

REPORT TO COUNTY COUNCIL

Bill 185 and Provincial Planning Statement

To: Warden and Members of County Council

From: Director of Community Planning

RECOMMENDATIONS

1. That the Director of Community Planning submit comments on behalf of the County in response to the Provincial consultations on Bill 185 (Cutting Red Tape to Build More Homes Act) and the updated Provincial Planning Statement, as generally outlined in Report CP 2024-147;
2. And further, that Report CP 2024-147 be circulated to the Area Municipalities for information.

REPORT HIGHLIGHTS

- On April 10, 2024 the Province released Bill 185 (the Cutting Red Tape to Build More Homes Act) which includes a number of legislative changes to the Planning Act and Development Charges Act, among others, as well as a revised 2024 draft 'Provincial Planning Statement'.
- The updated 2024 draft of the 'Provincial Planning Statement' makes further revisions in part based on feedback to comments on the 2023 draft. Once approved, this document 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 proposed changes being introduced through Bill 185 and the revised 'Provincial Planning Statement' are substantive and wide ranging. While some appear positive (e.g. the roll-back of a number of previous problematic legislative and policy changes), others are of considerable concern (e.g. settlement expansion appeal rights and justification requirements, proposed changes to agricultural policies etc.), or are in need of clarification and/or correction to avoid unintended gaps and other potential implementation challenges.

IMPLEMENTATION POINTS

The recommendations contained in this report will have no immediate impacts with respect to implementation. However, they introduce uncertainty that may delay implementation of various initiatives that are in progress to address housing supply and other important planning objectives in the County.

Further, if implemented as proposed, several of the proposed legislative, policy, and other changes will have significant implications for various ongoing County projects (i.e. secondary planning, infrastructure master plans, Official Plan updates, etc.), as well as the existing Official Plan policies and related implementation tools and measures. As such, if approved, various County and Area Municipal land use related policies, processes and standards will likely need to be comprehensively reviewed and updated to ensure consistency with the new Provincial direction.

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. The report will also be shared with a number of municipal and agricultural organizations (e.g. AMO, WOWC, OFA) to assist with coordinated advocacy, where requested.

2023-2026 STRATEGIC PLAN

Oxford County Council approved the 2023-2026 Strategic Plan on September 13, 2023. The Plan outlines 39 goals across three strategic pillars that advance Council's vision of "Working together for a healthy, vibrant, and sustainable future." These pillars are: (1) *Promoting community vitality*, (2) *Enhancing environmental sustainability*, and (3) *Fostering progressive government*.

The recommendations in this report supports the following strategic goals.

Strategic Plan Pillars and Goals

PILLAR 1	PILLAR 2	PILLAR 3
		
Promoting community vitality	Enhancing environmental sustainability	Fostering progressive government
<p>Goal 1.2 – Sustainable infrastructure and development</p> <p>Goal 1.3 – Community health, safety and well-being</p> <p>Goal 1.4 – Connected people and places</p>	<p>Goal 2.1 – Climate change mitigation and adaptation</p> <p>Goal 2.2 – Preserve and enhance our natural environment</p>	<p>Goal 3.2 – Collaborate with our partners and communities</p> <p>Goal 3.4 – Financial sustainability</p> <p>Goal 3.5 – Advocate for Oxford County</p>

See: [Oxford County 2023-2026 Strategic Plan](#)

DISCUSSION

Background

In April of 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. Staff submitted comments to the Province on the related ERO posting as discussed in Reports [CP 2023-126](#), [CP 2023-144](#), [CP 2023-194](#).

In April of 2024, the Province released Bill 185 and a revised draft Provincial Planning Statement which was discussed in an initial staff report [CP 2024-133](#) that was presented to Council on April 24, 2024. The focus of that report was to highlight the extremely short consultation period, proposed changes to Development Charges and municipal financial incentives, and key matters of concern identified through initial staff review of Bill 185 and the proposed draft Provincial Planning Statement. This follow up report provides a more fulsome overview of the other legislative and policy changes that staff were not able to review and assess in time for the initial report.

Comments

Bill 185 (Cutting Red Tape to Build More Homes Act)

Bill 185 contains a variety of changes to multiple pieces of legislation, many of which are focused on housing and planning related matters, which are discussed further below. For consultation purposes, the Province has split the content in Bill 185 into multiple postings to the Environmental

Registry of Ontario (ERO), so staff have generally attempted to connect the discussion below to the most relevant of the ERO postings. That said, there is considerable overlap between many of the ERO postings.

An overview of the proposed Bill 185 changes related to the Development Charges Act (ERO 019-8371) and incentive provisions in the Municipal Act (24-MMAH009) and changes to the Planning Act to allow appeals of privately initiated settlement expansions were addressed in the previous staff report CP 2024-133. The key proposed legislative changes not addressed in that previous staff report are outlined below.

It is noted that many of these proposed changes would be implemented through proposed future regulations. As such, one overarching comment that needs to be relayed to the Province is that further detail on the intent and purpose of these proposed changes is required for municipalities to be able to properly assess impacts and provide meaningful feedback and that there needs to be a commitment to further meaningful engagement with municipalities on any proposed draft implementing regulations, once they are available.

a) Further Changes to Additional Residential Units (ERO 019-8366 and ERO 019-8369)

Proposed changes to the Planning Act would continue to allow for the Minister to establish requirements and standards (through regulation) with respect to any ARUs in a detached house, semi-detached house or rowhouse, or in a building or structure ancillary to such a house and is now proposed to include 'a parcel of land where such residential units are located' and 'a building or structure within which such residential units are located'.

If passed, this change would broaden the Minister's ability to regulate not only any additional residential unit, but also the land on which such ARUs are located and the primary building or structure within which such ARUs are located. Further, there are other proposed Planning Act changes that would permit the Minister to make regulations to prescribe that ARUs and other residential dwelling forms, or certain aspects of the regulation of ARUs and other residential dwelling forms, would not be subject to certain planning requirements (i.e. zoning, site plan control, or a community planning permit system).

The Province is currently requesting input to better understand zoning by-law requirements and/or standards that are a 'barrier' to the development of ARUs. The results of this consultation may inform subsequent Provincial regulations to limit the application of municipal zoning by-laws to ARUs and the associated lot and primary dwelling.

In Oxford, significant effort has gone into the development of appropriate zoning approaches that would permit ARUs as broadly as possible, while still recognizing that certain by-law provisions are necessary to address availability of municipal services (i.e. water and wastewater), compatibility with existing development and other considerations. Certain matters that some may see as 'barriers', are often justified to ensure the proper function of the site and municipal infrastructure and protect public health and safety.

It is recognized that there may be zoning requirements that have been implemented by some municipalities that unduly restrict the establishment of such units. However, in trying to address those concerns, the Province should ensure it does not restrict municipalities from developing reasonable local zoning standards for ARUs for their particular local contexts (i.e. community size, level of servicing, transit availability etc.). There are also many other factors that have a limiting affect on the creation of ARUs (e.g. lack of owner interest, construction and servicing costs,

financing, landlord/tenant legislation, impacts on property taxes/capital gains etc.) that are likely as, or more, important to address if more such units are desired in the shorter term.

b) Municipal Planning Data Reporting (ERO 019-8368)

On April 6, 2023, Ontario Regulation 73/23: Municipal Planning Data Reporting, came into effect, which required 29 municipalities in Ontario (none in Oxford) to report information on planning matters to the Ministry on a quarterly and annual basis. The Province is now proposing changes to this regulation to expand the list of municipalities (i.e. to include the City of Woodstock) and add new/additional data that is to be reported.

If enacted, this proposed change would require the City to report to the Province on the applicable data on a quarterly basis. As the data required to meet these new Provincial reporting requirements is already being captured and maintained by the Community Planning Office, planning staff would be pleased to assist the City in that regard.

c) Newspaper Notice Requirements (ERO 019-8370)

The Province is proposing to update the newspaper notification requirements under the various Planning Act regulations, recognizing that there have been challenges with requiring notice by newspaper as more community papers have ceased print publication. As such, proposed regulatory changes would allow municipalities to provide notice on a municipal website, if there is no local print newspaper available.

Staff have recently found inconsistent distribution, readership, and availability of newspapers to be a challenge in many areas of Oxford. Further, lack of coordination and follow through from some newspapers has recently resulted in delays in applications and proposals moving forward in some cases (e.g. ads not being included on the requested dates). As such, staff would suggest that the current newspaper notice requirements be revised to permit municipalities to rely primarily on website notice, in combination with other locally determined measures, as set out in the Official Plan (i.e. through a public consultation policy). Newspapers could still be one of the various notice measures established by such policies, where applicable and effective. Further, notice of site specific planning applications would generally be expected to continue to be through posting of a sign on the subject property and mail notification to properties within a prescribed radius (e.g. 60 or 120 m), as permitted by the current regulations.

d) Other Planning Act and Municipal Act Changes (ERO 019-8369 and ERO 019-8370)

Parking

Proposed changes would limit the ability of municipalities to have/establish parking minimums. Although the primary focus seems to be on Major Transit Station Areas (MTSAs) and areas surrounding higher-order transit, where minimum densities are prescribed, such limitations could also be applied in 'other prescribed areas' (i.e. would be set out through regulation).

While limitations for parking minimums for MTSAs and higher order transit areas would not directly impact municipalities in Oxford, the expansion of these limitations to "other prescribed areas" (i.e. through future regulation) will need to be closely monitored, as that could have a significant impact on Area Municipal parking requirements (i.e. set out in zoning) and related concerns.

Community Infrastructure and Housing Accelerator (CIHA)

The Community Infrastructure and Housing Accelerator (CIHA) was established by the Province in 2022 as an alternative tool/process to Minister's Zoning Orders (MZO). The CIHA and MZO allowed the Province to consider requests to supersede municipal planning requirements, including changes (added through Bill 23) that provided greater latitude to overlook matters of provincial interests and consistency with the PPS.

The Province is now proposing to repeal the CIHA process to “avoid unnecessary duplication and provide for a revised and transparent process for requesting and issuing minister's zoning orders”, including providing updated guidance/requirements for MZO requests (e.g. must demonstrate why the normal municipal process cannot be used and provide additional information on Indigenous engagement and public consultation etc.)

In Oxford, the MZO process has been effectively utilized in the past, but only in very specific and limited circumstances. As such, staff are generally in support of reverting back to a singular MZO process in its previous more scoped form, including the provision of greater clarity on limitations and provincial expectations/requirements for an MZO request.

New Lapsing and Servicing Capacity Allocation Tools

Proposed changes to the Planning Act include a new “use it or lose it” tool for municipalities which is intended to encourage approved development with servicing capacity allocation (i.e. water and sewage servicing) to proceed in a timely manner, and address instances where stalled development is tying up limited municipal servicing capacity allocation that would be better reallocated to other developments that are ready to move forward.

The proposed framework would expand the scope of development lapsing provisions, including:

- Requiring approval authorities to impose lapsing conditions on all draft plan of subdivision/condominium approvals (currently optional) under the Planning Act and automatically being imposed on older subdivision approvals (i.e. March 27, 1995);
- Allowing lapsing requirements to be applied to site plan approvals and retroactively applied to previous applications (i.e. subdivision/condo and site plan), subject to notice to the owner; and
- Allowing the Province to create regulations regarding the setting of timelines for lapsing provisions and to establish exemptions from lapsing provisions.

As lapsing provisions have been a standard requirement of draft plan of subdivision/condominium approvals in Oxford for many years, these new authorities are not expected to have a significant impact on that process. However, the new ability for municipalities to apply lapsing requirements to site plans could be of considerable benefit for ensuring timely development and effectively managing servicing capacity (e.g. for larger developments, particularly on smaller systems).

In addition to the Planning Act changes, Bill 185 is proposing to create new authorities under the Municipal Act to explicitly authorize municipalities to adopt policies, by by-law, to provide for the allocation of water supply and sewage capacity, which may include:

- A system for tracking the water supply and servicing capacity; and
- The criteria used to determine the circumstances for when water supply and sewage capacity is allocated to approved development, when such allocation is withdrawn, and when allocation can be re-allocated.

The County and Area Municipalities already track and manage the allocation of servicing capacity to the extent possible utilizing existing municipal and planning authorities and tools (e.g. approving development in phases in accordance with the County's Servicing Allocation Protocol, including the use of phasing conditions, holding zone provisions, and agreement requirements etc.). That said, the additional tools and clarity being proposed through Bill 185 to allow municipalities to impose lapsing provisions and manage servicing capacity should serve to further compliment and support the existing best practices already being employed by the County in that regard. As such, these proposed changes are generally supported by staff, but may benefit from some further clarification.

Third party appeals

The Province is proposing changes to limit third-party appeals for official plans, official plan amendments, zoning by-laws, and zoning by-law amendments. As third party appeals on minor variances, plans of subdivision and consent applications had previously been eliminated through Bill 23, this would essentially mean all third part appeals of planning applications would now be eliminated.

The appeal rights proposed to be removed include third-party landowners, ratepayers, and other members of the public that are not the applicant, the Minister, an approval authority, a public body, or a 'specified person'. Specified persons, includes applicants, public bodies, Indigenous communities, and utilities providers.

Although the proposed limitations on third party appeals could potentially reduce uncertainty and potential delays in getting important new housing developments approved in some cases (i.e. by eliminating frivolous and/or vexatious appeals and those simply based on NIMBYism), it would also eliminate the opportunity for legitimate third-party challenges to poor planning decisions. While increasing housing supply is the stated focus of the Bill 185 changes, it is noted that this proposed change would eliminate third party appeals for all types of planning applications (i.e. commercial and industrial uses, aggregates etc.), not just those for new housing.

Fee refunds

The Province is repealing previous changes to the Planning Act (i.e. through Bill 109 in 2022) that required municipalities to issue refunds for fees related to planning applications if specified timelines were not met for decisions on zoning by-law amendment and site plan control applications. As was cautioned by municipalities at the time, the Province has now recognized that these changes did not expedite development approvals as intended and, in some cases, resulted in further complexity and delays.

Although meeting the specific timelines was not generally an issue in Oxford, staff still support the repeal of these mandatory refund requirements for the above noted reasons.

Pre-application process

The Province is proposing to remove the ability for municipalities to require 'mandatory' pre-application consultation and instead make the process voluntary (i.e. at the discretion of the applicant). That said, the 'complete application' requirements and the ability of an applicant to

appeal the municipality's determination that an application is 'incomplete' would remain, but the current time-limited window (i.e. 30 days from notice) for such appeals is to be eliminated.

It is unclear how these changes would speed up or otherwise improve the application review process and are more likely to have the opposite effect. Although complete application requirements have not been a particularly contentious issue in Oxford, this change is of considerable concern to many other municipalities. As such, staff are recommending that Oxford also request that the Province not proceed with this particular change.

Standardized Housing Designs

Bill 185 proposes to add a new section to the Planning Act, which would authorize the Province to make regulations for the non-application of any provision of Part V of the Planning Act (i.e. zoning by-laws, minor variances, site plan control, community benefits charge, parkland conveyance) or a regulation under section 70.2 of the Planning Act (i.e. community planning permit system).

The Province has indicated that the intent of this proposal is to develop and establish criteria (i.e. through regulation) to streamline planning approvals for 'standardized housing', which may include principal units (detached, semi detached and townhouses) as well as ARUs. The ERO posting provides examples of how this proposed exemption may apply and suggests it will be limited to settlements within full municipal servicing and proposals that meet other zoning type criteria (e.g. on a lot of minimum size).

Staff believe this is likely the start of an approach to align with and support the development of the federal housing design catalogue and support modular home construction in Ontario. While staff generally support measures to facilitate a broad range of housing options, including modular and/or standardized designs, that should not necessitate exempting such units from local planning requirements, particularly if such requirements can be easily and reasonably met. Providing such exemptions without full and proper consideration of the various planning and other considerations could have a range of potential unintended, negative consequences. That said, without the any proposed draft regulations or other details being available, it is difficult to evaluate the potential implications of such an approach or provide useful feedback.

Exemptions for Post-Secondary Institutions and Community Service Facilities

Proposed new sections of the Planning Act would exempt publicly assisted universities, and colleges and universities federated or affiliated with a publicly assisted university, from the provisions of the Planning Act and permit the establishment of regulations to exempt classes of community service facilities from (or restrict or limit the application of) any provision of the Planning Act.

The proposed Planning Act section pertaining to planning exemptions for universities and colleges does not currently appear to have any proposed regulations, although it would allow for the passing a regulation to further limit which institutions and types of undertakings are exempt. That said, these exemptions would not currently appear to be restricted to only the development of student housing, as suggested in the ERO posting. Further, it is unclear whether this exemption would apply to any lands owned by such an institution (i.e. beyond the main campus).

Similarly, the proposed new regulation-making power to provide a new expedited approval process (i.e. planning exemption) for certain community service facilities is also difficult to assess and comment on without further details (i.e. draft regulation). The community facilities currently being contemplated for exemption are schools (defined under the *Education Act*), hospitals (defined under the *Public Hospitals Act*), and long-term care homes (defined under the *Fixing Long-Term Care Act, 2021*).

Such institutional uses can have significant impacts on the broader community (e.g. traffic, parking, site design, etc.) and municipal services and infrastructure (e.g. emergency services, roads, water and wastewater etc.) and generally already planned for and permitted through the typical land use planning framework/designations and approved, where appropriate. As such, staff do not see the need or benefit of exempting such facilities from the municipal planning approval process, particularly given the considerable potential for off-site impacts. A better alternative would be to simply encourage improved coordination and streamlining of the municipal approval processes for such uses to the extent possible and the establishment of appropriate enabling land use designations and zoning that provide flexibility and opportunity for the reasonable future expansion of such uses on approved sites through an expedited process (i.e. site plan).

As such, these proposed changes should be identified as being of particular concern and request that, at a minimum, municipalities be provided further detail on these proposed changes and given an opportunity to review and comment on any proposed draft regulations before they are further considered by the Province.

Proposed Provincial Planning Statement

a) General Comments

The Province's stated outcome of the current PPS review is to determine the best approach to enable municipalities to accelerate the development of housing and increase housing supply, including rural housing, through a more streamlined, province-wide land use planning policy framework.

The 2024 draft of the 'Provincial Planning Statement' proposes various changes and revisions to the previously released 2023 draft PPS document to, in part, address various feedback and concerns expressed by various stakeholders. This new 'Provincial Planning Statement' is intended to replace the current PPS 2020 and various provincial growth plans (e.g. A Place to Grow, the growth plan for the GGH) once enacted.

The current PPS 2020 policies have had the benefit of being informed and improved by years of municipal input, practical application and experience, and OMB/OLT and legal decisions. As such, these current policies are, for the most part, concise, responsive, effective, and generally enable and support the achievement of local planning and community objectives in Oxford. As such, the proposed new 'Provincial Planning Statement' will require close review and scrutiny to ensure it will continue to provide the provincial policy direction necessary to support, and wherever possible improve, effective land use planning in Oxford.

b) Housing Policies

The Province is proposing to update the overall policy framework and direction that applies to planning for a range and mix of housing options, including changes to key terminology and related requirements. Generally, the Province is directing municipalities to permit and facilitate all housing options to address current and future housing needs, including those that may arise from demographic changes and employment opportunities; and all types of residential intensification, including conversion of existing commercial and institutional buildings, development and introduction of new housing options within previously developed areas, and redevelopment which results in a net increase in residential units.

While the renewed emphasis on intensification is generally supported, the softening and generalization of some of the current growth management and settlement area expansion policy direction (as discussed further below) seems to contradict and/or undermine some of this direction and could make it more difficult for municipalities to achieve.

Definitions of ‘affordable’ and ‘low and moderate income households’

The existing definition of ‘affordable’ has been reinstated in the current draft. This and the definition of ‘low and moderate income households’ are largely the same as the definitions in the current 2020 PPS, with the exception of prescribing purchase prices and income thresholds for the ‘municipality’ rather than the ‘regional market area’. This change is a concern for Oxford County, as the County is the designated ‘Service Manager’ for housing services, as prescribed by the *Housing Services Act*, 2011, and the housing and homelessness plan has been developed using prescribed housing targets for the entire ‘regional market area’ (i.e. County), not for each individual area municipality (i.e. for all eight lower-tier municipalities). Further, CMHC only collects rental market data for the three urban areas, which means that there is a lack of available/accurate data regarding the rental market for the five rural municipalities, which would limit the accuracy of determining affordable rental rates for each municipality.

As such, County staff are recommending that the reference to ‘municipality’ in the proposed definitions of ‘affordable’ and ‘low and moderate income households’ and ‘regional market area’ in other related PPS policies (i.e., 2.2.1 a.) - Providing a mix of housing options) be revised to ensure consistency and reflect the designated ‘Service Manager’ under the *Housing Services Act*, 2011 and/or ‘regional market area’, as applicable.

Definition of ‘housing options’

The definition of ‘housing options’ is proposed to be expanded to include additional housing needs (long-term care homes, accessible housing, housing for persons with disabilities and older persons) and supportive, community and transitional housing, which more fulsomely captures the housing options on the left side of the housing continuum. However, even though ‘affordable housing’ is not included in the proposed definition of ‘housing options’, it is still referenced as a form of housing municipalities must plan for. As such, staff are recommending the term ‘affordable housing’ be included in the definition of ‘housing options’, so that term encompasses the full range of housing.

c) Policies for Settlement Areas and Expansions

In addition to the changes to the housing policies noted above, there are a number of other notable changes to the settlement policies in the PPS, which are generally summarized as follows:

- *Planning horizon* - the Province is proposing to change the standard growth planning horizon from a maximum of 25 years to a minimum of 20 years up to a maximum of 30 years. This particular change is very much supported by planning staff, as the increase to 30 years reflects previous requests to increase the maximum planning horizon to provide additional flexibility for municipalities to plan for logical settlement expansions and related infrastructure and public service facility needs, particularly in slower growing rural settlements.
- *Population forecasts* - The proposed policies now indicate that planning authorities shall base population and employment growth forecasts on Ministry of Finance 25-year projections and may modify projections as appropriate. Until such time as the referenced provincial guidance is issued in this regard, it is unclear to what extent municipalities would be able to modify the projections. That said, it is currently expected that the impacts of this proposed change will be fairly limited in Oxford.
- *Residential land supply* - The current requirements for municipalities to maintain a minimum 3 year supply of residential units with servicing capacity and 15 year supply of land 'designated and available' for residential development remain largely unchanged. The one noticeable exception is the removal of specific references to accommodating such units through 'intensification and redevelopment', which would appear to reduce the emphasis on promoting development within existing built-up areas, prior to settlement expansions.
- *Comprehensive review* – Proposed changes would eliminate the current requirement that a settlement expansion can only be considered through a 'comprehensive review'. This is a defined term in the PPS that sets out a range of specific planning matters that must be considered (i.e. growth forecasts and land need, alternative directions for growth, adequate of infrastructure and public services etc.) and also stipulates that such expansions must be undertaken and/or approved by a municipality (i.e. a privately initiated proposal would need to be supported by the municipality to be considered).

It is crucial that the PPS continue to provide clear justification requirements for settlement expansions to provide certainty and consistency in planning for growth, infrastructure and other public services (i.e. schools and other public facilities) and achieving complete communities. In that regard, it appears some matters that currently require consideration through the comprehensive review process, are now captured under the general settlement planning policies. Further, staff are pleased to see that the 2024 draft policies have reinstated more detail in the criteria for demonstrating that there is a need for additional lands to be added to a settlement area. That said, there are still a few existing PPS requirements for settlement expansion that staff feel should be restored and/or clarified in the current draft. In particular, restoring the requirement that a settlement expansion can only be initiated and/or approved by a municipality (i.e. no ability to appeal municipal refusal of a private application to expand a settlement) and changing the consideration of the settlement expansion criteria from the proposed 'shall consider' to 'shall demonstrate'.

- *Density Targets* - Planning authorities would now be encouraged, versus required, to 'establish and implement minimum targets for intensification and redevelopment within built-up areas' and to 'establish density targets'. It is staff's opinion that clear provincial direction regarding minimum residential density expectations needs to be provided for all municipalities in order to support and be consistent with the other Provincial policy objectives related to achieving complete communities, providing adequate housing supply, using land and infrastructure efficiently, and conserving agricultural land.
- *Complete Communities* - Specific policies pertaining to the defined term 'complete communities' are proposed, which state that planning authorities should support the achievement of complete communities by, among other matters, accommodating an appropriate range and mix of land uses, housing and transportation options, employment, public services and other uses to meet long-term needs. Although the inclusion of this new definition and related policies and considerations is generally supported, the fact that the policy test is only a 'should' support may significantly limit its benefit (i.e. if municipal approaches to achieving complete communities were to be challenged), application and degree to which it is consistently implemented through local policy. With the proposed removal of various PPS policies that previously addressed specific aspects of complete communities, it is important that the overall achievement of 'complete communities', as now defined, be a key planning focus and given appropriate weight in Provincial policy (i.e. a 'shall vs. 'should').
- *Changes to functional policy language* – The wording of a number of key growth management policies is proposed to change from 'shall' to 'should' (e.g. setting targets for and supporting intensification; supporting the achievement of complete communities through the provision of a range and mix of uses, housing and transportation options and services; consideration of various settlement expansion criteria etc.). Changing the wording to 'should' would have the effect of softening the extent to which these policy requirements would need to be considered in making land use planning decisions. This may lead to inconsistent implementation across municipalities, disputes over interpretation, and increased appeals to the Ontario Land Tribunal (OLT) with associated costs and delays.
- *Policies from A Place to Grow (APTG)* – The province is proposing to incorporate a number of new policy approaches and/or terms from APTG into the PPS, including: Strategic Growth Areas, Major Transit Station Areas, Higher Order Transit Corridors, Major Trip Generators, Frequent Transit Service, etc. It appears that the incorporation of these terms and associated policies is largely intended to capture the provincial direction from APTG that is deemed necessary to maintain once that plan is repealed (as is being proposed).

Most of these terms and policies, either explicitly or by virtue of the definitions, would apply exclusively to the 29 'large and fast growing municipalities (LFGM)' identified by the Province on Schedule 1 of the draft document, most of which are currently subject to the policies of APTG. That said, the replacement of some of the current, more general, settlement policies with these APTG policies would appear to create some potential policy gaps when it comes to planning for smaller urban communities and rural settlement areas.

- *'Strategic Growth Areas' (SGAs)* – the proposed definition of SGAs has been expanded from the 2023 draft to include the following (2024 additions/revisions are underlined): "within settlement areas, nodes, corridors, and other areas that have been identified by municipalities to be the focus for accommodating intensification and higher-density mixed uses in a more

compact built form. Strategic growth areas include major transit station areas, existing and emerging downtowns, lands adjacent to publicly assisted post-secondary institutions and other areas where growth or development will be focused, that may include infill, redevelopment (e.g. underutilized shopping malls and plazas), brownfield sites, the expansion or conversion of existing buildings, or greyfields. Lands along major roads, arterials, or other areas with existing or planned frequent transit service or higher order transit corridors may also be identified as strategic growth areas.”

The proposed policies for ‘strategic growth areas’ now encourage all Planning authorities to identify and focus growth and development in such areas. The stated intent for these areas is to support the achievement of complete communities, a range and mix of housing options, and intensification and mixed use development. Identification of a strategic growth area would allow a municipality to identify minimum density targets and type and scale of development and transition of built form to adjacent areas.

It appears that the intent of these ‘strategic growth areas’ is to replace the more general requirements for the establishment of intensification targets and related policies for settlement areas, as required by the current PPS. Given the considerable flexibility with respect to which areas of settlements could be identified as a ‘strategic growth area’ (i.e. downtowns, major nodes and corridors etc.), it appears that these new policies could potentially assist in achieving some of Oxford’s intensification objectives. However, to be effective, these policies would need to continue to be supported by requiring appropriate justification for settlement expansions and minimum densities for new development.

- *‘Major Transit Station Areas (MTSAs)’* - these areas are proposed to be defined as ‘the area including and around any existing or planned higher order transit station or stop within a settlement area; or the area including and around a major bus depot in an urban core. Major transit station areas are generally defined as the area within an approximate 500 to 800 metre radius of a transit station’.

As there are no transit services in the County that likely qualify as ‘higher order transit’, (i.e. subways, light rail transit or buses in dedicated rights-of way), the only area where such policies may potentially apply, would be the bus depot/hub in downtown Woodstock. That said, it is not clear to what extent identifying that area as an MTSA would provide any advantages over identifying it as a ‘strategic growth area’.

- *Deleted policies* – Several existing PPS policies that Oxford has relied on to support various local planning objectives in the past are proposed to be deleted. These include, but are not limited to: avoiding land use patterns that would prevent the efficient expansion of settlement areas, in those areas which are adjacent or close to settlement areas; maintaining and where possible enhancing the vitality and viability of downtowns and main streets; encouraging a sense of place by promoting a well designed, built form and cultural planning, and by conserving features that help to define character etc.

In summary, some streamlining of the current process and policy requirements for settlement expansions could be beneficial in providing greater flexibility for settlement expansion in certain specific circumstances. However, it appears the extent to which the province is proposing to simplify the process and related review requirements could potentially undermine many other important PPS objectives (e.g. achieving the density and mix of housing and other uses necessary to support complete communities, protecting prime agricultural land etc.), particularly if combined

with the proposed changes through Bill 185 to allow for appeal of a municipal refusal of a privately initiated settlement expansion application (as discussed in Report [CP 2024-133](#)).

Further, the proposed replacement of some of the current, more general, settlement policies with these APTG policies may create some potential policy gaps when it comes to planning for smaller urban communities and rural settlement areas. For instance, there may now be limited policies beyond those for 'strategic growth areas' and 'major transit station areas' that could be directly relied upon to require increased density and intensification within existing built-up areas.

If approved, it is anticipated that the various proposed changes to the PPS growth management policies will require careful and detailed consideration as part of reviewing and updating growth related official plan policies and zoning provisions in the future.

d) Rural Areas and Rural Lands

Some minor wording changes to the policies for 'rural areas' and 'rural lands' are being proposed, most of which appear to be an attempt to simplify and reduce duplication. In Oxford, all lands located outside of the Large Urban Centres are considered 'rural areas' from a PPS perspective. However, the County does not contain any 'rural lands', as all lands located outside of designated settlements are considered to be a 'prime agricultural area'.

The Province appears to have made a number of revisions from the 2023 draft policies to address various concerns expressed by stakeholders. For example, the policy stating that 'rural settlement areas shall be the focus for growth and development' has been reinstated and the previously proposed policies that would have allowed for 'multi-lot residential development' on certain 'rural lands' have been removed. The revisions to these policies are all considered positive and supported by planning staff.

e) Employment

The province is proposing several changes to the employment policies in the PPS, including an amended definition of 'employment area(s)' to reflect the current definition of 'area of employment' in the Planning Act.

The proposed policy changes for 'employment areas' would require planning authorities to designate, protect and plan for 'employment areas' in settlement areas by:

- prohibiting residential uses, commercial uses, public service facilities and other institutional uses, as well as retail, office and other sensitive land uses not associated with or ancillary to the primary employment use; and
- including appropriate transition to adjacent non-employment uses to ensure land use compatibility.

Further, Planning authorities may only remove lands from 'employment areas' if certain criteria (i.e. need, compatibility etc.) are met, but such removal would no longer require a 'comprehensive review' to be considered.

Other proposed new and/or updated employment policies include, but are not limited to:

- Encourage the intensification of employment uses and compact, mixed-use development to support the achievement of complete communities.
- On lands for employment outside of identified 'employment areas' a diverse mix of compatible land uses, including residential, employment, public service facilities and other institutional uses shall be permitted to support the development of complete communities.
- Encourage industrial, manufacturing and small-scale warehousing uses that could be located without adverse effects in 'strategic growth areas' and other mixed use areas where frequent transit service is available, outside of 'employment areas'.

Overall, the revised policies would appear to allow municipalities to identify 'employment areas' that would be focused on accommodating more intensive industrial type uses and provided greater protection from the development of 'incompatible' uses (i.e. residential, commercial, institutional, etc.). However, the policies would also appear to require municipalities to permit a more diverse mixture of uses, including residential and institutional, on lands for employment outside of identified 'employment areas', such as downtowns and other commercial areas.

Although many of these changes are positive, some could also potentially have the effect of overly limiting the potential employment uses that could be in an 'employment area' or overly prescribing the mix of uses that municipalities are required to permit on other employment lands. Therefore, further clarification on the overall intent and application of these policies, along with potential clarifications to the policy wording, is likely required to ensure they will provide the necessary flexibility for municipalities (particularly smaller urban and rural municipalities) to achieve their local planning and economic development objectives.

f) Servicing – sewage, water and stormwater

Greater direction is being proposed in the 2024 draft with respect to the re-allocation of servicing, if necessary to meet current and projected needs for increased housing supply. This appears to complement some of the proposed changes in Bill 185 in that regard and is generally supported.

The continued direction with respect to municipal services being the preferred form of servicing for settlement areas to support protection of the environment and minimize potential risks to human health, is fully supported. However, the 2024 draft contains some proposed policy changes that would provide greater flexibility to accommodate growth on partial services, in certain circumstances. This is a potential area of concern, given the inefficient use of prime agricultural land and potential risks associated with development on partial servicing and, in particular, the potential cumulative environmental impacts over the longer term. As such, staff are proposing to raise that concern and seek additional clarity with respect to that proposed change.

g) Energy Supply

The proposed energy policies continue to encourage municipalities to provide opportunities for the development of energy supply. However, there is effectively little implementation direction remaining in the PPS with respect to energy supply, beyond generally encouraging energy efficiency. To this end, it would be beneficial for the Province to clarify how land use planning processes are intended to apply to undertakings for new energy generation, particularly given that

the Province, through the Independent Electricity Services Operator, is currently looking to add additional long term energy generation in the Province, including forms of renewable energy.

e) Agriculture

Overall, the agricultural policies continue to largely reflect the 2020, PPS with the notable inclusion of improved language regarding ARUs. Staff will be providing comments regarding ARUs and in relation to surplus farm dwelling severances as indicated in Report [CP 2024-133](#). Staff also support the increased emphasis on utilizing an agricultural systems-based approach and use of agricultural impact assessments as a key tool to reduce, avoid and mitigate the impacts of land use changes on agriculture.

f) Policy Areas with Limited Change

The PPS policies pertaining to Cultural Heritage and Archaeology, Natural Heritage and Water, and Energy Conservation, Air Quality and Climate Change do not appear to have substantially changed from the 2023 draft. As such, planning staff intend to repeat previous comments to the Province on those matters as previous outlined in [Report CP 2023-144](#).

g) Implementation and Interpretation

The County is generally supportive of the proposed retention of many of the long-standing statements that clarify the purpose and interpretation of the PPS, as well as the added policies regarding how strategic growth areas and designated growth areas are to be implemented through the Official Plan, and that the density requirements in the PPS represent minimum standards and should be revisited at the time of each Official Plan review to provide clarification of the related policies.

However, there are proposed changes that appear to give even greater latitude to Minister of Municipal Affairs and Housing to make decisions that are inconsistent with the PPS ‘to take into account other government priorities’. The additional discretion provided to the Province through these proposed policies, and other recent legislative changes, could continue to disrupt normal and efficient planning processes, diminish the role of municipal planning decisions, and encourage proponents to seek other avenues (e.g. MZO) to advance their developments. As such, the Province should be directed to, instead, focus its efforts on providing greater stability for local planning processes and assisting municipalities with advancing their various planning and housing initiatives, including expediting outstanding Provincial approvals of municipal Official Plan updates.

It is also noted that the Province is removing the policy recognizing that official plans are ‘the most important vehicle for implementing the PPS’ and instead providing detailed clarification with respect to keeping Official Plans and zoning by-laws up to date with the PPS. While this is both appreciated and understood, the current and perpetual review of provincial policies and legislation, and delays in Provincial decisions on Official Plan updates and release of provincial guidance documents necessary to support implementation, continue to cause the greatest barriers and delays to implementing provincial policy direction.

h) Coordination

The coordination policies remain largely unchanged from the 2023 draft, except for the addition of policies related to collaboration with post-secondary institutions. These policies appear to place an expectation on Planning authorities to facilitate early and integrated planning for student housing and development of a strategy with post-secondary institutions.

Planning staff agree that such coordination is ideal and may assist in managing conflicts that could arise through the proposed exemptions to the requirements of the Planning Act for post-secondary institutions. However, given that this is discretionary, staff have concerns that the proposed planning exemptions for post-secondary institutions through Bill 185 would serve as a disincentive for these institutions to engage in such collaboration.

CONCLUSIONS

The proposed legislative and regulatory changes being proposed through Bill 185, together with proposed policy changes being introduced through the revised Provincial Planning Statement, are substantial and wide ranging. While many of the proposed changes appear to be positive (i.e. the roll-back of a number of previous problematic legislative and policy changes), others are of considerable concern (e.g. settlement expansion appeal rights and justification requirements, proposed changes to agricultural policies, etc.). If not carefully considered and addressed, these areas of concern could have a negative impact on the ability of municipalities to comprehensively and effectively plan for the sustainable growth of their communities and ensure the protection of agricultural land and other natural resources over the long term.

That said, the extremely short timeframe (i.e. 30 days) the Province has provided for consultation on these various changes provides wholly insufficient time for municipalities to fully consider the potential implications and provide meaningful feedback, including potential improved policy wording and alternative approaches that could better achieve Provincial interests, while also addressing municipal concerns. As such, it is still hoped the Province will extend the current consultation timeframe (i.e. to provide a minimum of 60 days) and otherwise provide for meaningful consultation with municipalities, as requested by the County and many others.

With Council's direction, staff would proceed with preparing and submitting comments to the Province on the proposed changes on behalf of the County, as generally outlined in this report and the previous report [CP 2024-133](#). Further, staff 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 legislative and policy changes 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

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