

DATE: April 15, 2015

REPORT TITLE: **2015 CO-ORDINATED REVIEW OF PROVINCIAL PLANS**

FROM: Lorraine Graham-Watson, Commissioner of Corporate Services

RECOMMENDATION

That the recommendations contained in the report of the Commissioner of Corporate Services titled “2015 Co-ordinated Review of Provincial Plans” be endorsed;

And further, that a copy of this report be circulated to the Ministry of Municipal Affairs and Housing, the Ministry of Natural Resources and Forestry, the Cities of Mississauga and Brampton and the Town of Caledon for information.

REPORT HIGHLIGHTS

- The Province of Ontario has launched a coordinated review (“Review”) of four land use and environmental plans including Places to Grow (“Growth Plan”), the Greenbelt Plan, the Niagara Escarpment Plan and the Oak Ridges Moraine Conservation Plan, all of which apply to lands within Peel Region.
- The four plans are intended to work together to build stronger, prosperous communities while protecting environmentally sensitive lands, significant landscapes and prime agricultural areas.
- The 2015 Review is to ensure a consistent and integrated approach that reinforces common policy goals and informs the review of the Big Move, i.e. Metrolinx’s regional transportation plan.
- There are some noted strengths in the plans in terms of meeting Provincial objectives e.g. the Greenbelt Plan has protected agricultural lands while the Growth Plan has supported intensification.
- Some areas for potential improvement include the Province strengthening guidance for identification and protection of employment lands, and harmonization of policies, definitions within the Greenbelt Plan, the Oak Ridges Moraine Conservation Plan and the Niagara Escarpment Plans.
- The full list of recommendations is contained in Section 4 of the report and Appendix I

DISCUSSION

1. Background

Land use decision making in Ontario is directed through the provisions of the *Planning Act* which establishes Ontario’s land use planning system led by provincial policy. The Provincial

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Policy Statement (PPS) is a key part of Ontario's planning system providing policy direction that is province-wide in scope. Associated with the *Planning Act* and PPS are a number of geographic specific provincial plans and municipal policies and plans which collectively work together to address provincial and municipal interests. These include the *Greenbelt Act and Plan 2005*, the *Oak Ridges Moraine Conservation Act and Plan 2001*, the *Niagara Escarpment Planning and Development Act and Plan 2005*, the *Places to Grow Act and Plan 2005* and Regional and Municipal Official Plans.

a) Review of Plans

The *Greenbelt Act and Plan 2005* (GBP) requires a comprehensive policy review of the Greenbelt Plan (GBP) every 10 years (which would be 2015). The Oak Ridges Moraine Conservation Act and Plan (ORMCP) requires a review every 10 years to determine whether any revisions should be made. In 2012, the *Niagara Escarpment Planning and Development Act* (NEPDA) was amended to require the review of the NEP to be coordinated with the reviews of the Greenbelt Plan and the ORMCP.

The *Places to Grow Act*, 2005 not only includes processes for making and amending growth plans, but also includes the requirement that the Minister of Infrastructure review each growth plan at least every 10 years after the plan comes into force.

In January 2014 Regional Council had requested that the Province coordinate and consolidate the review cycles of key provincial plans including the Growth Plan. A co-ordinated review of the plans is a logical approach as the GBP, the ORMCP, the NEP and the *Growth Plan* are related in the sense that the four provincial land use plans are intended to work together to build stronger, prosperous communities while protecting environmentally sensitive lands, significant landscapes and prime agricultural areas.

2. Provincial Co-ordinated Review

On February 27, 2015, the Province, under the lead of the ministries of Municipal Affairs and Housing (MMAH) and Natural Resources and Forestry (MNRF), initiated the coordinated review of the plans which will have two rounds of public consultation. In the first round, a discussion document, "Our Region, Our Community, Our Home," was developed to help inform and guide discussions for initial input on strategic issues. It describes the plans and their objectives, highlights important policy issues and sets out questions to help focus the feedback.

The co-ordinated review will provide opportunities for Aboriginal communities, municipalities, stakeholders and the general public to provide input. Comments on the discussion document as well as the individual plans can be made in writing to the MMAH and through the Environmental Registry by May 28, 2015.

In the first phase of consultation, at least 16 public consultations are planned by the Province, (one of which was held in Caledon on March 26) after which all the feedback received will be evaluated with further input from a panel of expert advisors that is chaired by David Crombie, former Federal Cabinet Minister and Mayor of Toronto. The expert advisors will develop recommendations on how to amend and improve the four provincial

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land use plans and are expected to deliver a report to MMAH and MNRF by September 1, 2015.

The second phase of the public consultation will focus on obtaining feedback on potential amendments to the Plans. The Province has indicated that it anticipates the co-ordinated review will be finalized in the fall of 2015, with final recommendations on amendments to the Plans ready by early 2016.

2.1 Goals of the Review

The review will focus on how the plans can better achieve the following six goals:

- Protecting agricultural land, water and natural areas
- Keeping people and goods moving, and building cost-effective infrastructure
- Fostering healthy, livable and inclusive communities
- Building communities that attract workers and create jobs
- Addressing climate change and building resilient communities
- Improving implementation and better aligning the plans.

The goals are being utilized to facilitate and organize the public consultation process; however they do not exist in isolation, but rather support a framework for growth in an integrated and co-ordinated manner.

A series of discussion questions (organized around the goals) were developed by the province to facilitate structured feedback. These questions address issues that have been raised by municipalities, stakeholders and the public as well as those identified by the province during the implementation of the plans. The Region's response to these questions is contained in Appendix I.

3. Peel Region's Response to the Review

The response provided by Regional staff reflects a collaborative effort to incorporate feedback from internal departments, area municipalities and external stakeholders representing agricultural and environmental interests as well as the development industry. In addition, regional staff has also collaborated with the Regional Planning Commissioners of Ontario (RPCO), the Regional Public Works Commissioners of Ontario (RPWCO), Ontario Regional and Single Tier Treasurers (ORSTT), the Greater Toronto Area Agricultural Action Committee and the Golden Horseshoe Food and Farming Alliance.

3.1 General Observations about the Plans

The four plans provide a framework and policy direction on how future growth can be accommodated in a smart, sustainable way that uses land more efficiently while protecting agricultural lands, natural areas and significant landscapes. The plans seek to promote development patterns that can result in the efficient use of infrastructure and services and support an integrated transportation network that allows for more efficient movement of goods and people.

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Importantly, municipalities have sought to bring their Official Plans (OPs) into conformity with the plans thereby ensuring that regional and area municipal planning reflects the plans' policies. For example, municipalities are required to protect natural heritage systems and allocate growth to meet new intensification and greenfield density targets. All 21 upper and single tier municipalities in the Greater Golden Horseshoe (GGH) have adopted official plan amendments or official plans to achieve conformity with the Growth Plan and almost all have adopted amendments or official plans to conform to the Greenbelt Plan. These collective efforts promote a more sustainable region across the GGH.

Notwithstanding the benefits from adoption of the plans, there have been aspects of their policy applications and implementation that has not met expected objectives. Peel staff is recommending that the Province address the following key issues through the current review of the provincial plans.

3.2 Growth Management

Planning in the GGH has begun the transition from suburban car-dependent built forms to complete mixed-use, transit supportive communities. Early results of the Growth Plan's implementation show progress, but continued monitoring by municipalities and the Province is needed along with policy improvements that reinforce positive trends and provide corrections where policy may not be achieving intended outcomes. For example, the Region is achieving the Growth Plan population forecasts and its intensification target, with achievement of a 2013 annual intensification rate of 47%. Mississauga's Urban Growth Centre has almost reached its minimum density target of 200 people and jobs per hectare, a target that is to be achieved by 2031. New greenfield communities in Peel are also being built denser and more "complete" than before (e.g. Mount Pleasant and Mayfield West).

However, there are also challenges in managing growth in Peel that need to be addressed by the review of the provincial plans, in particular by the Growth Plan review. There is a misalignment between provincial forecasts and actual non-residential development. Growth is not keeping pace with forecasts in the GGH. This misalignment is one of the main reasons that municipalities need to increasingly borrow funds that often are not recovered through Development Charges. The Region of Peel is addressing this problem through the Region's Growth Management Program and five year review of the Regional Official Plan (Peel 2041).

One of the significant trends impacting implementation of the Growth Plan is the structural change in the economy that is being experienced in Peel and the GGH, particularly impacting the manufacturing sector. As a result, the composition of employment is changing significantly with related impacts on job growth. In addition, in some employment areas of the Region (e.g. Caledon), employment densities are already low and are declining further due to innovation in logistics, warehousing and some manufacturing. In such cases, greenfield density targets that combine employment and residential density are not practical.

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Taking into consideration the above described circumstances, Peel staff is recommending that the Province address the following areas through the current review of the provincial plans:

a) Alignment of Provincial Plans

The Province should align its plans, policies and investments with the Growth Plan in areas of transit, goods movement, renewable energy and power transmission, broadband technology, education, health care and affordable housing. In addition, provincial infrastructure and investments should be delivered earlier to better support and align with municipal planning horizons.

Growth should pay for growth. An opportunity is for the Province to provide municipalities with more flexible financial tools to help finance growth. Transit funding commitments are also needed.

b) Employment Forecasts

The review should examine the Growth Plan employment forecasts specifically the methodology, assumptions and distribution within the Greater Toronto and Hamilton (GTAH) area. In addition, the Province could allow for flexibility when implementing the Growth Plan's population and employment forecasts at the municipal level. For example, the plan could provide a range within which the forecasted growth is planned to occur. Alternatively, if the exact forecasted targets need to be met, municipalities should be allowed to set a time range within which these targets should be achieved.

c) Employment Density

The review should also examine the practicability of the combined greenfield density target. Planning to achieve a combined greenfield density target of 50 jobs and residents per hectare has been challenging in some parts of the GTAH area. The greenfield combined employment and residential density target should be amended by including separate targets for residential and employment areas. Alternatively, the review should at least explore excluding some employment uses (e.g. warehousing and logistics) from density calculations.

d) Protection of Strategic Employment Lands

The Province should define a class of 'strategic employment lands' that are essential for future employment development and that are dependent on infrastructure for goods movement, including industrial / manufacturing / logistics. The Growth Plan should include criteria that would aid in identifying these strategic employment lands, including such areas as 400 series highways corridors, airport lands and strategic transit corridors. Given their importance to the regional economy, the Province should protect or allow for 'generational' protection of these strategic employment lands, either with no time horizon, or a minimum 30 year protection and planning horizon. This issue is particularly important in the light of planning for a major transportation corridor (GTA West) that may define Peel's urban structure. There is also a need for clearer direction in the Growth Plan about

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employment land conversions to inform Ontario Municipal Board (OMB) decisions. The Province could prohibit OMB appeals where employment lands designations are consistent with the Growth Plan.

e) Infrastructure Efficiency

The Province should require an integration of land use planning, infrastructure and financing considerations at the beginning of the planning process. The Province may wish to also consider introducing language in the Growth Plan that would have the effect of limiting OMB appeals to OPs with large infrastructure cost implications as well as appeals on strategic employment lands.

f) Land Budget

In addition to policy changes, the Province should establish more specific implementation guidance for its plans. One of the areas that could benefit from this initiative is land budgeting. Differences in the methodology and assumptions used by municipalities to determine their land budgets have made it difficult to defend a municipal comprehensive review at the OMB. A uniform methodology for determining land budgets would be beneficial.

3.3 Growth Plan and Affordable Housing

The Growth Plan currently has policies on setting affordable housing targets, developing a housing strategy, planning for a range and mix of housing (taking into account affordability), and investing in community infrastructure such as hospitals, schools, and affordable housing. To further support affordable housing and implementation of housing strategies, such as the Peel Housing and Homelessness Plan, the Growth Plan should provide more specific guidance on how municipalities are to address affordable housing needs in their official plans, and particularly through the consideration and use of planning tools when planning for a range and mix of housing. Complementary to the Growth Plan, the Province should consider strengthening municipal planning tools for affordable housing such as enabling inclusionary zoning, and addressing coordination between provincial, federal and municipal initiatives and plans. Further, the Province should take steps to support partnerships between the Province and municipalities to assist with data collection, analysis and monitoring of affordable housing targets, and impress upon the federal government the need to encourage private sector investment in rental housing.

3.4 Growth Plan and Healthy Communities

Although the Growth Plan encourages compact built form and complete communities that can attract workers and businesses to the Region, it currently does not use other indicators apart from density milestones to measure success. There is increasing evidence that the form the community takes can provide additional health benefits to the population and therefore policy directions should be provided to consider the potential health benefits of compact built form and complete communities in planning and development decisions.

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3.5 Harmonization of the GBP, ORMCP and NEP is needed

The implementation of the GBP, ORMCP and NEP has resulted in inconsistencies as the plans were developed at different times with different objectives and were not harmonized with respect to policy, designations, criteria and definitions. The Niagara Escarpment Plan (NEP), in particular, requires updating to reflect the ecosystem-based approaches of the more recent GBP and ORMCP. The integrated consideration of natural heritage, surface water and groundwater systems planning would provide a more science-based approach than what was accepted practice when the NEP was first approved in 1985. When harmonizing, the Province should consider consolidating the three plans into one plan as a means to achieve consistency and a simpler implementation model. In the case of the Town of Caledon where all the plans are applicable, individual properties can be subject to multiple and sometimes conflicting plan requirements.

With respect to natural heritage policies there is a need to address the complexity of implementing several layers of natural heritage policies in Provincial, regional and local official plans (e.g. criteria and policy for identification and protection of features).

Policies requiring harmonization include agriculture, natural heritage and water resources but should also consider rural uses, settlement policies and servicing.

3.6 Agriculture – Related Value Added and Diversification

The plans (ORMCP, in particular) by virtue of some restrictive provisions do not readily support a working agricultural/rural landscape, with clear harmonized, and supportive policy that can facilitate agriculture-related, value added and on-farm diversified uses. Recent revisions to the PPS have clarified permissions for these types of uses to support viability of agriculture.

4. Summary of Key Recommendations

- The Province should align and strengthen provincial policies and infrastructure investments in transit, goods movement, education and health care, to facilitate complete communities and support municipal implementation of the Growth Plan.
- The Province should ensure that growth forecasts, allocations, targets and policies are reviewed and updated to reflect structural trends in the economy, meet intended planning objectives and support regional and local financial capacities.
- The Province should provide updated financial policies to ensure growth pays for growth, and provide enhanced provincial infrastructure investments to share risks and opportunities.
- Employment land policies should be improved to strengthen guidance for identification and protection of strategic employment lands in key locations and to remove lower density warehousing and logistics employment from the calculation of greenfield density targets.

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- The Province should provide an updated, consistent methodology and guideline to determine regional and local land budgets and introduce legislative provisions that, once approved, land budgets are not appealable to the OMB.
- The Province should amend the Planning Act to enable inclusionary zoning for affordable housing and should implement with the federal government, incentives to encourage more private sector investment in rental housing.
- The Province should ensure that health benefits and health indicators become an important consideration when developing compact built form and complete communities.
- The Province should harmonize policies, designations, definitions and criteria within the GBP, ORMCP and NEP and consider consolidating multiple plans into one plan.
- Beyond protecting the agricultural land base, the Province should ensure that the plans support agricultural viability and have supportive provisions for agriculture-related and on-farm diversified uses.

CONCLUSION

The Growth Plan has focussed on building complete communities and intensification while limiting the amount of land for settlement boundary expansion to allow for further greenfield development. The early results have been promising. Nonetheless, the implementation of the Growth Plan has proved to be challenging with respect to financing and alignment of infrastructure.

The GBP, ORMCP and NEP have resulted in protection of the land base for agriculture and ecological and biodiversity improvements. However, these plans need to be harmonized for more effective implementation.

Regional staff recognizes that for the plans to be successfully implemented a number of complementary provincial policies and initiatives also have to be strategically aligned, for example in the areas of transit, education and health care.

Regional staff supports the comprehensive nature of the review currently being undertaken by the Province and believes that the recommendations which are generated from the review, if adopted, will improve the implementation of the plans.

Staff will continue to update Regional Council on the review process.

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Lorraine Graham - Watson, Commissioner of Corporate Services

Approved for Submission:



D. Szwarc, Chief Administrative Officer

APPENDICES

Appendix I - Response to Co-ordinated Review Discussion Questions

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