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DATE: April 10, 2018

REPORT TITLE: **CURRENT PROVINCIAL LAND USE PLANNING CONTEXT**

FROM: Janette Smith, Commissioner of Public Works

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## **RECOMMENDATION**

**That Regional Council recommend to the Provincial Government that the draft Provincial guidance on Municipal Comprehensive Reviews be revised to allow flexibility for a staged implementation of Official Plan Amendments undertaken in a manner that continues to provide for an integrated approach to planning for complete communities such as the approach currently underway in the Region of Peel.**

## **REPORT HIGHLIGHTS**

- This report provides an overview of the current Provincial planning framework in place including the 2017 Growth Plan, Bill 139 implementing Ontario Municipal Board reform as well as emerging guidance on land needs assessment, Municipal Comprehensive Review requirements, Provincial mapping and application of targets.
- The 2017 Growth Plan came into effect on July 1, 2017, providing forecasts to 2041 and a new expanded policy framework for Municipal Comprehensive Reviews which now must be initiated by the Region and approved by the Province.
- Previously, Municipal Comprehensive Reviews applied only to employment conversions and settlement boundary expansions, could be initiated by local municipalities and did not require Provincial approval.
- The expanded Municipal Comprehensive Review policies require integrated planning to 2041, addressing a provincially mandated land needs methodology, built up areas, major transit station areas, employment areas, greenfield areas, settlement boundary expansions, natural heritage systems, agricultural systems, growth forecasts, and intensification and density targets.
- The draft Municipal Comprehensive Review guidance document released by the Province on March 21, 2018, directs that all Review elements must be completed at once, and must be packaged in one Official Plan Amendment. This would mean that current areas of the Peel 2041 work program such as the growth forecasts to 2041 and intensification and density targets, and some later areas of the work program such as Major Transit Station Area boundaries, full settlement boundary expansion work to 2041 and agricultural and environmental mapping must be incorporated into one Regional Official Plan Amendment.
- Provincial policy provides sole authority to single or upper-tier municipalities to initiate all Municipal Comprehensive Reviews and requires that such Reviews be Provincially approved.

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- The direction from the Province in the 2017 Growth Plan and draft guidance documents target an integrated approach to planning for complete communities which supports Peel's new approach to planning and managing growth. However, regional staff has a concern with the draft provincial implementation guidance which would require a single amendment process that would impede the timely implementation of important community building policies and impact affordability, competitiveness, infrastructure planning and financing.
- It is recommended that the draft Provincial guidance be revised to allow flexibility for a staged implementation of Official Plan Amendments undertaken in a manner that continues to provide for an integrated approach to planning for complete communities such as the approach currently underway in the Peel.
- Implications of the current Provincial planning legislative and policy framework on Peel's ongoing work plans is discussed in the companion report listed on the April 12, 2018 Regional Council agenda, titled "Implications of the Current Provincial Planning Context on Major Planning Initiatives in Peel".

## DISCUSSION

### 1. Background

This report provides a brief summary of the 2006 Growth Plan context and an overview of the recent Provincial land use planning framework including the new 2017 Growth Plan and Ontario Municipal Board reform. A separate report listed on the April 12, 2018 Regional Council agenda, titled "Implications of the Current Provincial Planning Context on Major Planning Initiatives in Peel", will discuss implications of these changes on Peel's work plan going forward. A summary graphic of the Provincial land use planning framework evolution is provided in Appendix I.

### 2. Growth Plan for the Greater Golden Horseshoe, 2006

Regional planning is guided by legislation including the *Ontario Planning Act*, the Provincial Policy Statement and provincial plans. A major milestone in Provincial involvement in municipal planning occurred with the *2005 Places to Grow Act* which was the enabling legislation for The Growth Plan for the Greater Golden Horseshoe, 2006 (2006 Growth Plan). The 2006 Growth Plan provided extensive policies around managing growth and development including allocating population and employment growth forecasts to 2031 (now known as 2031A) to single- and upper-tier municipalities and setting minimum intensification and density targets.

Peel responded to the 2006 Growth Plan with several amendments to the Peel Official Plan including Regional Official Plan Amendment 24 (ROPA 24) which further allocated Regional 2031 population and employment growth forecasts to the local municipalities based on a land budget that demonstrated how the required intensification and density targets were to be achieved. The majority of ROPA 24 came into effect in 2012 except for the GTA West Corridor policies, which remain appealed. The local municipalities amended their respective official plans to ensure conformity with regional official plan targets as set out in the Growth Plan and the policies adopted in ROPA 24.

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The land budget implemented through ROPA 24 provided for some growth to be accommodated through settlement boundary expansion in Caledon. This was later implemented through subsequent amendments to the Peel Official Plan initiated by the Town of Caledon including:

- ROPA 28 for Bolton Employment Lands (2016 in effect);
- ROPA 29 for Mayfield West Phase 2 (2015 in effect); and
- ROPA 30 for Bolton Residential Expansion (under Ontario Municipal Board appeal)

Settlement boundary expansion is also a part of the Ninth Line Lands draft amendment which is in the process of being finalized. Growth allocation for the Ninth Line Lands requires a redistribution of the 2031A allocation for the City of Mississauga and the land use planning history for those lands is associated with the Municipal boundary land exchange with Halton Region and the previous Halton Region Official Plan. Staff has targeted a report to Council regarding the draft Ninth Line Lands Amendment in May 2018, pending discussions with Provincial staff around Growth Plan implementation of the current 2031 forecasts.

### a) Amendment 2 to the Growth Plan

The Province released Amendment 2 to the 2006 Growth Plan in 2013, which provided new population and employment forecasts to 2031 (known as 2031B), as well as extended the forecast period to 2041. Forecasts contained in existing Official Plans were categorized as 2031A.

Table 1. 2031A, 2041 Population and Employment Forecasts by local municipality\*

Municipality	2031A (ROPA 24)		2041 October 2017 Draft Allocation	
	Population	Employment	Population	Employment
Brampton	727,000	314,000	890,000	325,000
Caledon	108,000	46,000	160,000	80,000
Mississauga	805,000	510,000	920,000	565,000
Peel	1,640,000	870,000	1,970,000	970,000

\*Forecasts rounded to nearest 000's

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### 3. Outcomes of Provincial Co-ordinated Plans Review, 2017

The Provincial Co-ordinated Plans Review was completed and released on May 18, 2017. This Review included the Greenbelt Plan, Niagara Escarpment Plan, Oak Ridges Moraine Plan and the Growth Plan. The Plans are now more integrated and coordinated and provide more supportive policies to plan for complete and healthy communities. Of particular significance is the 2017 Growth Plan that came into effect July 1, 2017.

#### a) 2017 Growth Plan

The 2017 Growth Plan revised and added many new policies including:

- Continued 2041 population and employment growth plan forecasts from Amendment 2 as the basis for planning and settlement expansion (the 2031B forecasts are only to be used for calculating interim density and intensification targets and not settlement expansion);
- Increased density and intensification targets;
- Increasing the role of upper-tier municipalities in preparing an employment strategy and designating employment lands;
- Expanding requirements for Municipal Comprehensive Reviews, including providing sole authority to single or upper-tier municipalities to initiate all Municipal Comprehensive Reviews, expanded applicability of matters to be addressed as noted in the section below, and requiring that they be Provincially approved;
- Stronger integration of planning for land uses, infrastructure and finances; and
- Requiring that upper tier municipalities designate and delineate Major Transit Station Areas.

#### b) New Municipal Comprehensive Review Requirements

As noted above, the 2017 Growth Plan redefined a Municipal Comprehensive Review as a new official plan, or an official plan amendment, initiated by an upper- or single-tier municipality under section 26 of the *Planning Act* that comprehensively applies the policies and schedules of the 2017 Growth Plan. Amendments under Section 26 of the *Planning Act* must be approved by the Province. Under the previous 2006 Growth Plan, Municipal Comprehensive Reviews applied only to employment conversions and settlement boundary expansions, could be initiated by local municipalities and did not require Provincial approval.

The following table summarizes key elements of the 2017 Growth Plan policies which are now to be completed as part of a Municipal Comprehensive Review (also see detailed table in Appendix II):

2017 Growth Plan Municipal Comprehensive Review (MCR) Requirements Summary		
Policy Area	Policy	Requirements
Where and How To Grow	Managing Growth	Integrated planning to manage growth to 2041 based on required Provincial land needs methodology.
	Delineated Built Up Areas	Minimum intensification targets of 50% from next MCR to 2031 and 60% between 2031 and 2041.
	Transit Corridors and Station Areas	Delineate and provide minimum densities for Major Transit Station Areas on priority transit corridors.

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2017 Growth Plan Municipal Comprehensive Review (MCR) Requirements Summary		
Policy Area	Policy	Requirements
	Employment	Develop an employment strategy, designate employment areas and establish employment density targets.  Employment conversions only permitted through the full MCR.
	Designated Greenfield Areas	Plan for a minimum density of 80 people and jobs per hectare for new areas.  Areas approved and in effect as of July 1, 2017 to be planned at a minimum of 60 people and jobs per hectare.
	Settlement Area Boundary Expansions	Settlement area boundary expansion may only occur through the MCR including a 2041 land needs assessment undertaken in accordance with approved Provincial methodology and subject to numerous specific policy assessments. Background studies that must be addressed or completed in an MCR for settlement expansion include: <ul style="list-style-type: none"> <li>- wastewater and water master plan or equivalent</li> <li>- stormwater master plan or equivalent</li> <li>- watershed planning study prepared in accordance with provincial guidelines</li> <li>- assessment of water resource and natural heritage systems, features and areas</li> <li>- planned development in accordance with housing strategy</li> <li>- agricultural impact assessment prepared in accordance with provincial guidelines</li> <li>- transportation master plan or equivalent</li> <li>- Evidence to demonstrate that there is sufficient existing or planned infrastructure and public service facilities, and that what's required would be financially viable over the full life cycle of these assets</li> <li>- cultural heritage resource assessment</li> <li>- planning justification report</li> </ul>
Protecting What is Valuable	Natural Heritage Systems	Implement Provincial Natural Heritage System mapping with refinements only permitted through the MCR
	Agricultural Systems	Implement Provincial Agricultural System mapping with refinements only permitted through the MCR.
Implementation and Interpretation	Coordination	Through the MCR, provide policy direction around intensification and density targets, strategic growth areas, employment areas and densities, and forecast allocation to local municipalities.
	Growth forecasts	Through the MCR, apply the growth forecasts to 2041 in the Growth Plan  The forecasts in the Growth Plan can only be applied through an MCR on a region-wide basis, and cannot be applied to specific geographies in the Region for approving or refusing proposals e.g. MW Phase 2 Stage 2.
	Targets	Changes to minimum density and intensification targets can only occur through MCR  Through the MCR, required to delineate built up areas, urban growth centres, major transit station areas, and other strategic growth areas.

**CURRENT PROVINCIAL LAND USE PLANNING CONTEXT****c) Draft Provincial Guidance for 2017 Growth Plan Implementation**Provincial Land Needs Assessment Methodology

The 2017 Growth Plan requires the Minister of Municipal Affairs to approve guidance in the form of a land needs assessment methodology. The land needs assessment guidance is mandatory and an amendment to the Regional Official Plan can only proceed in compliance with the land needs assessment methodology which is to be approved by the Minister. On December 19, 2017, the Ministry of Municipal Affairs released a Discussion Paper on a Proposed Methodology for Land Needs Assessment for the Greater Golden Horseshoe.

The draft methodology represents a positive initiative in providing comprehensive guidance around land needs that reflects a consistent and transparent approach and best practices including the approach used by Peel Region and local municipalities. However, Peel Region has commented on issues including the following:

- Concerns with the proposed inclusion of the land area for Undelineated Built-up Areas (i.e. Hamlets and Villages) as part of the Designated Greenfield Areas minimum density target calculation, which are partially addressed through proposed new transition regulations;
- Clarity regarding the timing and requirements for detailed implementation planning in strategic growth areas such as Major Transit Station Areas;
- Concerns with mandated employment floor space vacancy rate assumptions;
- Uncertainty regarding the remaining guidance to come from the Province on supporting materials such as an Intensification Strategy, a Housing Strategy, and an Employment Strategy; and
- Flexibility to recognize ongoing Municipal Comprehensive Review work within the 2031 timeframe that will support overall 2041 objectives such as the Ninth Line lands planning process underway.

It is not expected that the Proposed Land Needs Assessment Methodology will result in significant changes required to the overall draft Regional growth allocations. However, some minor adjustments to calculations will be needed (e.g. to address specific guidance on persons per unit methodology). It is expected that a final land budget methodology required for 2041 allocations will be approved by the Minister later this Spring.

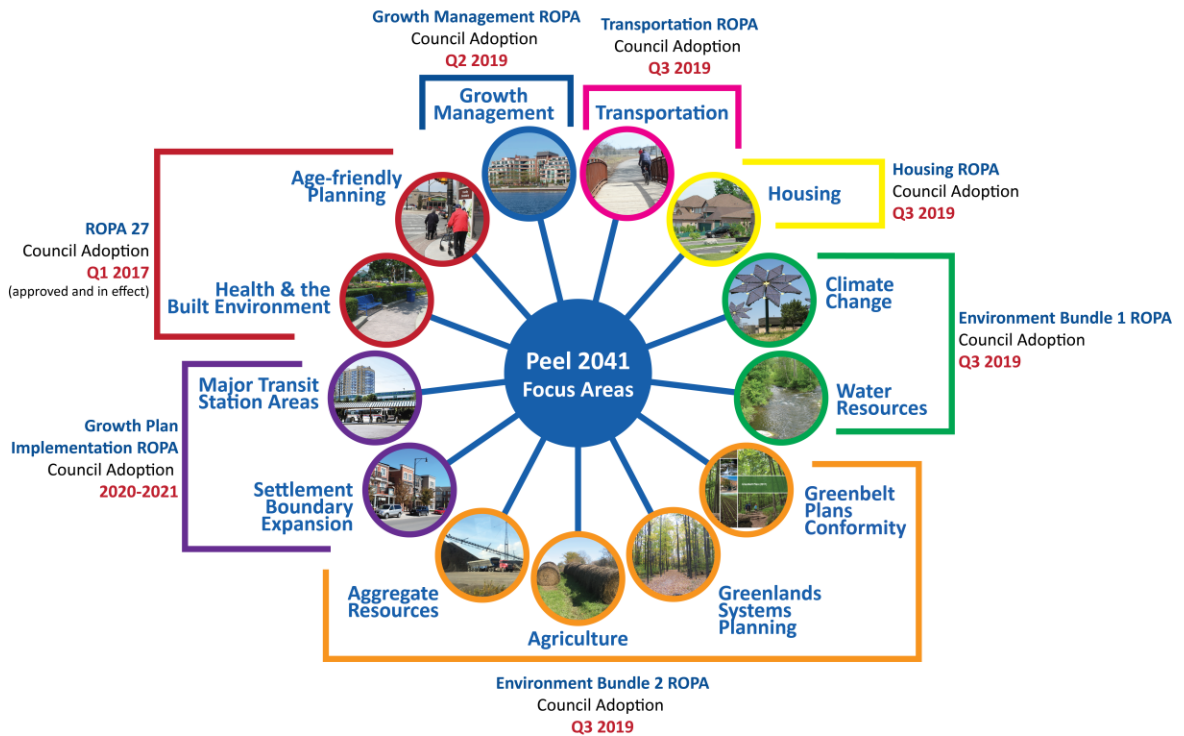
Provincial Municipal Comprehensive Review Guidance

The Province released draft Municipal Comprehensive Review guidance on March 21, 2018 with comments due by May 7, 2018. The draft document now indicates that the Municipal Comprehensive Review elements discussed above cannot be implemented independently and must be implemented in an integrated manner through the same official plan or official plan amendment.

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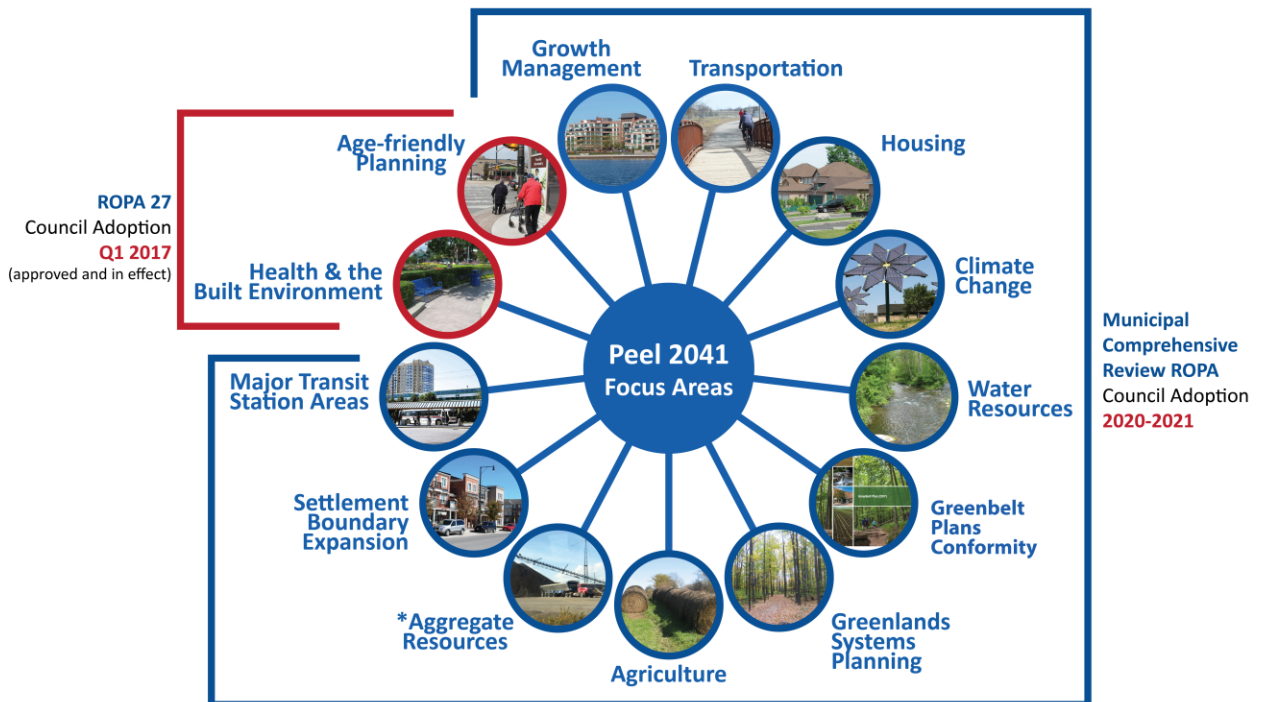
Peel 2041 Council Adoption Schedule

(original work plan, staged approach)



Peel 2041 Council Adoption Schedule

(revised work plan, Municipal Comprehensive Review ROPA)



\*Aggregate Resources policies may be advanced separately from the Municipal Comprehensive Review ROPA

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As a result of this direction, elements of the Peel 2041 work program such as Major Transit Station Area boundaries, full settlement expansion work and agricultural and environmental mapping would need to be completed as a comprehensive and integrated exercise and incorporated into one amendment in order to facilitate Provincial approval and demonstrate conformity with the Growth Plan. The current work plan had envisioned these elements being implemented through several phased amendments implemented over several years as the more detailed work is undertaken.

The Region supports the overall direction from the Province on draft Municipal Comprehensive Review guidance for an integrated approach to planning for complete communities. The overall direction also supports Peel's integrated approach to planning and managing growth currently underway. However, Regional staff is concerned with the single amendment process, as it will impede the timely implementation of important community building and growth management policies.

Regional staff recommends that Council request that the Province allow flexibility for a staged implementation of Official Plan Amendments undertaken in a manner that will continue to allow for an integrated approach to planning for complete communities, such as the approach currently underway in Peel. Peel's approach would allow for major findings of policy work such as the land budget, Regional structure and employment area policies to be put in place first, thereby allowing important community building initiatives to proceed, while detailed implementation such as further settlement expansions and agricultural mapping follows when the technical work is completed. Peel staff continue to advance the position to the Provincial staff that they should consider revising the draft Municipal Comprehensive Review guidance to recognize that a staged consideration of settlement boundary expansion could be an appropriate process given clear circumstances such as Mayfield West Phase 2 Stage 2 expansion and the substantial body of supporting technical work already completed.

The single amendment approach would result in some unintended consequences. For example, lands that have been demonstrated as appropriate for employment land conversions would be held up for several years and community building initiatives such as portions of Inspiration Lakeview could be prevented from advancing in a timely manner. The overall delay in planning for new growth may accelerate land speculation for existing designated lands. It may also delay new housing supply, impact housing affordability and delay implementation of employment strategies intended to respond to a rapidly changing economic and employment landscape.

Regional staff will prepare comments on the draft Provincial Municipal Comprehensive Review guidance document in support of an overall integrated approach to planning for complete communities, but will advise the Province of the Region's concern with its approach to require a single amendment process. Regional staff will forward comments to the Province before the May 7, 2018 commenting deadline.

### Provincial Application of Targets Guidance

The Province also released draft guidance titled, "Application of Intensification and Density Targets", on March 21, 2018, with comments also due by May 7, 2018. The draft document provides guidance on how to calculate intensification and density targets in



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accordance with the policies of the 2017 Growth Plan. The document is applicable to the following policy areas:

- Designated Greenfield Area density target;
- Intensification target;
- Employment area density target;
- Urban Growth Centre density targets;
- Major Transit Station Area density targets; and
- Other Strategic Growth Area density targets.

The calculation of intensification and density targets is a key determinant for land needs assessments and will be used to inform the planned capacity of settlement areas and the need for settlement area expansions. Staff will have to evaluate and assess how the guidance materials on intensification and density targets would impact the work undertaken in the draft land budget that was brought forward to Regional Council on October 26, 2017. In general, the guidance validates the comprehensive, integrated and collaborative approach undertaken by Peel, however, more detailed documentation may be required.

The document also provides guidance on the processing of development applications as it relates to targets prior to a municipality completing its Municipal Comprehensive Review. This would mean that when processing development applications within an area to which a target applies, municipalities should consider the objective of the target and ensure that any approval of an application would not preclude or hinder achievement of the target overall.

### 4. Other Provincial Land Use Planning Initiatives

#### a) Ontario Municipal Board Reform

On April 3, 2018, the *Building Better Communities and Conserving Watersheds Act* (Bill 139) came into effect to replace the Ontario Municipal Board with the Local Planning Appeal Tribunal and establish new rules around the appeal of planning related matters. Local Planning Appeal Tribunal members are appointed by the Lieutenant Governor in Council. It is anticipated that existing Ontario Municipal Board (Board) members will be appointed as the initial Local Planning Appeal Tribunal (Tribunal) members.

Key distinctions between the Board and Tribunal include the following:

- Once proclaimed and in effect, Provincial conformity amendments introduced through Peel 2041 are no longer subject to appeals unless there is no decision from the Province. The time for Provincial decision is 210 days which may be extended for up to 90 additional days.
- Appealed applications will not be subject to appeal just on the basis of any matters related to good planning as in the past. Instead appeals will be assessed by the Tribunal on the basis of consistency and conformity with Provincial and relevant upper-tier plans and policies;
- Appeals considered by the Tribunal will first be referred to mandatory case management to provide an opportunity for resolution outside of a hearing process;

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- Hearings will primarily be undertaken on the basis of written submissions with oral hearings held only by exception;
- The Tribunal will only hear appeals using evidence that informed a Council's decision under challenge;
- If the Tribunal determines that a municipal decision does not meet the new standard of review on a first appeal, the matter will be referred back to the municipality for reconsideration;
- A new decision must be issued within 90 days by the original approval authority on a matter referred back by the Tribunal. This is a significant consideration as this may potentially impact Regional work processes and necessitate additional Council meetings;
- In the event of a non-decision, or refusal to change a decision, a second hearing is undertaken at the Tribunal; and,
- The Tribunal can substitute its decision for that of the original approval authority in a second hearing.

Implications of the *Building Better Communities and Conserving Watersheds Act* on municipal business processes are still being evaluated. However, indications are that staff reports, available information and the process leading to municipal decision-making on planning matters must now be more comprehensive as the Local Planning Appeal Tribunal will only hear appeals using evidence that informed a Council's decision under challenge. This may require the inclusion of additional planning and related technical reports to be brought forward as part of a Council report, as new information cannot be added during an appeal process.

## CONCLUSION

The Provincial land use planning framework affecting Peel has changed with the new 2017 Growth Plan and Ontario Municipal Board reform in particular. The Provincial land use planning framework continues to evolve as new Provincial guidance is released and this changing context will affect the Peel 2041 Official Plan Review and Growth Management Program work plans going forward. A separate report listed on the April 12, 2018 Regional Council agenda, titled "Implications of the Current Provincial Planning Context on Major Planning Initiatives in Peel", will discuss implications of these changes.

The direction from the Province targets an integrated approach to planning for complete communities which supports Peel's integrated approach to planning and managing growth currently underway. However, Regional staff has a concern with the draft provincial implementation guidance which would require a single amendment process that would impede the timely implementation of important community building policies and impact affordability, competitiveness, infrastructure planning and financing. It is recommended that the draft guidance be revised to allow flexibility for a staged implementation of Official Plan Amendments undertaken in a manner that continues to provide for an integrated approach to planning for complete communities such as the approach currently underway in Peel.

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Janette Smith, Commissioner of Public Works

**Approved for Submission:**



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D. Szwarc, Chief Administrative Officer

**APPENDICES**

Appendix I - New Regional Official Plan Review Planning Process

Appendix II - 2017 Growth Plan Municipal Comprehensive Review Requirements

*For further information regarding this report, please contact Arvin Prasad,  
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