



Aug 1, 2023

Planning Policy Branch  
Ministry of Municipal Affairs and Housing  
777 Bay Street  
Toronto, ON M7 A 2J3

**RE: Environmental Registry of Ontario Posting 019-6813 – Review of proposed policies adapted from A Place to Grow and Provincial Policy Statement to form a new provincial planning policy instrument**

Please accept this letter as the comments of the Council for the Town of Caledon on the proposed Provincial Planning Statement, endorsed by Council on July 26, 2023. Caledon is fully supportive of the Province's goal to improve housing supply in balance with infrastructure and resources and has recently committed to a Housing Pledge as well as several related policy initiatives.

As identified in the proposed regulation, the Province is seeking a response for matters including:

- the policies and proposed approach to implementation
- policy direction for large and fast-growing municipalities and other municipalities
- proposed policies to generate housing supply, including an appropriate range and mix of housing options
- proposed policies regarding the conservation of agriculture, aggregates, natural and cultural heritage resources
- proposed policies regarding planning for employment
- barriers to, or opportunities for, accelerating development

The Town's comments are included in Appendix 1 to this letter. We trust that the Town's comments will be helpful, and I would be pleased to provide any clarifications or further comments on these matters. Town staff would be happy to discuss these comments in more detail, please do not hesitate to contact the undersigned.

Sincerely,  
Antonietta Minichillo  
Director of Planning/Chief Planner  
**TOWN OF CALEDON**

## Appendix 1 Town of Caledon Response to ERO Posting 019-6813

### A. The proposed policies and proposed approach to implementation

- Revocation of the growth forecasts (to 2051) and Land Needs Assessment Methodology

The proposed PPS does not contain specific growth forecasts, or a set planning horizon (i.e. 2051) that are currently a central part of the Growth Plan. The growth forecasts and planning horizon are key elements of a policy framework for growth management designed to minimize settlement area expansions and encourage compact urban form, efficient use of land and complete communities.

A standard land needs methodology was an important component of any review of the need for settlement boundary expansion. Moreover, there is lack of clarity on how the provincial Bill 23 housing pledge targets relate to the 2051 population and employment forecasts that will continue to be implemented.

The Province has also indicated that a local municipality will be expected to meet or exceed the growth forecasts set by the upper-tier municipality (i.e. Region of Peel) through the recently completed municipal comprehensive review (MCR) - forecasts which will no longer be based on Provincial policies once the Growth Plan is revoked – and then move to their own forecasting approach.

Given the above, a transition regulation is critical to allow the Town to complete its Official Plan Review to achieve conformity with the approved Peel Official Plan population and employment forecast and the 2051 planning horizon, as a basis for a Growth Management & Phasing Plan which can ensure housing and employment uses can be developed to address the priorities the Province has identified.

#### *Recommendation*

The Town strongly recommends that a transition regulation be put in place that ensures local municipalities can complete their official plan reviews currently underway based on the approved upper-tier official plans, to ensure detailed planning (i.e. secondary planning) can take place, followed by development applications and construction of needed housing and employment uses. The Province should also provide clear direction on what parts of the Region of Peel Official Plan the Town of Caledon must achieve conformity with, given the pending removal of land use planning responsibility from the Region, under Bill 23, and the passage of Bill 112 dissolving the Region in less than 2 years. Finally, the Province should continue to provide guidance on the approach to the determination of land needs to ensure consistency across Ontario while acknowledging local circumstances.

- Revocation of Growth Plan policies on intensification first

The proposed PPS 2023 is supported for the retention of policies that require Large and Fast-Growing Municipalities to focus growth in Strategic Growth Areas and to identify a

minimum density target for those areas, thereby recognizing the importance of concentrating growth to optimize infrastructure investment and achieve complete communities. It is also recognized that “gentle density” through additional residential units on existing lots can contribute to accommodating more people in existing developed areas. However, the removal of the Delineated Built-Up Area (DBUA) and the 50% annual intensification target, contained in the Growth Plan, weakens the policy approach that prioritizes “intensification first”. Although the policy presented implementation challenges at the local municipal level, it prioritized growth through intensification, before settlement area expansion, and should have been retained in some form to further objectives of compact urban form and efficient use of land. Although Caledon currently is expected to accommodate almost all its growth to 2051 in new growth areas, the Town is exploring more opportunities for intensification particularly in Bolton, and the removal of a mandatory intensification target can be expected to impact those efforts.

### *Recommendation*

It is recommended that planning authorities at the time of the next MCR be directed to identify intensification targets for built-up areas to continue to focus as much growth as possible within existing settlement areas, before identifying a need to expand the settlement area boundary.

- Weakening of Growth Plan policies on density of new growth areas

The proposed PPS removes the concept of a Designated Greenfield Area (DGA) and only provides policy direction on the density of new settlement areas which are encouraged, not required, to be planned at minimum density of 50 residents and jobs per gross hectare for Large and Fast-growing Municipalities.

A change from the current mandatory target weakens this policy and makes it difficult to implement. The 50 r/j per ha target as a mandatory target was too low, as most DGA (not including employment areas) in the GGH are now achieving an average density of 60-65 r/j per ha. Mandatory minimum density targets are an important planning tool to achieve complete communities and combat climate change (compact, transit-supportive communities) and planning for infrastructure and community uses/services. This is a step back for growth management in the Greater Golden Horseshoe and could have significant implications for the growth of Caledon, which will be one of the fastest growing municipalities in Ontario, with large new growth areas, that should be planned as complete communities, using land efficiently.

### *Recommendation*

The Province should require planning authorities to establish minimum density targets for new settlement areas in official plans, to ensure transit-supportive densities are planned for, which encourage a range and mix of housing opportunities to achieve complete communities.

- Changes to criteria for establishment and expansion of Settlement Areas

The policy test for settlement boundary expansion has been made less stringent. Individual property owners would be permitted to submit Official Plan Amendment applications to expand settlement areas at any time. With the use of “should consider” language replacing “only where it has been demonstrated that” language, it will be more difficult to ensure proposed settlement expansions have appropriately addressed the relevant tests. The policy also makes no reference to settlement area expansion having regard for the requirements of Provincial Plan Areas, which may be subject to Plan policies that limit or prohibit settlement area expansion. Town staff are of the view that any expansion should be based on a thorough evaluation of the need and impacts related to the environment, agricultural lands, resources, and the technical and financial feasibility of providing public infrastructure and services.

Moreover, the removal of the municipal comprehensive review (MCR) requirement for settlement boundary expansion gives municipalities greater flexibility in planning for growth, but at the expense of a standard process designed to look at land needs tied to population & employment forecasts to ensure efficient use of land and compact complete communities.

*Recommendation*

The Town recommends that the requirement for an MCR for settlement boundary expansion be retained and the authority to complete an MCR given to local municipalities, to maintain control over settlement area boundary expansions, but with flexibility to initiate an MCR outside of the normal Official Plan review cycle if necessary. The policy tests for settlement boundary expansion should include analysis of needs assessment, environmental, infrastructure and other impacts.

The proposed revoking of the Growth Plan that removes policies limiting settlement expansion in the Greenbelt is concerning. If policies from the Growth Plan are revoked, the Greenbelt Plan should be amended to limit settlement expansion into the Greenbelt. A similar review of the Oak Ridges Moraine Conservation Plan and Niagara Escarpment Plan should also be undertaken to ensure there are no gaps in policy direction.

- Natural Heritage System (NHS) policies

The Natural Heritage System policies of the proposed PPS remain almost unchanged from the current policies, thereby maintaining important protections for natural areas through the land use planning process. The definitions from the current PPS have also been carried forward except for the definition of “natural heritage features and areas”, which is now proposed to exclude the habitat of endangered and threatened species. The protections of the Endangered Species Act would continue to apply to those areas.

With the revocation of the Growth Plan, the policies that require municipalities to map the Natural Heritage System of the Growth Plan, as an overlay in official plans, would no

longer apply. There is very little geographical area in the Town of Caledon that would be impacted by the revocation of this policy.

- Consistency with PPS 2023

After the effective date of the PPS 2023 - expected in fall 2023 - all municipal decisions, including zoning by-laws and permitting processes, must be consistent with the proposed PPS 2023, even before a municipality's official plan has been updated. The effective date could be before Council adopts a new Official Plan based on the Peel Official Plan, Growth Plan and previous PPS. It will be challenging for municipal decisions and zoning by-laws to be consistent with the new PPS 2023 and also conform with remaining Provincial plans and Region of Peel Official Plan. The timing for removal of planning responsibilities from Peel is January 2024 at the earliest. Growth planning, phasing and Infrastructure delivery for Caledon could be much more challenging with the removal of the Regional Official Plan.

*Recommendation*

In the absence of clear transition regulations, the Town recommends that transition regulations allow municipalities to complete their official plan reviews under the current Provincial planning framework, and that additional time be provided for municipalities to address consistency with the new PPS 2023, after it comes into effect, to reduce the potential for inconsistencies between the application of new provincial policy and existing provincially approved Regional Official Plans. Ideally, the Province should specify the policies of the Regional Official Plan that the Town must achieve conformity with (i.e. population and employment forecasts to 2051, urban boundary expansion) and which aspects of the Town's Official Plan Review can wait until after the new Provincial planning framework is in effect. The Town is already phasing its Official Plan Review to prioritize certain policy areas.

- Greater role for MZOs

PPS 2023 proposes that when an MZO is in place, the resulting development potential shall be in addition to the projected needs over the planning horizon established in the official plan. Further, the additional growth shall be incorporated into the municipality's next official plan update.

Provision of services and infrastructure in a municipality is determined through Servicing Plans that align with Official Plans and growth targets. Without a comprehensive review and consultation with infrastructure providers (including the Region of Peel in Caledon's case), it is difficult to identify the short and long-term effects of new and unplanned infrastructure that may be required for MZOs that do not align with the established targets in Official Plans.

MZO applications for areas outside of the Town's existing Secondary Plan Areas in advance of the Growth Management and Phasing Plan (GMPP), may not be within a

reasonable servicing timeframe, and may not consider corresponding community services such as parks, fire halls, recreation centres, etc. Reviewing and processing these fragmented applications would result in delays and challenges to areas where the Town can deliver housing units in a timely manner with the required infrastructure and community services being readily available. Caledon's SABE is designed to accommodate growth projected to 2051 and without growth phasing studies and secondary planning in place, the growth will happen sporadically and adversely impact community planning. Alignment with the GMPP as well as obtaining conformity for infrastructure capacity and delivery would be critical in reviewing MZO applications.

Moreover, MZOs which propose new densities, height and built form entitlements that deviate from those in Caledon's Official Plan provided for by Caledon's service planning can set precedents. This may result in requests for amendments from other sites, potential Ontario Land Tribunal (OLT) appeals, and the resulting cascading effect on all elements of the service plans

### *Recommendation*

Caledon requests reconsideration of the proposed policy and recommends that MZOs be consistent with the projected needs in official plans and aligned with growth targets, phasing plans and infrastructure planning in municipalities. Additionally, the Province can either develop or support municipalities in developing a growth prioritization strategy and enforcing that strategy by excluding lands outside of that prioritization strategy from appeals and restricting the issuance of MZOs on those lands. Staff recommend the Province to review the Town's Council-approved Procedure for Consideration of MZO/CIHA Requests and the importance of aligning MZOs with infrastructure and growth planning for greenfield communities.

- Minister's additional powers

The Minister may require landowners to enter agreements with the Minister or a municipality concerning "any matters that the Minister considers necessary for the appropriate development of the land". These agreements could include matters that go beyond what can be provided in either the *Planning Act* or *Development Charges Act*.

### *Recommendations*

The Town recommends that if the Minister enters into an agreement with landowners, the municipality should be consulted, and not just informed. The Province should work with municipal staff to ensure that provincial decisions do not undermine the Town's ability to negotiate for costs. The municipality should also have the right to refuse if the agreement or any of its conditions are not satisfactory.

The exemption proposed for these orders from Part III (Regulations) of the Legislation Act should be removed, as it may mean that the agreements proposed to be authorized would not be published in the Ontario Gazette or e-laws, presenting an issue of transparency.

The Town also recommends that similar to this power, municipalities should also be allowed to enter into agreements with landowners for matters not included in the *Planning Act* or the *Development Charge Act*. The Town requests the Province to repeal Section 59.1 of the *Development Charge Act* to permit developers and municipalities to collaborate on building complete communities.

## **B. Policy direction for large and fast-growing municipalities and other municipalities**

- Caledon supports the direction for “large and fast-growing municipalities” to identify Strategic Growth Areas. Caledon also supports the direction to identify Major Transit Station Areas and implement a minimum 150 residents/jobs per ha target around GO commuter rail stations and 160 residents/jobs per ha around Bus Rapid Transit stations. Caledon has prioritized growth around its two MTSA’s. The Town requests the Province to give serious consideration for the identification of a second GO train station (MTSA) in south Bolton along the Highway 50 corridor, to act as a catalyst for additional intensification in Bolton, and to advance the planned development of the Caledon-Vaughan GO rail line to facilitate transit-supportive development around the Caledon GO station, and the potential second GO station. The Town would also like to add a third MTSA in the Bolton South Hill to act as a catalyst for more growth through intensification in Bolton to create a complete community. The Province is requested to work with the Town to identify a future GO Station and MTSA in this location.

## **C. Proposed policies to generate housing supply, including an appropriate range and mix of housing options**

- Removal of the policies and definition for “affordable housing” and removal of reference to affordable housing in the new definition of “housing options”

Policies in the current PPS which direct planning authorities to accommodate an appropriate affordable and market-based range and mix of housing types, establish and implement minimum targets for the provision of housing that is affordable to low and moderate income households, and to align plans with housing and homelessness plans, have not been carried forward in the proposed PPS 2023.

Removal of the direction to establish and implement affordable housing targets will lead to challenges in determining the appropriate amount of affordable housing and uncertainty for service managers and local municipalities as to how to plan and fund affordable housing.

Removal of the affordable housing definition as in the current PPS will lead to a reliance on the Bill 23 DC Act definition of affordable housing, which in most local contexts, is not geared towards the needs of low and moderate income households.

The proposed PPS references coordination of land use planning and planning for housing with Service Managers. In Caledon’s case, with the impending dissolution of the Region of Peel, there is uncertainty on the future role of Caledon’s Service Manager,

and the Town's ability to plan for and ensure the provision of not just non-market housing, but also housing that is affordable to moderate income households.

The Town of Caledon is creating a new Official Plan (OP) 'Future Caledon – a road map for the next 30+ years', which will guide development, housing, transportation, employment, community facilities and more. The OP is intended to establish policies that advance an appropriate range of housing types, infill and intensification opportunities based on the needs of Caledon, growth direction and urban structure. Without guiding policies in the PPS, it will be extremely challenging for lower tier municipalities such as Caledon to implement such OP policies and ensure development of equitable communities.

### *Recommendation*

The Town recommends inclusion of affordable housing policies, direction to establish targets, and an income-based definition of affordable housing. PPS 2023 should also strengthen policy direction to assist municipalities to leverage private market land use approvals for supply of affordable housing.

- Rural housing policies

Proposed policies would remove the focus on rural settlement areas (villages and hamlets) as the focus for growth in rural areas. Permitted residential development in rural areas would include multi-lot development, where appropriate sewage and water services are provided, permission for up to 2 additional residential units on a lot in prime agricultural areas, subject to conditions; and permission for creation of up to 3 new residential lots from an existing lot, subject to conditions.

The proposed policy for lot creation in Prime Agricultural Areas does not address Provincial Plan restrictions associated with lot creation, environmental feature protection or avoidance of natural hazards. The Greenbelt Plan, ORMCP and NEP do not permit lot creation outside settlement areas for solely residential purposes unless the dwelling is already existing and deemed surplus because of land acquisition for farm consolidation.

In areas outside Provincial Plans, this policy will result in more land removed from agricultural production in prime agricultural areas, however the potential impact is expected to be less in Caledon, assuming the greater restrictions in the Greenbelt Plan, ORMCP and NEP remain. Province-wide, these policies could result in a significant number of new severance applications, leading to scattered lot creation, erosion of the agricultural land base, and more land use conflicts in agricultural areas that will impede the normal farm practices of farm operations.

### *Recommendation*

The Town suggest a reconsideration of the new policies to permit multi-lot residential development on rural lands, and the removal of policy requiring growth in rural areas to be focused in rural settlement areas. The current policy direction providing discretion for municipalities to permit locally appropriate lot creation should be retained.



## D. Proposed policies regarding the conservation of agriculture, aggregates, natural and cultural heritage resources

- Mineral aggregates:

The mineral aggregate policies are largely unchanged in the proposed new PPS. It should be noted that Caledon has, and continues to be, an advocate for the strengthening of polices addressing the negative impacts of aggregate extraction. Changes to the proposed policies include removal of policies requiring consideration of extraction on alternative lands, or an assessment of the quantity or quality of aggregate, before complete rehabilitation to an agricultural condition is not required in prime agricultural areas. The policy changes don't consider gaps in the Provincial policy framework including guidance on evaluating social impacts and cumulative impacts of aggregate extraction, or direction for adaptive management.

*Recommendation*

The Province should reconsider the removal of the need to provide justification for extracting mineral aggregates in prime agricultural areas, without complete rehabilitation, and add policy direction that provides clear guidance on adaptive management planning, and how social and cumulative impacts should be addressed.

- Cultural heritage resources

- The definition of 'heritage attributes' removes description of contextual, visual and natural landform settings, effectively limiting and narrowing 'heritage attributes' to mean a property's built form. The change to this policy appears to impact how, or if, the Town can identify and conserve natural and contextual features on heritage properties.

*Recommendation*

The Province should provide clarity on the intent of this definition change.

- Replacement of the term 'significant' with 'protected heritage property'- Removal of the term 'significant' from the PPS restricts the conservation of built heritage resources and cultural heritage landscapes to properties which are designated under the Ontario Heritage Act. Municipalities will need to proactively designate properties under the Ontario Heritage Act to ensure that important heritage resources are conserved through the development process.

*Recommendation*

The Province should clarify the meaning of "proactive strategies" with respect to identifying properties for evaluation under the Ontario Heritage Act

## E. Proposed policies regarding planning for employment

- Revised definition of Employment Area

While the narrowing of the definition of 'area of employment' could help protect critical industrial areas from incompatible uses and competing uses (i.e. places of assembly, fitness centres), the proposed policies do not account for the important role that office and retail play in employment areas, as they appear to limit opportunities for such uses that are complementary to employment areas.

An example would be a large multi warehouse development that has no convenient stores, coffee shops or restaurants to service the needs of the employees that work in that immediate vicinity. Limited commercial and office uses including uses such as gas stations should be permitted to co-exist in the employment areas, and the municipality should be able to determine appropriate locations where these permissions may apply.

### *Recommendation*

The Town recommends that the proposed new PPS continue to provide municipalities with the option of designating office and retail uses in employment areas. Clarity is also requested on the Bill 97 provision that would preserve existing office and retail clusters in employment areas.

- Removal of Municipal Comprehensive Reviews (MCRs) for employment conversions

It is proposed that MCRS will no longer be required for settlement boundary expansion or employment lands conversion. While there may be some advantages in specific situations, without a municipal comprehensive review, the Town is very concerned that this change will result in significant pressure to convert critical employment lands in Caledon for residential uses. Moreover, this change in definition and the changes related to employment conversions can be expected to negatively impact the municipalities' industrial tax base, leading to impacts on the residential tax base. The Province has indicated that employment lands can be protected by municipalities through the use of MZOs.

### *Recommendation*

The Town recommends maintaining the current approach where employment lands can be considered for redesignation through local Official Plan Review or Municipal Comprehensive Review process. There may be less pressure on planning authorities to meet the criteria listed when planning for development within Settlement Areas.

Given concerns regarding the loosening of rules for employment land protection and conversions, the Town is supportive of the use of tools such as MZOs to proactively protect employment lands. The Town recommends that the Province prefer the use of Community Infrastructure Housing Accelerator (CIHA) orders, (which unlike MZOs must be supported by the municipality through a Council resolution and involve public

consultation), as a tool to protect critical employment lands from potential employment land conversion.

- Encouragement of intensification of employment uses and direction of compatible employment uses to mixed-use areas

The Town is supportive of a policy direction to encourage mixed use development in strategic growth areas, while continuing to protect critical locations and areas for manufacturing, warehousing, and associated uses. However, the Town is concerned that, while the narrowing of the definition of 'area of employment' could help protect critical industrial areas from incompatible uses and competing uses (i.e. places of assembly, fitness centres), the proposed policies do not account for the important role that office and retail play in employment areas, as they appear to limit opportunities for such uses that are complementary to employment areas. Example being a large multi warehouse development that has no convenient stores, coffee shops or restaurants to service the needs of the employees that work in that immediate vicinity.

#### *Recommendation*

Limited commercial and office uses including uses such as gas stations should be permitted to co-exist in the employment areas, and the municipality should be able to determine appropriate locations where these permissions may apply.

- Land Use Compatibility

Removes requirement for proponent of sensitive land uses to demonstrate need or evaluate alternative locations for sensitive land uses where avoidance of adverse effects is not possible. In certain circumstances, where the impact can be satisfactorily mitigated, increased flexibility to introduce residential uses adjacent to employment areas – for example, within or adjacent to Major Transit Station Areas – may be appropriate. However, staff is concerned that removal of this land use compatibility test for introduction of sensitive land uses will negatively impact the long-term viability of the Town's employment areas.

#### *Recommendation*

The Town recommends that the proposed PPS 2023 retain the existing land use compatibility policies of the current PPS that ensure appropriate separation and transition between general industrial and employment uses and sensitive land uses, to ensure the long-term survival of critical employment areas in Caledon.