



## REPORT TO COUNTY COUNCIL

**FROM:** Nancy Pasato, Manager of Planning

**DATE:** August 11, 2020

**SUBJECT:** Changes to the Provincial Policy Statement - May 1, 2020

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### RECOMMENDATION:

THAT the report titled “Changes to the Provincial Policy Statement, May 1, 2020” from the Manager of Planning, dated August 11, 2020, be received and filed.

### INTRODUCTION:

This report is to advise County Council of the recent Provincial Policy Statement (PPS) changes implemented by the Provincial government which took effect May 1, 2020.

A draft of the new Provincial Policy Statement (PPS) was introduced in July 2019 to align with the changes to the Planning Act through Bill 108, More Homes, More Choice Act, 2019.

Following consultations with municipalities, stakeholders and the public, a final version of the PPS was released on February 28, 2020.

The PPS came into effect on May 1, 2020. In accordance with Section 3 of the Planning Act, all decisions on land use planning matters made on or after that date are required to be consistent with the PPS 2020.

Highlights of the changes include:

- A new opportunity to provide a 25-year planning horizon extended from a 20-year horizon
  - An extended minimum to accommodate residential growth from 10 to 15 years
  - Additional flexibility for settlement area boundary expansion
  - Market based housing policies with the addition of “affordable housing”
  - New references to “a changing climate,” with a focus on adaptation
  - Increased flexibility for sewage, water and stormwater servicing
  - More flexibility regarding interpretation and implementation
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- Changes between prescriptive language “shall” and suggestive language “should”
- Enhanced municipal engagement with Indigenous communities on land use planning matters
- Introduction of the new term “agricultural system” for agriculture-related economic growth
- Increased development opportunities in rural areas
- Enhanced direction on planning, protecting, and converting employment areas.

## **DISCUSSION:**

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The changes can be grouped under five areas: 1. Increasing the supply and mix of housing; 2. Protecting the environment and public safety; 3. Reducing barriers and costs; 4. Supporting rural, northern and Indigenous communities; and 5. Supporting certainty and economic growth. This report provides a summary of the changes that are anticipated to affect land use planning within Elgin County.

An infographic, provided by the Ministry of Municipal Affairs, and a “tracked changes” PPS are provided as attachments to this report.

### **1. Increasing the Supply and Mix of Housing**

#### Planning Horizon

The PPS has increased the ‘planning horizon’ from 20 years to 25 years. Municipalities now need to consider lands needs for a 25-year time period, which is meant to encourage the development of an increased mix and supply of housing. Corresponding changes were implemented to ‘housing supply’ from 10 to 15 years. Planning authorities are now required to maintain the ability to accommodate residential growth for a minimum of 15 years, through residential intensification and redevelopment and, if necessary, lands that are designated and available for residential development.

The policies also note that projected land needs are to be ‘informed’ by as of yet unreleased provincial guidelines.

*County Considerations: County may need to allocate more greenfield land for development in County OP and in local OP’s to meet projected needs over a longer time horizon. Revised lands needs will be required for the upcoming 5-year Official Plan review. Increase in requirement for serviced land supply in areas where sufficient servicing capacity exists. Possible addition of policy related to increased residential intensification and redevelopment.*

### Settlement Area Boundary Adjustments

The PPS 2020 will permit settlement area boundary adjustments outside of the Municipal Comprehensive Review Process, subject to evaluation criteria and provided there is no net increase in overall land within the settlement area. This change provides municipalities with additional flexibility to address limited settlement area boundary adjustments without undertaking an extensive planning exercise.

*County Considerations: Update to settlement area expansion policies. Additional flexibility to address limited settlement area boundary adjustments in local OP's.*

### Housing Affordability

The PPS 2020 recognizes a greater mix of housing types through the addition of the term 'housing options'. This term provides a list of housing types including, but not limited to, single and semi-detached, rowhouses, townhouses, multiplexes, tiny homes, as well as housing for people with special needs and housing related to employment, institutional and educational uses.

The PPS 2020 requires that municipalities establish and implement minimum targets for the provision of housing which is affordable to low- and moderate-income households, which align with applicable Housing and Homelessness Plans.

*County Considerations: Additional policies and/or revised policies on housing affordability in OP may be required. County to consider developing a Housing and Homelessness Strategy/Plan. Additional market analysis is required to ensure an appropriate range and mix of housing options and densities.*

## **2. Protecting the Environment and Public Safety**

### A Changing Climate

The PPS 2020 provides greater direction on preparing for the impacts of climate change and increasing protection for the environment and human health. This includes policies to ensure that municipalities prepare for the impacts of climate change through enhanced sewage, water, and stormwater management policies.

*County Considerations: Amend or add OP policy related to sewage, water and stormwater management policies and climate change, and have greater regard for preparing for the impacts of climate change in OP. Ensure County and local OP policies proactively consider impacts of severe weather events associated with a changing climate.*

### Servicing Hierarchy

While the PPS 2020 continues to place full municipal services as the preferred form of servicing for settlement areas, the wording has been modified to further allow municipalities to consider the use of other servicing options where municipal services are not available, planned, or feasible.

The PPS 2020 directs municipalities to assess the long-term impacts of individual on-site services on the environmental health and character of rural settlement areas and assess the feasibility of private communal services or the extension of municipal services to rural settlement areas at the time of an official plan review or update.

*County Considerations: Amend or add OP policy related to alternative servicing or the extension of services to rural areas.*

### **3. Reducing Barriers and Cost**

Revised policy has been added to clarify that, where the Aggregate Resources Act applies, the depth of extraction for both new and existing mineral aggregate operations is regulated only by processes under that Act.

New policy has been added for planning authorities to engage with Indigenous communities and consider their interests when identifying, protecting, and managing cultural heritage and archaeological resources. The PPS has also updated various definitions including: cultural heritage landscape, areas of archaeological potential, and built heritage resources, amongst others.

Revisions to the PPS were made to support a broad range of energy types and opportunities for increased energy supply.

There are several policies in the PPS 2020 where wording has been modified from 'shall' to 'should'. The word 'shall' would imply a duty or mandatory requirement whereas the word 'should' would imply that something is recommended, but not mandatory.

*County Considerations: Amend OP policy, as needed, to reflect wording changes and clarify policies related to cultural heritage to PPS.*

## 4. Supporting Rural, Northern and Indigenous Communities

### Rural Lands

A deletion of the term “limited” used in PPS, 2014 in reference to residential development within rural lands. This revised policy promotes rural residential development that is locally appropriate and provides clarification that residential development on rural lands includes lot creation.

*County Considerations: Amend OP policy related rural residential development, if needed.*

### Sewer and Water

The PPS 2020 provides clarification that individual on site services may be used in settlement areas for infilling and minor rounding out of existing development where municipal and communal services are not available, planned or feasible. New policy has been added promoting assessment of long-term impacts of servicing on the health and character of rural settlement areas and the feasibility of moving to other forms of servicing at the time of the Official Plan review or update.

*County Considerations: Amend OP policy related to servicing in settlement areas, if needed.*

### Agriculture

The PPS 2020 introduces the concept of an “agricultural systems” approach to enhance and maintain the geographic continuity of the agricultural land base and the economic connections of the ‘agri-food network’ which includes infrastructure, services, and assets that are important to the viability of the agri-food sector.

The agricultural system is defined as ...” a system comprised of a group of interconnected elements that collectively create a viable, thriving agricultural sector. It has two components: a) an agricultural land base comprised of prime agricultural areas, including specialty crop areas, and rural lands that together create a continuous productive land base for agriculture; and b) an agri-food network which includes infrastructure, services, and assets important to the viability of the agri-food sector”.

The agri-food network is defined as “a network that includes elements important to the viability of the agri-food sector such as regional infrastructure and transportation

networks; on-farm buildings and infrastructure; agricultural services, farm markets, distributors, and primary processing; and vibrant, agriculture-supportive communities.”

A revised definition of “on farm diversified use” sets out that ground mounted solar facilities are permitted in prime agricultural and speciality crop areas only as an on farm diversified use.

*County Considerations: Amend or add OP policy related to identifying agricultural systems, prime agricultural lands, specialty crop areas and rural lands and the agri-food network.*

### Indigenous Community Engagement

The PPS 2020 recognizes the important role Indigenous communities have in land use planning and development, as well as the contribution of Indigenous communities’ perspectives and traditional knowledge on land use planning decisions. The changes require municipalities to consult with Indigenous communities on land use matters that may affect their Section 35 treaty rights and encourage municipalities to build constructive, cooperative relationships with Indigenous communities through meaningful engagement that will facilitate knowledge sharing to inform decision making.

*County Considerations: Amend or add OP policy related to Indigenous consultation on planning applications/matters.*

## **5. Supporting Certainty and Economic Growth**

### Economic Development

The PPS 2020 provides policy direction to municipalities to plan for and facilitate conditions for economic investment. The policies require that municipalities identify strategic sites for investment, monitor the availability and suitability of employment sites, and address potential barriers to investment. The changes allow planning authorities to plan for, but not designate, beyond 25 years for the long-term protection of employment areas. In addition, the PPS 2020 requires the protection of industrial and manufacturing uses by planning for separation and mitigation between sensitive land uses and employment areas as well as prohibiting residential and institutional uses within employment areas. Where sensitive land uses (such as residential) are permitted in proximity to employment uses, potential impacts are to be minimized and mitigated.

*County Considerations: Amend or add OP policy related to protection of employment lands, and separation between sensitive land uses and employment areas. Update to employment land inventory may be required.*

### Employment Land Conversions

The PPS 2020 will permit employment land conversions outside of the Municipal Comprehensive Review, subject to criteria.

*County Considerations: Amend policy related to employment land conversion.*

### Regional Employment Lands

Reference is made to the identification of regionally-significant employment lands by a 'regional economic development corporation' working together with an affected upper-tier municipality. The references to 'regionally significant employment lands' and a 'regional economic development corporation' are not yet set out by the Province.

*County Considerations: Amend or add OP policy related to regionally significant employment lands. Discussions required with local municipalities to collectively identify regionally significant employment lands.*

### **FINANCIAL IMPLICATIONS:**

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There will be costs implications associated with the 5-year Official Plan review for the County of Elgin. Consulting costs related to preparing lands needs assessments and reviewing growth settlement areas, as well as updates to employment lands may be required. These funds were not previously approved in the 2020 Operating budget. It is estimated that this could have a \$75,000 impact on the 2021 budget.

## ALIGNMENT WITH STRATEGIC PRIORITIES:

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| Serving Elgin   | Growing Elgin  | Investing in Elgin  |
|---|--|---|
| <input type="checkbox"/> Ensuring alignment of current programs and services with community need.<br><br><input type="checkbox"/> Exploring different ways of addressing community need.<br><br><input checked="" type="checkbox"/> Engaging with our community and other stakeholders. | <input checked="" type="checkbox"/> Planning for and facilitating commercial, industrial, residential, and agricultural growth.<br><br><input checked="" type="checkbox"/> Fostering a healthy environment.<br><br><input checked="" type="checkbox"/> Enhancing quality of place. | <input checked="" type="checkbox"/> Ensuring we have the necessary tools, resources, and infrastructure to deliver programs and services now and in the future.<br><br><input checked="" type="checkbox"/> Delivering mandated programs and services efficiently and effectively. |

## LOCAL MUNICIPAL PARTNER IMPACT:

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These PPS changes will need to be incorporated at the local municipal level, likely through the local municipalities' 5-year review of their official plans.

## COMMUNICATION REQUIREMENTS:

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Circulate report and attachments to local municipalities.

## CONCLUSION:

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This report is to advise of the recent PPS changes implemented by the Provincial government, which took effect May 1, 2020. Some of these policy changes will require review and implementation through the County Official Plan. As part of the Official Plan Review process, these changes will be implemented.



All of which is Respectfully Submitted

Approved for Submission

Nancy Pasato  
Manager of Planning

Julie Gonyou  
Chief Administrative Officer

