
For Information

DATE: February 19, 2020

REPORT TITLE: **AN OVERVIEW OF THE PROVINCIALY SIGNIFICANT EMPLOYMENT ZONES FRAMEWORK AND IMPLICATIONS FOR THE PEEL SETTLEMENT AREA BOUNDARY EXPANSION STUDY**

FROM: Andrew Farr, Acting Commissioner of Public Works

OBJECTIVE

To provide an overview of the provincially significant employment zones framework, Peel's consultation with the Province on the matter, and to characterise key implications for the Peel 2041 Municipal Comprehensive Review.

REPORT HIGHLIGHTS

- Provincially significant employment zones (PSEZ) are in-effect through the Growth Plan, 2019, and are intended to identify employment areas, protect them for the longer term, and act as an economic development tool.
- The Province has consulted with municipalities and private parties to refine the provincially significant employment zones since their introduction in January 2019, and revised the mapping in May 2019, and December 2019.
- The Province is commencing the last phase of the PSEZ process to determine the policy implementation framework for the PSEZ.
- This report provides additional information including implications of the PSEZ changes on the Peel 2041 Municipal Comprehensive Review.
- One key change discussed is the extension of Zone 15 west of the existing Bolton settlement boundary which necessitates further study of the area in relation to growth to 2041, employment land needs, and the ongoing settlement area boundary expansion study.
- Regional Council has also requested a delegation from Ministry of Municipal Affairs and Housing staff to further describe the PSEZ framework and refinement process.

DISCUSSION
1. Background

In January 2019, the Ministry of Municipal Affairs and Housing (the Province) released proposed changes to the Growth Plan for the Greater Golden Horseshoe, 2017 (Growth Plan, 2017) to address key issues in securing more housing supply, jobs, and business investments in Ontario. An important change to the Growth Plan, 2017 was the introduction of 31 provincially significant employment zones (PSEZ), six of which are in Peel. Over the last year, the Province has consulted with municipalities and private parties to refine the

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PSEZ, to which Peel has submitted responses. With the PSEZ now in-effect via the Growth Plan, 2019, the Province most recently released revisions to the zone boundaries on December 20, 2019.

On January 9, 2020, Regional Council passed Resolution 2020-22 requesting that staff bring forward a report to provide an overview of the provincially significant employment zones framework. This report is in response to the resolution.

2. The PSEZ Framework and Process Timeline

Six different PSEZ are located in employment areas across the Region of Peel (Zones 13 to 18). These extend through all three local municipalities and adjacent jurisdictions, as shown on the map in Appendix I. The PSEZ are intended to identify key employment areas, protect them for the longer term, and act as an economic development tool. The Growth Plan, 2019 defines PSEZ as:

Areas defined by the Minister in consultation with affected municipalities for the purpose of long-term planning for job creation and economic development. Provincially significant employment zones can consist of employment areas as well as mixed-use areas that contain a significant number of jobs.

While municipalities already designate employment areas in official plans, the PSEZ provide an additional planning policy layer of protection for lands which contribute a significant number of jobs and economic output on a Provincial scale. The Province has advised that they used several criteria to identify such employment areas as PSEZ. The lands must:

- be located near infrastructure for major transportation or movement of goods
- have a high concentration of employment
- have a high economic impact or play an economic or strategic role to the region
- be vulnerable to conversion to non-employment uses (for example, to residential homes)
- include development potential for employment uses (for example, large lots for commercial purposes)
- share a common border with an existing zone
- be located inside the settlement area and not in the Greenbelt
- not be under appeal at the Local Planning Appeal Tribunal

The Province outlined a three-phase process to guide the refinement of the PSEZ:

- Phase 1 – As of January 2019, the Province would receive requests for refinement of the proposed PSEZ mapping in Amendment #1 to the Growth Plan, 2017 and make minor updates to reflect alignment with municipal official plans.
- Phase 2 – Upon the May 2019 release of the refined mapping in the Growth Plan, 2019, the Province would consult on requests received during the Amendment #1 consultation period and accept new requests for reconsideration; and lastly

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- Phase 3 – The Province would consult with stakeholders on the long-term vision and policy implementation for these zones and how these can be used as tools for investment, infrastructure planning, and economic development.

The Province advised that any changes to PSEZ mapping would be undertaken in consultation with municipalities, based on existing land use designations, and existing settlement areas. The Province may review and update PSEZs in response to a municipal or other request; ultimately the Minister is the approval authority. Consultation was undertaken with municipalities and private land owners on this basis. Peel staff prepared comments on the proposed PSEZ mapping and policy framework in consultation with local municipalities, and submitted them in February, March, and again in September 2019. The associated documentation is available on the Region of Peel website and is linked in Appendix II.

3. Key PSEZ Boundary Changes and Outstanding Policy Matters

Employment Planning and Major Transit Station Areas

Lands designated as PSEZ are protected from conversion to non-employment uses, except where proven to be appropriate through a full municipal comprehensive review. The Growth Plan policy framework provides stronger protection for employment conversions; however, other policy implications are unknown until the Provincial Phase 3 work is completed. For example, it is unclear how land use planning in Major Transit Station Areas (MTSAs) which intersect the PSEZ may be affected (i.e. Clarkson GO, the Brampton Queen Street corridor etc.). To complete comprehensive planning, more information is required regarding the inclusion of mixed, commercial, and institutional uses.

Additional PSEZ Lands Beyond the 2031 Settlement Boundary

The most recent update to PSEZ Phase 2 mapping was released on December 20, 2019. The current map reflects a number of Peel requests for refinement but also added extensive lands to PSEZ Zone 15, west of the 2031 Bolton settlement area as shown in Appendix III. This 709.9-hectare extension of the PSEZ now includes the Bolton Residential Expansion Study (BRES) Option 5, Option 6 the Triangle Lands (Regional Council adopted and under appeal at the Local Planning Appeal Tribunal), and additional lands bounded approximately by Healey Road to the north, the Greenbelt to the west, and Mayfield Road to the south. Regional staff did not request this change.

This additional area of potential employment land may be compared with recent settlement expansions and future needs which have been considered through comprehensive planning exercises.

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- The Coleraine West Employment Lands (Regional Official Plan Amendment 28) accommodate employment growth to 2031 on approximately 200 hectares of land located on the western edge of Bolton; and
- The Region of Peel's draft municipal growth allocation indicated approximately 1,300 hectares is required to accommodate forecasted population *and* employment growth to 2041. Of this area, the employment land need is between 550 and 750 hectares in order to accommodate about 15,000 to 20,000 jobs on new greenfield area in Caledon based on Growth Plan, 2017 policies.
- Considering the Growth Plan, 2019 changes to the minimum intensification target (from 55% and 60% to 50% annually) and minimum designated greenfield area density target (from 80 people and jobs per hectare to 50 people and jobs per hectare), Peel may have increased 2041 land needs. Land budget work is ongoing and will be the subject of future reporting to Council.

The Region of Peel Settlement Area Boundary Expansion (SABE) Study is underway as part of the Peel 2041 Municipal Comprehensive Review to identify the lands to accommodate this growth and must now consider the additional PSEZ.

Peel staff will continue to monitor this Provincial initiative and consider implications on policy matters including MTSAs, employment conversions, employment policy, employment area mapping, the SABE Study, and the ongoing appeal of the Regional Official Plan Amendment 30 lands (BRES Option 6) at the Local Planning Appeal Tribunal (LPAT).

4. Settlement Area Boundary Expansion Study Update

The Region's Settlement Area Boundary Expansion Study is being undertaken to determine the appropriate location(s) for additional community (residential) and employment lands in the Town of Caledon to accommodate forecasted growth to 2041. A consultant team has been retained to undertake this work, led by Hemson Consulting. The study is being undertaken in four phases, with the key deliverables in each phase as follows:

- Phase 1: Conduct background review, prepare draft criteria and identify the draft Focused Study Area.
- Phase 2: Undertake several technical studies on the Focused Study Area
- Phase 3: Propose potential settlement boundary expansion area(s) based on the results of the technical studies
- Phase 4: Recommend the final settlement boundary expansion areas and policies through recommended amendments to the Region of Peel Official Plan.

Regional staff have been working closely with local municipal staff through preparation of the scope of the study as well as on the work undertaken to date and will continue throughout the study informally as well as through participation at project team meetings to be held at key milestones. Broad consultation with the public and other stakeholders will be undertaken in each phase of the study.

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Phase 1 of the study is almost complete, as draft criteria and a draft Focused Study Area have been prepared. The draft criteria were prepared based on the results of a workshop that was held in November 2019. Approximately 40 people participated in the workshop including regional staff and stakeholders, including representatives from all three lower-tier municipalities in Peel (Mississauga, Brampton, and Caledon) and consultants who are assisting with the Peel 2041 studies. Broad public and stakeholder consultation on these two deliverables will be undertaken in February and early March. A briefing memo has been included as Appendix IV that outlines the study process and timelines in more detail and includes the draft criteria and delineation of the draft Focused Study Area.

The Focused Study Area will be reviewed in detail through the supportive technical assessments undertaken through Phase 2. The results of the technical assessments will inform selection of the settlement expansion area(s) from within the Focused Study Area.

Staff will continue to update Council on the results of the public consultation and status of the Settlement Area Boundary Expansion Study throughout the process.

CONCLUSION

Entering the Provincial PSEZ Phase 3 work, Regional staff will continue to consult with the Province on the evolution of this process and on the longer-term vision of the zones. Key objectives establishing a PSEZ policy framework for Peel, addressing outstanding employment area refinement requests, monitoring implications for the Peel 2041 work plan, and the ongoing LPAT appeal of ROPA 30. The Region may request changes to the PSEZ mapping through our Peel 2041 MCR, though the ultimately the Minister is the approval authority. Regional staff will report back to Council as appropriate.



Andrew Farr, Acting Commissioner of Public Works

Approved for Submission:

N. Polsinelli, Interim Chief Administrative Officer

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APPENDICES

Appendix I: Map of Provincially Significant Employment Zones in Peel

Appendix II: List of Region of Peel Submissions to the Province

Appendix III: Map of PSEZ Lands Outside of the 2031 Settlement Boundary

Appendix IV: Settlement Area Boundary Expansion Study Briefing Memo, Draft Criteria, and Draft Focused Study Area Map

For further information regarding this report, please contact Adrian Smith, RPP, Acting Chief Planner & Director, Regional Planning and Growth Management, Extension 4047, Adrian.smith@peelregion.ca.

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