

To: Warden and Members of County Council

From: Director of Community Planning

# Review of A Place to Grow and Provincial Policy Statement – Supplementary Report # 2

## RECOMMENDATIONS

- 1. That the Director of Community Planning, in consultation with other County staff and stakeholders as required, prepare and submit additional comments to the Provincial consultations on the updated Review of the Provincial Policy Statement, as generally outlined in Report No. CP 2023-194;
- 2. And further, that Report No. CP 2023-194 be circulated to the Area Municipalities for information.

## **REPORT HIGHLIGHTS**

- The Province has released an updated draft of the 'Provincial Planning Statement' (Proposed PPS) on June 16, 2023, which is intended to replace the current Provincial Policy Statement (PPS, 2020) and 'A Place to Grow'– Growth Plan for the Greater Golden horseshoe (APTG).
- This report includes an update on the revised draft of the PPS, which now includes natural heritage policies, and also provides updates regarding ongoing consultations being led by the Province through the Environmental Registry of Ontario posting 019-6813. The proposed changes to the updated draft PPS policies currently appear to be limited to the inclusion of updated natural heritage policies that remain almost identical to those in the current PPS.

### **Implementation Points**

The recommendations contained in this report will have no immediate impacts with respect to implementation. However, the uncertainty resulting from some of the proposed legislative and policy changes could potentially complicate and/or delay local implementation of various environmental planning objectives.

### **Financial Impact**

If enacted, a number of the proposed provincial policy and regulatory changes identified in this and previous reports could have significant financial impacts for the County and Area Municipalities, including the potential need for additional background and technical studies, staffing and other resources to address and/or implement the various changes.



### Communications

Communication is proposed through the inclusion of this report on the County Council agenda and related communications and circulation to the area municipalities.

### Strategic Plan (2020-2022)

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## DISCUSSION

## Background

On April 6, 2023, the Province released legislative and policy changes, including a proposed new draft Provincial Planning Statement document, as part of an ongoing series of changes initiated to implement their annual Housing Supply Action Plans. The proposed draft of the 'Provincial Planning Statement' is intended to replace the current Provincial Policy Statement (PPS, 2020) and 'A Place to Grow' – Growth Plan for the Greater Golden horseshoe (APTG). The Province is inviting detailed comments through the environmental registry for a 66 day commenting period that originally was to end on June 5, 2023, but has since been extended to August 4, 2023.

#### Commentary

Since the last planning staff report on the proposed PPS changes (CP 2023-144) was presented to County Council there have been a number of updates to the proposed PPS posting and consultation process, including an extension of the consultation deadline, a response to the agricultural sector regarding concerns over proposed lot creation policies, and the release of the proposed updates to the natural heritage policies (which were omitted from the previous draft of the PPS).

This report provides a brief discussion on each of these updates as follows:

#### Extension of PPS commenting deadline

On May 29, 2023 the Province announced the extension of the commenting window on the PPS posting (019-6813) through until August 4, 2023. The Province has indicated that 'the extension will provide the public an enhanced opportunity to comment on the proposals', although it is unclear to staff whether there will be additional opportunities over the summer to provide feedback beyond providing ERO submissions.

Staff have submitted preliminary comments based on the previous PPS report (CP 2023-144), and have indicated to the Province that further comments may be submitted prior to the August 4<sup>th</sup> deadline based on County Council direction and any further discussions or consultations the Province may undertake over the summer.

#### **Response to Agricultural Sector – PPS and Agricultural Lot Creation Concerns**

The Province also issued a letter to a number of agricultural and commodity groups across the Province indicating that they would be rethinking the proposed policy changes with respect to lot creation in agricultural areas (i.e. requiring municipalities to allow up to 3 residential lots to be severed from a farm) and that the government would "continue working with the agricultural sector to look at alternatives that would assist farm families in succession planning, but do not involve additional severances". It is the understanding of staff, based on Provincial remarks to date, that the lot creation policies will likely remain similar to those in the 2020 PPS (permitting surplus farm dwelling severances only), and that further discussions with the agricultural sector are likely to focus on additional residential unit (ARU) policies for rural areas (Note: Oxford has already proactively implemented such policies and has offered to assist the Province in crafting effective ARU policies for rural areas).

#### **PPS Natural Heritage Policies**

Natural heritage policies and associated definitions were added to the proposed Provincial Planning Statement on June 16, 2023 and represent the only updates/changes to the current draft document. The proposed policies would continue to require municipalities in central and southern Ontario to identify natural heritage systems and protect natural heritage features and areas as per the existing policies in the Provincial Policy Statement, 2020.

The only substantive change is a proposed update to the definition of "significant" as it relates to wetlands, coastal wetlands, areas of natural and scientific interest and woodlands to remove/replace the reference to the "Ontario Ministry of Natural Resources and Forestry" with the "province".

The impact of this proposed definition change as it relates to wetlands is to remove the Province from being referenced as the approval authority for wetland evaluations for the purposes of establishing 'provincially significant wetlands'. This reflects changes made to the Ontario Wetland Evaluation System (OWES), which were proposed concurrently with Bill 23 last fall and finalized at the end of 2022. The changes to OWES significantly weaken protections for wetlands across the Province, as they now allow wetlands to be re-evaluated, have removed ecosystem scale considerations by eliminating complexing requirements and no longer have any oversight to ensure consistency or accuracy regarding wetland delineation or evaluation.

In addition, and given the lack of any other substantive changes to the natural heritage policies, it is also unclear how and/or whether the government is still going to implement the offset policy that was previously proposed through the ERO posting and consultation from late 2022. It would be beneficial if the Province could provide an update to municipalities in this regard, particularly given the County's concerns regarding offsetting, and as discussed in CP 2022-413.

Given the proposed changes to wetland protections in the draft PPS and through previous updates to OWES, it will be important to have a fulsome and informed discussion regarding wetland protection in the County as part of the upcoming updates to the Official Plan's environmental policies.

#### Official Plan Update – Environmental policies

Given the breadth of the changes proposed along with Bill 23 last fall and the current review of the PPS, advancement of the proposed updates to the County's environmental policies was delayed by staff in order to get a better sense of the breadth and type of environmental policy changes being proposed by the Province and how they may impact any proposed Official Plan amendments.

With a final updated PPS still anticipated to be released by year end, and current understanding of the extent of proposed changes to the PPS environmental policies (which appear to be relatively limited), staff are proposing to move ahead with consultation on proposed environmental policy directions. This is intended to be initiated through the release of a policy paper later this fall. Additional opportunities for input on mapping and draft policies (building from the feedback received on the policy directions) will then follow into 2024, assuming the updated PPS policies have been final approved by that time.

#### Conclusion

Overall, the proposed changes to the PPS, 2020 could potentially have a significant impact on land use, infrastructure and environmental planning across the province. The analysis of the proposed changes to the PPS natural heritage policies, as outlined in this report, is intended to form the basis for a brief supplementary response to the Province on those particular changes.

Staff will also ensure that County Council is kept apprised of any further discussions or consultations with the Province and will continue to monitor the progress of the policy and other changes being proposed, and advise County Council of any relevant changes and/or opportunities for comment on matters that may be of particular interest or concern to the County or Area Municipalities moving forward.

As indicated in previous reports, at such time as the proposed PPS updates are enacted by the Province, the County and Area Municipalities will need to undertake updates to various policies, documents, processes, standards and review related staffing and other resource impacts to ensure the changes can be effectively addressed and implemented in the Oxford context.

## SIGNATURES

#### **Report Author:**

<u>Original signed by</u> April Nix Development Planner – Policy Focus

#### **Report Author:**

Original signed by Paul Michiels Manager of Planning Policy Departmental Approval:

Original signed by Gordon K. Hough Director of Community Planning

#### Approved for submission:

Original signed by Benjamin R. Addley Chief Administrative Officer