resulting in adverse impacts on the agricultural economy and the potential proliferation of sprawling, unsustainable land use patterns.

Employment Areas

In addition to removing growth targets, the Planning Statement proposes to eliminate employment targets and to no longer require a municipal comprehensive review to consider removal of lands from an employment area. The Planning Statement proposes a new definition of employment areas, which places more focus on uses that cannot locate in other zones, such as heavy industrial, manufacturing, and warehousing. Retail and office uses would now be prohibited in an employment area, unless associated with the primary employment use. Similar to the approach with settlement areas and

boundary expansions, the removal of the municipal comprehensive review will mean that conversion or removal of land from the employment area can occur at any time.

The policies for major office and major institutional are proposed to now include supportive language “should” rather than the stronger term “will”. Where the policies currently require that major office and major institutional uses **will** be directed to urban growth centres, major transit station areas or other strategic growth areas, the proposed policies state these uses **should** be directed to major transit station areas or other strategic growth centres. This could lead to more employment sprawl, in addition to housing sprawl.

Natural Heritage

The Planning Statement posted for review does not include any natural heritage policies. Within the section of the document intended to address natural heritage, it is noted that the policies and associated definitions remain under consideration by the Province. The document indicates the proposed policies will be made available for review and comment under a separate ERO posting, however no anticipated date or timeline has been provided.

The absence of these policies from the published draft presents a challenge for review, as the policy document clearly states that the document is to be read in its entirety. The exclusion of these policies limits the ability for staff to review, interpret, and communicate a complete set of comments to Council, the public or the Province, when an entire section of policy is absent.

Agriculture

The Planning Statement also proposes a significant change within prime agricultural areas (outside of specialty crop areas), where up to three new residential lots may be created from a parcel of land that existed on January 1, 2023. There are criteria that need to be achieved for the lots to be created, but the policy prevents local planning authorities from establishing more restrictive provisions than those outlined in the Planning Statement, except to address public health or safety concerns. The introduction of new residential lots in prime agricultural areas will affect the ability of farms to expand their operations, as they will have to maintain minimum distance separation from adjacent residential dwellings. Policies that have discouraged residential lot creation within prime agricultural were implemented to protect agricultural land for agricultural uses. This change in policy direction reduces those protections and will result in significant impacts to the agricultural industry.

Heritage

The Policy Statement requires that significant built heritage resources and cultural heritage landscapes be conserved, which could refer to properties that are listed or designated under the Ontario Heritage Act. The Planning Statement proposes use of the term “protected” in place of “significant”, referring to designated properties, properties with a heritage conservation easement, properties identified by the province, properties with known archaeological resources (covered under Part VI of the Ontario Heritage Act), properties protected under federal legislation and UNESCO World

Heritage Sites. While the list of possible ways that a property may be considered “protected” appears to have been expanded, it actually refers to far fewer properties than the Policy Statement. This is because of the omission of properties on Heritage Registers, which have not been designated. These properties will lose their status at the end of 2024 unless they are designated.

As such, in St. Catharines, the approximately 150 properties that are currently on the City’s Heritage Register would not be covered by the language used by the proposed Planning Statement unless those properties are individually designated before 2024 or designated as part of the Downtown Heritage Conservation District Study that will begin in 2023.

Definitions

The Planning Statement includes amendments to various defined terms from both the Policy Statement and Growth Plan. The term “affordable” is currently defined in both the Policy Statement and Growth Plan. The proposed Planning Statement has removed the term in its entirety. Further, recent amendments to the Planning Act have made reference to both affordable and attainable dwelling units. The proposed Planning Statement does not include a definition for the term “attainable”.

Staff are concerned that the amended definition of “housing options” introduces housing for identified individuals, which may violate human rights and contradict the long-accepted understanding that land use planning is intended to establish how land may be used and not who can use it. For example, the amended definition expands on housing arrangements and is proposed to include student housing, multi-generational housing, and culturally appropriate housing, amongst others. While staff are supportive of providing housing for all, the inclusion of language that identifies specific individuals or groups could be implemented contrary to the spirit and intent and misused to exclude specified individuals or groups from access to residential units.

There are also various environmental terms, such as “threatened species”, “valleylands”, “wetlands”, “woodlands”, and “wildlife habitat”, and many others that are not included in the list of defined terms but are currently defined in the Policy Statement and / or Growth Plan. As the natural heritage policies and definitions have not yet been released for review, it is unclear if all of these definitions will be published at that time or if they are proposed to be removed as defined terms in the Planning Statement.

Implementation

As part of the ERO post (019-6813), the Province has included a document outlining an [approach to implementation](#) of the proposed Planning Statement. The document indicates a plan to release final policies for a brief review period, allowing for planning authorities to understand the new policies and plan for implementation before the policies take effect, which is anticipated for fall 2023.

The proposed implementation strategy indicates planning authorities can continue to update their official plans on their ordinary review cycle (every five years, in accordance with the Planning Act, or ten years after a new OP), to implement the new policies. The

City has not completed a review of the Official Plan since its adoption in 2012 and is due to conduct the required 10-year review, in accordance with the Planning Act. With the anticipated introduction of new provincial policy, as well as the recent approval of the Niagara Region Official Plan (November 2022), review of the Garden City Plan should be anticipated as part of the 2024 work plan.

While local planning authorities may continue to update their official plans on their ordinary review cycle, the Province has noted that time sensitive official plan amendments will be required to align with the new definition of “Area of Employment”. These official plan amendments will be required to authorize site specific permission for any existing uses that do not align with the new definition (if approved). This will trigger review of employment sites within the City and preparation of an Official Plan Amendment, if necessary, prior to the Planning Statement taking effect (targeted fall 2023). This official plan amendment was not anticipated as part of the 2023 work plan and will cause delays for other projects.

As the proposed Planning Statement would replace the existing Policy Statement and Growth Plan, the implementation document indicates that the Growth Plan may be revoked. The Province indicates that an amendment is being proposed to the Greenbelt Plan that would allow existing policies from the Growth Plan and Policy Statement to continue to apply in cases where the Greenbelt Plan refers to them. Staff are unclear how specific policies from these plans can continue once the documents have been revoked.

The proposed Planning Statement includes significant policy changes that will take time for local planning authorities to understand. The timeline for implementation is extremely limited and is anticipated to result in significant impact to local planning authority work plans and staff resources.

Financial Implications

There are no financial implications associated with this report. However, it should be noted that the policy direction proposed by the Province creates opportunity for increased sprawl which is a more costly, unsustainable form of development, which will result in long term financial implications for the City, Region, and Province.

Environmental Sustainability Implications

There are no environmental sustainability implications associated with this report. However, as the proposed natural heritage policies have not yet been published for review, any potential impacts resulting from those policies are not yet known.

It should also be noted that the proposed policies weaken protections for prime agricultural lands, and create opportunities for new and expanded settlement areas, including within lands identified as specialty crop area. If the proposed Planning Statement is approved as proposed, there will be significant and generational impact to where and how growth occurs, resulting in increased sprawl, loss of agricultural lands, and settlement patterns that are not sustainable.

Operational Implications

There are no operational implications associated with this report.

Conclusion

The City has declared both a climate emergency and a mental health, homelessness and addictions crisis. These, along with housing availability and affordability challenges, are being experienced within the City, Region, and Province. Land use planning plays a critical role in determining how a community functions, grows, and supports its citizens. Provincial land use policy establishes the vision and goals for land use planning in the province, as all regional and local planning policy must be consistent with provincial policy. As a provincial planning policy document, the proposed Planning Statement is an important tool that determines how we use, develop, protect, and enjoy land for decades to come. The policies outlined in the proposed Planning Statement fail to provide the strong foundation required to address the significant challenges facing our community and communities throughout the province.

The proposed Planning Statement eliminates growth targets and places the responsibility on municipalities to establish their own growth targets. Not only does this result in a loss in guidance for municipalities, but it will result in a loss in overall vision, direction, and consistency within the Province as a whole. With such an emphasis on increased housing supply and the importance of providing housing for all, eliminating minimum growth and density targets is inconsistent with the intention of the Planning Statement.

The Planning Statement proposes amendments that deviate from best practices, weakening support for growth and intensification within existing built-up areas, eliminating protections of agricultural lands, and creating opportunities for inconsistencies in accommodating and planning for growth.

The Province has an opportunity to review, amend, and implement policies to address the many significant challenges facing our communities. The proposed Planning Statement will create additional challenges for local planning authorities and result in long term negative impacts for our community and environment.

Notifications

It would be prudent to notify the following individuals of Council's recommendation:

- Office of the Premier
- Steve Clark, Minister of Municipal Affairs and Housing
- Sam Oosterhoff, MPP
- Provincial Standing Committee on Heritage, Infrastructure and Cultural Policy
- Jennie Stevens, MPP
- Jeff Burch, MPP
- Niagara Regional Council
- Niagara Peninsula Conservation Authority
- Niagara Escarpment Commission

- All local area municipalities in Niagara Region
- Association of Municipalities of Ontario
- Ontario Professional Planners Institute
- Niagara Home Builders Association
- Niagara Construction Association
- Ontario Federation of Agriculture
- Grape Growers Association
- Rural Ontario Municipalities Association
- Greenbelt Foundation

Prepared by

Taya Devlin
Senior Planner

Submitted by

Scott Ritchie, MCIP RPP
Senior Project Manager

Approved by

Tami Kitay, MPA MCIP RPP
Director of Planning and Building Services

Appendices

1. Ontario's Planning Policy Framework

Ontario Land Use Planning Framework

