Grand River Conservation Authority

Report number: GM-05-23-43

Date: May 26, 2023

To: Members of the Grand River Conservation Authority

Subject: ERO Posting 019-6813 - Review of proposed policies adapted from A Place to Grow and Provincial Policy Statement to form a new provincial planning policy instrument

Recommendation:

THAT Report Number GM-05-23-43 – Review of proposed policies adapted from A Place to Grow and Provincial Policy Statement to form a new provincial planning policy instrument be approved and submitted to the Environmental Registry of Ontario.

Summary:

On April 6, 2023, the Ministry of Municipal Affairs and Housing (MMAH) posted a proposal for consultation on the Environmental Registry of Ontario (ERO) titled "Review of proposed policies adapted from A Place to Grow and Provincial Policy Statement to form a new provincial planning policy instrument". The proposal outlines the province's plan to integrate the Provincial Policy Statement and A Place to Grow: Growth Plan for the Greater Golden Horseshoe into a single province-wide land use planning policy document. Currently, both documents provide high-level direction on land use planning matters that are of provincial interest such as growth management, housing, infrastructure planning, protection and management of agricultural, natural and cultural heritage resources and protection of public health and safety. The proposal, if passed, would result in sweeping changes to the way communities are planned in Ontario.

Should the province move forward with the new Provincial Planning Statement, the government would revoke both the Provincial Policy Statement and A Place to Grow: Growth Plan for the Greater Golden Horseshoe. The posting is open for consultation until June 6, 2023.

Of note, the province has removed the natural heritage policies of the PPS/Growth Plan in their entirety from the current proposed draft. The ERO posting notes that the proposed policies for natural heritage and associated definitions have not been finalized and will be posted on the ERO for consultation when completed.

The Grand River Conservation Authority (GRCA) recommends the following:

- 1. That the province, through their review of the natural heritage sections of the Provincial Policy Statement and Growth Plan continue to recognize the importance of natural heritage and water resource features (i.e. wetlands and watercourses) and systems.
- 2. That the province clarifies the roles of municipalities and conservation authorities in the identification and management of hazardous lands and hazardous sites.
- 3. That the document include a requirement for watershed/subwatershed planning to support settlement area boundary expansions, secondary planning and other large-scale planning projects (i.e. planning for potable water, stormwater, and wastewater systems).

Report:

To further promote the objectives outlined in the Housing Supply Action Plan (2022), MMAH has posted a consultation notice on the Environmental Registry (ERO #019-6813) which outlines a proposed merging of the Provincial Policy Statement (PPS), 2020 and A Place to Grow: Growth Plan for the Greater Golden Horseshoe (Growth Plan) 2019. The province aims to make this

new Provincial Planning Statement more housing and growth supportive in order to construct 1.5 million new homes by 2031.

The PPS is the primary guiding land use planning policy document for all of Ontario. The Growth Plan provides more detailed land use policy direction to address issues specific to the Greater Golden Horseshoe. It focuses on where and how growth should occur and is to be read and interpreted in conjunction with the PPS. The Planning Act requires that planning decisions be consistent with policy statements such as the PPS and conform to provincial plans like the Growth Plan.

The most significant changes proposed include:

- Identification of "large and fast-growing municipalities" where growth must be directed to strategic growth areas
- Removal of intensification and density targets in planning for growth
- Reduced requirements for the identification of new settlement areas and settlement area boundary expansions
- Eliminating the need for municipal comprehensive reviews
- More allowances for residential development in rural areas including agricultural lands
- Prohibiting municipalities from developing policies that are more restrictive than the new PPS and providing a stronger role for Ministerial Zoning Orders
- Reduced requirements for cross-boundary coordination of water management

In 2022, GM-12-22-104 outlined GRCA's comments on the initial ERO posting where the province consulted on the idea of integrating these two documents. GRCA's comments focused on natural heritage and water resource protections, reconciling growth pressures in Special Policy Area floodplains and the need for updated technical guidelines to support PPS and Growth Plan policy implementation.

Natural Heritage

Through GM-12-22-104, GRCA's comments on the initial proposal recommended that the PPS-Growth Plan integrated document maintain the recognition of the importance of natural heritage protection. It was recommended that the province consider the value of not only the features themselves but also the larger Natural Heritage Systems of which they are a part. Given the interrelated nature of ecological and hydrologic systems, it was also recommended that Water Resources be included as a core element in the new planning document. Wetlands, for example, play a key role in reducing impacts of flooding as well as offering water quality improvements and other functions that all contribute to safe and healthy communities.

The province has removed the natural heritage policies of the PPS/Growth Plan in their entirety from the current proposed draft. The ERO posting notes that the proposed policies for natural heritage and associated definitions have not been finalized and will be posted on the ERO for consultation when completed. GRCA will provide comments on that proposal when it is posted. The Water Resource policies of the PPS have remained in the new document but reduced in content substantially.

Natural Hazards

GRCA's comments on the initial proposal recommended that the policy framework for floodplains should be maintained, specifically policies for One Zone, Two Zone and Special Policy Areas. These policies offer flexibility to existing development, outline more stringent standards for new development, but also allow for risk-based decision-making while balancing local growth needs.

The natural hazards section of the proposed Provincial Planning Statement remains mostly unchanged from the PPS except a new policy was added to ensure that "Planning authorities shall identify hazardous lands and hazardous sites and manage development in these areas, in

accordance with provincial guidance". GRCA staff recommend that the province provide clarification on the intent of this new policy. Specifically, the policy should include reference to conservation authorities given natural hazard mapping and review of development proposals in natural hazard areas is a mandatory program and service under the CA Act and respective regulations (Ontario Regulation 686/21 and Ontario Regulation 150/06). Municipalities and CAs work together collaboratively to ensure that public health and safety is ensured through the development review process.

Another recommendation was that the province consider the current review and approval process for Special Policy Areas (SPAs). The Growth Plan encourages intensified development in Urban Growth Centres, yet the PPS and other Growth Plan policies limit the amount of growth in these areas. Within Special Policy Areas, increases in density/intensification are not permitted and proposed changes to land use (i.e. residential, employment or commercial) need to be approved by the province. This creates a longer review process for applicants.

The draft document does not include changes to the SPA policies of the PPS or suggest any changes to the approvals process. As noted previously, GRCA staff continue to recommend that the province consult with the CA Working Group (CAWG) to make updates to the associated technical guidance which outlines the process for any proposed policy, land use designation and boundary changes to SPAs (Technical Guide River & Stream Systems: Flooding Hazard Limit, 2002 and Technical Guide River & Stream Systems: Erosion Hazard Limit, 2002).

It is important to note that the new document removes mandatory intensification and density targets for municipalities except for density targets for Major Transit Station areas in large and fast-growing municipalities. This may allow for more flexibility in terms of local needs and directing development outside of SPA floodplains should municipalities choose to do so.

Climate Change

GRCA recommended in the initial proposal that the direction in the PPS to "prepare for the impacts of a changing climate that may increase the risk associated with natural hazards" be carried forward to the new planning document.

Many of the references to climate change in the PPS and Growth Plan have been removed from the draft document, but it does provide some general policies for municipalities to consider climate change in planning decisions. More specifically, it notes that "Potential risks to public health or safety or of property damage from natural hazards and human-made hazards, including the risks associated with the impacts of climate change will be mitigated. This will require the Province, planning authorities, and conservation authorities to work together."

Subwatershed Planning

GRCA's previous comments highlighted that watershed (and subwatershed) planning is the most appropriate scale for integrated, cross-municipal planning to consider cumulative effects, protect water resource systems and watershed health, inform urban area expansions and master planning for drinking water, stormwater and wastewater services.

The draft document includes references to watershed planning, however, the requirements laid out in the Growth Plan for subwatershed plans (or equivalent) are now less specific and are only encouraged. Of particular concern is the proposed ability for settlement area expansions outside of municipal comprehensive reviews. A number of criteria are included in the new document for municipalities to consider in identifying new settlement areas and boundary expansions. There is no requirement for subwatershed planning, however, or consideration of the impacts to natural hazards or the natural environment in the list.

Staff recommend that an additional policy be added under Section 2.3 Settlement Areas and Settlement Area Boundary Expansions of the Provincial Planning Statement to require subwatershed planning. Consistent with the Growth Plan, it should also be required for secondary planning or large-scale development proposals. This proactive approach to planning

will better streamline the development review process since requirements (i.e. stormwater management targets) for future development proposals such as subdivisions are outlined in advance of the submission of applications to the municipality. Further, Policy 2.3 (4) should state that planning authorities should consider the protection of (or avoidance of impacts on) water resource systems and the quality and quantity of water in identifying new settlement areas or expansions.

The draft document also excludes Growth Plan policy 3.2.6 (4): "4. Municipalities that share an inland water source or receiving water body will co-ordinate their planning for potable water, stormwater, and wastewater systems based on watershed planning or equivalent to ensure that the quality and quantity of water is protected, improved, or restored". This is a fundamental and critical issue for the Grand River watershed, where 30 wastewater treatment plants discharge treated effluent and residents in the City of Brantford, Six Nations of the Grand River, Region of Waterloo and City of Guelph are at least partially reliant on the Grand River as a source of drinking water. This policy should be retained in the proposed PPS.

Financial Implications:

Not applicable.

Other Department Considerations:

Water resources staff were consulted in the preparation of this report.

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