



Ontario
Home Builders'
Association

May 12, 2024

Ministry of Municipal Affairs and Housing
777 Bay Street, 17th floor
Toronto, Ontario
M7A 2J3

Re: ERO 019-8462 Review of Proposed Policies for a new Provincial Planning Policy Instrument

The Ontario Home Builders' Association

The Ontario Home Builders' Association (OHBA) is the voice of the residential construction industry in Ontario, representing 4,000 member companies organized into 27 local associations across the province. Members include builders, developers, professional renovators, trade contractors, suppliers and manufacturers serving the residential construction industry. Our members have the vital responsibility to build the housing supply that current Ontario residents are counting on at all stages of their lives and be the voice of future home buyers who want to call our province home. OHBA coordinates public policy responses with input from members across Ontario.

Environmental Registry Background

The Ministry of Municipal Affairs and Housing (MMAH) is seeking feedback on an updated proposed Provincial Planning Statement that incorporates feedback received through the previous consultation on the proposed Provincial Planning Statement (ERO #019-6813).

In 2022, the province initiated a review on approaches for leveraging the housing supportive policies of the Provincial Policy Statement and A Place to Grow, removing barriers, and continuing to protect the environment through a streamlined province-wide land use planning policy framework (ERO #019-6177). In response to that submission, OHBA was supportive of the bold and innovative decision meant to streamline the planning process, reduce duplicity, and address additional growing communities outside of the Greater Golden Horseshoe.

The feedback received from that review contributed to the development of a proposed Provincial Planning Statement. From April 6 to August 4, 2023, the province undertook consultation on a draft of the proposed Provincial Planning Statement (ERO #019-6813) seeking input on a streamlined province-wide land use planning policy framework that incorporated the housing-focused policies of the Provincial Policy Statement, 2020 (Provincial Policy Statement) and A Place to Grow: Growth Plan for the Greater Golden Horseshoe 2019 (A Place to Grow).

After seeking input, the province has now developed an updated proposed Provincial Planning Statement, with new and updated policies supporting increased intensification (e.g., around transit and redevelopment of low-density commercial plazas and strip malls), scoping protections for employment areas, and promoting a range and mix of housing options, including housing for students and seniors.

The OHBA is pleased to have the opportunity to provide feedback to the Province on the proposed policy concepts and proposed wording in the land use policy document. The questions posed by the Ministry of Municipal Affairs and Housing as part of the consultation have been taken under consideration during OHBA's review.

OHBA Response

Please accept the following as our submission to the government's request for feedback on the proposed "*Provincial Planning Statement*" (ERO 019-8462) which is being submitted on behalf of the local associations of OHBA.

Ontario requires at a minimum, 1.5 million new homes over the next decade to ensure that the current and future generations of Ontario's population have a place to call home. The new supply targets are a deliberate effort to combat the housing and affordability crisis. To mitigate the crisis, an appropriate range and mix of housing types and choices are critical to ensure that Ontarians at all stages of life can find a place they can call home.

The OHBA is encouraged by the proposals that have been put forth to update how Ontario plans for growth. We support the policy direction of the new Provincial Planning Statement (PPS) and the rescinding of A Growth Plan for the Greater Golden Horseshoe (Growth Plan), to recognize and accept that all of Ontario is truly 'a place to grow'.

The former Provincial Policy Statement and Growth Plan's duplicity of policy direction led to excessive delays and study requirements for municipalities and the industry alike, in the Greater Golden Horseshoe in particular. While some of the policies of the Growth Plan were certainly helpful in promoting higher densities and intensification as-of-right near transit stations, corridors, and other strategic areas, many of the policies of the Growth Plan unnecessarily restricted the supply of housing, and land available for housing, that was required to meet municipal growth and housing targets.

OHBA is a strong supporter of the need to plan for long-range population projections to ensure an adequate supply and a diversity of housing typologies are prepared for, as well as the necessary infrastructure to support housing in complete communities. The new policy direction of the PPS acknowledges the need to plan for planned and forecasted growth. It recognizes the additional impact of increased immigration levels, which are expected to affect the Provinces of Ontario and British Columbia the most.

The OHBA provided significant comments and robust feedback during the summer of 2023, following the initial introduction of the new Provincial Planning Statement for consultation ([ERO 019-6813](#)). These comments were focused on the following themes: generating the needed housing supply and variety for a growing province; making more land available for new housing and employment opportunities; providing infrastructure to support new housing and employment opportunities; balancing housing with resources; and implementation and interpretation.

OHBA and its members were pleased to see that the introduction of the modified PPS 2024 maintained much of the language first introduced in 2023. Modest modifications in the current draft have focused

on enhancements to that policy document centered on new and updated policies supporting increased intensification around transit and the redevelopment of low-density commercial plazas and strip malls, scoping protections for employment areas, and promoting a range and mix of housing options, including housing for students and seniors.

Rather than take this opportunity to re-iterate previously made arguments and comments that can be found in OHBA's former submission, we would like to take this opportunity to highlight certain areas of the 2024 document that we believe could use a second thought, additional consideration, and/or provide recommendations for areas we believe are still in need of modification.

OHBA Recommendations to the Provincial Planning Statement

1. The provision of housing through the efficient use of land is essential and must be a priority when considering competing policy objections of the statement. The overall theme and tone of the PPS must maintain a 'Housing-First' policy goal, that should be articulated as such from the outset of the document. This further includes clarifying that policies related to Natural Heritage protections should reflect the competing priorities within settlement areas. The policy document should also establish an "urban lens" for natural heritage protection within settlement areas.
2. The new PPS is directing municipalities to integrate servicing and land use considerations at all stages of the planning process, including giving consideration to opportunities to allocate, or re-allocate, unused servicing capacities of municipal water services and municipal sewage services to meet current and projected needs for increased housing supply. This "shovel ready" policy direction will be extremely important in ensuring the achievement of projected housing needs. We would further suggest that should a municipality fail to provide allocation for opportunities that will significantly increase housing supply or provide for affordable housing projects, the Minister should be empowered to issue an order to mandate such allocation.
3. However, the new 'use it or lose it' approach to servicing allocation should not apply when developers have agreed to front finance servicing infrastructure, or for projects that are significant in scale and require multiple phases, subject to certain criteria. This should be stipulated as such in the statement.
4. Municipalities should be the approval authority for minor official plan amendments in instances where upper-tier municipalities have had their planning responsibilities removed.
5. Municipalities should be required to forecast population and employment growth by using Provincially prepared population/housing and employment forecasts (not Ministry of Finance projections) or prepare their forecasts using an updated Provincial Projections Methodology Guideline like the Land Needs Assessment Methodology for the Greater Golden Horseshoe. We have concerns that without the lack of a prescribed methodology on land needs to accommodate the Ministry of Finance projections, there will be too much room for a municipality to conduct land needs exercises based on subjective criteria which may not achieve residential or employment targets. Instead, we recommend that the PPS maintain the market-based land needs methodology based on standardized terms of reference set by the Province. The Ministry of Finance projections must be identified as minimums and treated as such, but we recognize

their potential usefulness for small and rural municipalities in planning for future growth and as such, must coincide with the requirements recommended above.

6. The province is encouraged to consider whether the proposed Schedule 1 appropriately includes all large and fast-growing municipalities, to ensure the policy goals of the province are being met. Municipalities that are projected to soon be 'fast-growing' should be considered for addition to the list of large and fast-growing municipalities (East Gwillimbury, Innisfil, Kawartha Lakes, New Tecumseth, Whitchurch Stouffville, etc.) and consequently housing forecasts should be issued for these municipalities.
7. The planning horizon in policy 2.1 should require that sufficient land be made available for a minimum of 30 years, and the policy should require that all lands be designated and available as early in the planning horizon as possible to achieve the growth forecasts, but no later than 10 years from the establishment of growth forecasts in an official plan.
8. Policy 2.1.3 should be revised to require planning for infrastructure, public service facilities, strategic growth areas, and employment areas for large or fast-growing municipalities to be done to a 50-year time-horizon.
9. The definition of *strategic growth areas* should include long-term growth areas to meet growth needs beyond the planning horizon of the official plan.
10. Policy 2.1.4 should require that a market-based forecasted supply of housing – including a mix of housing options – be required, and that planning authorities shall maintain a sufficient supply of each forecasted housing type within the required periods.
11. Policy 2.1.4 a) should be revised to specify 20 years; and b) should be revised to specify 5 years.
12. Policy 2.3.1.4 should be revised to permit grade-related intensification as-of-right within 'built-up areas' within settlement areas. A definition of "*Built-up Areas*" should be included in the PPS defining these as "*man-made land cover features, ranging from small hamlets at rural crossroads to large cities, as identified in Provincial Mapping.*" The Province should provide and update routinely its mapping of Built-Up Areas, which are currently available on Land Information Ontario.
13. Policy 2.3.2.1 e) should be revised to state that new or expanded areas are not required to comply with minimum distance separation formulae.
14. Policy 4.3.4.1 should be revised to include the ability to remove lands from prime agricultural areas by identifying them as Rural Areas, and similarly, policy 2.5 should require that municipalities identify Rural Areas when updating their Official Plans. The PPS should also require that municipalities identify areas abutting settlement areas as Rural Areas to provide an appropriate transition between settlement and prime agricultural areas. The definition of Rural Areas should be revised to replace the reference to 'prime agricultural areas' with 'prime agricultural lands' to clarify that Prime Agricultural and Rural Areas are mutually exclusive.
15. It is recommended that Policy 5.2, 'Natural Hazards', should have an added policy that requires the preparation of up-to-date flood plain mapping and that within areas that are designated and

available for development, planned land uses should be used as a basis for modeling the flood plain.

16. The PPS should allow for a no-net-negative impact approach to protecting significant environmental features and natural heritage systems, permitting the removal of features in settlement areas where they can be replaced/offset with a better ecological outcome in another location. The policies should recognize that logical and efficient settlement patterns are a priority, and allow feature removal or relocation within settlement areas, and permit off-setting opportunities for on- and off-site compensation on a 1:1 basis. References to draft Provincial Mapping (for the Greater Golden Horseshoe) should be discontinued.
17. We strongly support the new requirement in 6.1.7, which stipulates that municipalities must make decisions that are consistent with the Policy Statement despite an official plan not being updated, and request that the words 'or zoning by-law' be added after 'official plan'.
18. Non-400 series provincial highways within settlement areas should be planned to work within their existing right-of-way widths or be planned for widening through Ministry of Transportation participation in municipal transportation studies.
19. A policy should be included that requires utilities to plan for the provision of services in keeping with the growth projections and phasing within municipal official plans.
20. The current PPS allows for infill residential development and other sensitive land uses up to 30 Noise Exposure Forecast (NEF). The PPS outlines that these land uses may occur in areas that are above 30 NEF, similar to Transport Canada guidelines, but must demonstrate that there will be no negative impacts to the long-term function of the airport and requires that future purchasers be informed of the potential noise impacts. While we agree with the policy approach as prescribed in the new PPS, the fact remains that neither Transport Canada, nor many airport operators in Ontario have updated their noise contour mapping since the 1970s, despite noise from airplanes being greatly reduced since that time. Noise mapping of airports should be updated at least every 10 years. Where no update has occurred, the PPS should permit the updating of mapping through appropriate studies by municipalities and/or development applicants to permit development in accordance with such updated mapping. The new PPS should adopt language from Transport Canada with respect to aircraft noise as there is a current lack of consistency in how municipalities' official plans policies address airport noise.
21. OHBA also strongly supports the removal of the municipal comprehensive review process from the PPS and accordingly, the ability for planning authorities to make decisions on settlement area boundary expansions and conversions of employment areas at any time.
22. We also applaud the coinciding Bill 185 Planning Act change that provides for the ability to appeal privately initiated settlement area boundary expansions.
23. The delivery of housing is often held up by the need to prepare secondary plans prior to the receipt of development applications even when lands have been designated for housing, and where servicing is available. The PPS should expressly permit privately initiated secondary plan official plan amendments subject to criteria such as municipalities remaining involved in the public consultation process. This would allow development proponents to proceed with the

required work to prepare a secondary plan concurrent with the preparation of development applications, which can lead to both better planning that is more linked to implementation, as well as expediting the delivering of new housing.

24. We support the re-definition of employment areas in the PPS (which reflect those which were contained in Bill 97) and the focus on protecting these areas for a concentration of more intensive industrial and manufacturing type uses, while allowing a broader range of mixed-use development on lands for employment outside of employment areas. The province should also prepare an update to the D-series guidelines to update the separation requirements for sensitive uses in keeping with the updated definition from the PPS.

25. While we support the removal of the Provincially Significant Employment Zones (PSEZs), the Planning Act continues to prohibit appeals to employment area “removals”. Similar to changes to the Planning Act regarding settlement area boundary expansion appeals, appeals for the removal of lands from employment areas should also be permitted, provided that certain tests/criteria have been met as prescribed in Section 2.8.2.5 of the PPS.

Implementation

Including general policies for implementation and interpretation of the PPS is critical to ensuring the policy direction of the province is met. At the time of the PPS 2023 introduction, the province concurrently introduced the “Proposed Approach to Implementation of the proposed Provincial Planning Statement” document. This document was critical for certain matters under the new PPS, particularly employment area changes. It is noted that this document was not posted concurrent to the new PPS 2024.

As is being experienced in Toronto currently, despite the policy intent of Bill 97 and the new PPS, the City of Toronto is proposing to bring forward an OPA that, rather than consider what lands within the City truly meet the new definition of “area of employment”, would remove institutional and commercial land use permissions from all of the City’s employment areas without examining whether it is appropriate to do so. This would effectively prevent further consideration of expanded development opportunities in accordance with Bill 97 and the new PPS to meet provincial and municipal forecasts while negatively impacting the existing planning function of many of those areas.

Along the same vein of the OHBA submission on Bill 185, where the themes of stability, consistency, affordability, and predictability, combined with proper transition provisions has been highlighted, the same applies for the Provincial Planning Statement. **Municipalities will require guidance and direction regarding the proper interpretation and implementation of a significant number of the policy changes being put forward through the new PPS.** The government is strongly encouraged to revisit the complimentary Implementation Document that accompanied the new PPS 2023 and ensure that proper transition provisions and guidance is prepared and provided to both public and private sector stakeholders alike to ensure a smooth and seamless incorporation of the new streamlined and comprehensive Provincial Planning Statement.

Conclusion

Again, OHBA commends the government on its continuous work and efforts to reduce policy duplicity, streamline processes, and recognize that all of Ontario is 'a place to grow'. The OHBA has appreciated being an active participant in consultation and roundtables related to a variety of policy topics relevant to the residential home building industry and would like to offer the opportunity to discuss any aspects of the above submission as the province deliberates any changes or modifications that may be necessary to the PPS 2024 stemming from this round of consultation.

Finally, we would urge the Ministry to move quickly towards the adoption and approval of the new Provincial Planning Statement – ideally during the Summer of 2024. As industry and municipalities work together to address the housing supply crisis, it is important to have a common policy platform by which development applications can be prepared and reviewed.

We appreciate the opportunity to comment on this proposal. We look forward to continuing our ongoing engagement with the Ministry staff to ensure that our collective efforts are fulfilling our shared goals of delivering on Ontario's housing supply targets while improving housing attainability for current and future Ontarians.