

To:	Warden Milne and Members of Grey County Council
Committee Date:	May 11, 2023
Subject / Report No:	2023 Draft Provincial Policy Statement / PDR-CW-21-23
Title:	County Comments on the 2023 Draft Provincial Policy Statement
Prepared by:	County Planning Staff
Reviewed by:	Randy Scherzer
Lower Tier(s) Affected:	All Municipalities in Grey County
Status:	Recommendation adopted by Committee as presented per Resolution CW75-23; Endorsed by County Council June 8, 2023, per Resolution CC38-23.

Recommendation

1. That report PDR-CW-21-23 be received, regarding the proposed update to the Provincial Policy Statement 2023; and
2. That reports PDR-CW-21-23, PDR-PEDAC-19-23, and PDR-AAC-20-23 be forwarded on to the province as the County of Grey's comments on the 'Review of proposed policies adapted from A Place to Grow and Provincial Policy Statement to form a new provincial planning policy instrument' posted on the Environmental Registry through posting #019-6813; and
3. That should the revised natural heritage policies be released with a limited commenting timeline, with no ability to prepare a further report for County Council, that staff be directed to submit comments directly to the province on those updated policies; and
4. That staff be authorized to proceed prior to County Council approval as per Section 26.6(b) of Procedural By-law 5134-22.

Executive Summary

The province recently introduced Bill 97, the *Helping Homebuyers, Protecting Tenants Act*. Bill 97 proposes updates to the *Planning Act*, in addition to several other pieces of provincial legislation.

The province also recently released a new draft Provincial Policy Statement (PPS) 2023 for review and comment via the Environmental Registry of Ontario (ERO). The new draft PPS follows the province's 2022 consultations where the government proposed to integrate the PPS with the *'A Place to Grow: Growth Plan for the Greater Golden Horseshoe'* into a new province-wide

policy instrument. The stated intent of the review is to determine the best approach that would enable municipalities to accelerate the development of housing and increase housing supply (including rural housing), through a more streamlined province-wide planning policy framework.

Within Reports PDR-PEDAC-19-23 and PDR-AAC-20-23, County Staff offer a summary of the proposed legislative and policy changes with some commentary on the proposed changes that could impact the County in both positive and negative ways. Staff recommend that all three reports (PDR-PEDAC-19-23, PDR-AAC-20-23 and PDR-CW-21-23) be shared with the province, as the County's comments on the draft PPS.

Background and Discussion

On April 6, 2023, the province introduced Bill 97, the *Helping Homebuyers, Protecting Tenants Act*. Bill 97 proposes changes to several pieces of legislation, including the *Planning Act* and the *Development Charges Act*. Bill 97 builds off other recent changes to the *Planning Act*, including changes in 2022 through Bills 109 and 23. The County provided comments on both Bills 109 and 23, and links to those previous staff reports have been included in the Attachments section of this Report.

In late 2022, the province announced a review of the Provincial Policy Statement (PPS) 2020 and 'A Place to Grow: Growth Plan for the Greater Golden Horseshoe' (hereafter referred to as the Growth Plan), with the goal of consolidating the two documents. The entire province is covered by the PPS, but Grey County is not covered by the current Growth Plan. In this 2022 consultation, there were no draft policy updates shared, but a series of discussion questions for stakeholders to consider, with a stated goal of accelerating the development of housing and increasing housing supply. The County submitted comments to the province on this consultation through staff report PDR-CW-01-23, which has been linked to in the Attachments section of this Report.

On April 6, 2023, the province released a new draft 2023 PPS, which is a combined PPS and Growth Plan. Through the Environmental Registry of Ontario, the Province is seeking comments on this new draft PPS by June 5, 2023.

It is noteworthy that although the province has released a new draft PPS 2023, this draft document does not include updated natural heritage policies. The province has noted that these policies are to follow at a later date. At the time of drafting this report, these policies had not yet been released and nor were staff aware of the timeline for releasing such policies. It is difficult to understand the full scope of the new PPS, with such a major component of the PPS still outstanding.

A summary of some of the planning elements of Bill 97 and the draft Provincial Policy Statement was included in Report PDR-PEDAC-19-23, which was presented to the Planning and Economic Development Advisory Committee (PEDAC) on May 4th, 2023. A parallel report, Report PDR-AAC-20-23, specific to the agricultural impacts, was presented to the Agricultural Advisory Committee (AAC) on May 4th, 2023. Both reports have been linked to in the Attachments section of this Report, and the staff recommendations were supported by the respective committees.

County staff also met with local municipal planners on April 27, 2023, to get municipal feedback on the proposed changes.

Both Reports PDR-PEDAC-19-23 and PDR-AAC-20-23 were supportive of some changes, but raised concerns with other policy directions in draft 2023 PPS. Rather than repeat what is already contained in those two reports, this Report will focus on the feedback received from the PEDAC, AAC, and municipal staff.

Agricultural Advisory Committee (AAC) Comments

Report PDR-AAC-20-23 was presented to the AAC on May 4, 2023. The Committee supported the staff recommendation, and below is a summary of some of the comments raised by AAC members.

- A 'one size fits all' approach does not work for the province,
- There will be diverging opinions between some farmers and farm organizations on this topic,
- In addition to the concerns raised by staff, other potential concerns or questions include the following:
 - Conflicts and safety issues on rural roads as non-farm traffic increases and farm equipment gets larger,
 - Farmers may choose to sever portions of their property which may not be quality farmland, but may include sensitive environmental features, which could lead to greater environmental impacts,
 - Is there the ability to include large cash-in-lieu of parkland fees, which would serve as a disincentive to severing,
 - Are there impacts on nutrient management planning, or the environmental farm plan programs,
 - Issues regarding the future spreading of biosolids,
- The cost of farmland and farm equipment is very high, and there are significant obstacles for young farmers to get into farming, including the cost of borrowing and the need for significant off-farm income,
- There are a significant number of farmers retiring in the next 10 years, and in many cases the farms are not staying in the family, as younger generations are choosing other occupations,
- Clarification around the number of vacant residential lots that already exist across the countryside,
- What are the options for smaller farm lot creation to support innovative or niche farmers,
- Should there be some flexibility for lot creation on lands which aren't productive or suitable for farming, while still protecting those lands that are quality farmland,
- Is there a possibility to allow some lot creation, but not to the levels of what the province is requiring municipalities to permit,
- Rural Ontario needs to continue to grow, and having more people supports schools, arenas, and other community services,
- The County's current Agricultural designation mapping is not perfect, and in some cases the lands may be incorrectly designated (i.e., some current Agricultural lands could be Rural lands),
- If the Agricultural policies are this permissive, what does that mean for the Rural policies,
- What is the impact of adding all these wells and septic systems, where will all the septage be treated, and who will pump all these septic systems,

- Farmers who currently rent farmhouses to tenants experience issues, and don't want to be landlords,
- What is the problem these policies are trying to solve, is there currently a problem, or would this create a problem,
- Mixed opinions on land use compatibility, some reported having no issues with non-farm neighbours, while others reported issues,
- This has the potential to remove thousands of hectares from agricultural production,
- Instead of creating houses across the countryside, would it not be more efficient to develop within the settlement areas, or even look at expansions to some settlement areas. Staff estimated that it would require 93% more land to house people across the countryside, versus housing people in our settlement areas.

Planning and Economic Development Advisory Committee (PEDAC) Comments

Report PDR-PEDAC-19-23 was presented to the PEDAC on May 4, 2023. The Committee supported the staff recommendation, and below is a summary of some of the comments raised by PEDAC members.

- Concerns regarding the removal of the 'affordable' definition, which is linked back to income levels versus the housing market,
- Is a definition for 'attainable' needed in the PPS,
- When will the natural heritage policies come,
- Could there be more municipal autonomy on the agricultural lot creation, such that municipalities could choose to be more restrictive than the PPS, and
- What are the impacts of allowing this agricultural lot creation on growth projections, allocations, and infrastructure.

Local Municipal Staff Comments

County staff met with municipal planning and development staff on April 27, 2023. At the meeting, we had staff from eight of the nine member municipalities, and County staff summarized reports PDR-PEDAC-19-23 and PDR-AAC-20-23. Municipal staff generally concurred with the comments in the reports and shared some further comments as follows:

- The amount of lot creation permitted in Agricultural and Rural designations may:
 - Undermine municipal intensification efforts,
 - Have impacts on climate change and greenhouse gas reduction targets, given the car travel associated with living outside of settlement areas, and the inability to provide transit to those areas,
 - Be a drain on municipal and agency services, service delivery (e.g., garbage collection, plowing, school bus pick-ups, etc.), and tax revenues,
 - Impact growth forecasts and the ability to direct most growth to settlement areas,
 - Not result in the creation of affordable or attainable housing units which are desperately needed in the community,
 - Create staffing challenges to process all the new applications,

- Have negative impacts on farm value and create barriers to young farmers,
- Impact groundwater supplies,
- Result in more land use conflicts between farm and non-farm neighbours, many of which can create impacts on municipal staff who are ‘on the front line’ of receiving these complaints,
- Create confusion over what restrictions or guidelines can be placed on such development locally,
- Result in more land speculation around the fringe of settlement areas,
- Create confusion over what the future Rural policies may be, given the permissiveness of the Agricultural policies,
- The messaging around the new PPS, including the deletion of the definition of ‘affordable’, has not been transparent and may not serve the goal of seeing more affordable housing created,
- The impacts of longer planning horizons had mixed opinions, i.e., some appreciated being able to plan for a longer timeframe and were already informally doing so, while others thought this could lead to some difficulties,
- Removal of some of the intensification and infill policies is concerning,
- Some of the changes may result in less provincial guidance and more regional differences in interpreting provincial policy,
- Mixed opinions on the employment lands changes,
- The lack of draft natural heritage policies makes it difficult to determine the full scope of the PPS changes,
- The servicing and stormwater management policies appear to be ‘a step backwards’ rather than being forward-thinking and optimizing the use of municipal services.

Legal and Legislated Requirements

None with this Report.

Financial and Resource Implications

At this stage, the financial impact of proposed policy and legislative changes is not known. Staff will continue to monitor the PPS review as well as Bill 97, and will keep County Council up to date on the status and impact. An update to the PPS could trigger future updates to the County Official Plan and member municipal official plans. These updates could also create more inefficient land development that may have broader tax levy implications.

Relevant Consultation

Internal: Agricultural Advisory Committee, Planning and Economic Development Advisory Committee, Planning, CAO/Deputy CAO, Legal Services, Community Services

External: Member municipalities within Grey County and other municipalities / counties outside of Grey, and Dr. Wayne Caldwell.

Appendices and Attachments

[PDR-AAC-20-23 County comments on the Draft Provincial Policy Statement 2023](#)

[PDR-PEDAC-19-23 County comments on Bill 97 and Draft Provincial Policy Statement](#)

[ERO Posting 019-6813](#)

[ERO Posting 019-6821](#)

[Proposed Provincial Policy Statement, 2023](#)

[PDR-CW-01-23 Comments on Review of Growth Plan and PPS](#)

[PDR-CW-37-22 Bill 23 More Homes Built Faster Act](#)

[PDR-AF-17-22 Bill 109 More Homes for Everyone Act](#)

[Provincial Policy Statement, 2020](#)