
For Information

REPORT TITLE: **New Provincial Policy Statement, 2020**

FROM: Andrew Farr, Interim Commissioner of Public Works

OBJECTIVE

To provide a summary of changes and preliminary implications from the Provincial Policy Statement, 2020.

REPORT HIGHLIGHTS

- On May 1, 2020, the new Provincial Policy Statement, 2020, came into effect providing an updated Provincial policy context. The Provincial Policy Statement is issued under the *Planning Act* and sets the policy foundation for regulating the development and use of land.
 - This report provides a summary of the key changes and preliminary implications for planning at the Region of Peel and next steps.
 - The key changes to the Provincial Policy Statement, 2020 include increasing housing supply; protecting the environment and safety; supporting rural, northern and Indigenous communities; and supporting certainty, and economic growth.
 - The Provincial Policy Statement, 2020, carries over most of the changes contemplated in the 2019 Proposed Provincial Policy Statement Amendment.
 - Region of Peel staff will continue to deliver the Peel 2041 work plan, in consultation with the local municipal official plan reviews underway.
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DISCUSSION

1. Background

The Province released the Provincial Policy Statement (PPS), 2020 under the *Planning Act* on February 28, 2020 (effective May 1, 2020). The PPS is the primary provincial land use planning policy document in Ontario to guide decision-making. The purpose of this report is to provide a summary of the changes and preliminary implications for planning at the Region of Peel. Staff will refine and update Official Plan policies accordingly through the current Peel 2041 process. These changes do not impact the scope, content or timing of the Peel 2041: Official Plan Review & Municipal Comprehensive Review.

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2. Policy Statement, 2020 Key Changes

The PPS is a consolidated statement of the government's policies on land use planning. It is issued under Section 3 of the *Planning Act*. All planning related decisions are required to conform with the PPS, 2020.

On July 22, 2019, the Province released proposed changes to the PPS through the Environmental Registry Posting #019-0279. The Region submitted detailed comments to the Province on October 21, 2019 after Regional Council endorsement. Key comments from that submission included:

- Inconsistencies between the PPS and other provincial plans;
- Perceived softening of the language of key policies;
- A new undefined term “market-based” housing; and,
- New PPS policies may permit communal servicing. This is not in alignment with the Region's supported servicing options and is not consistent with the Town of Caledon's recently identified official plan policy direction in the Palgrave Estates Residential Community area. The Town's previous proposed amendment included deleting policies which stating clearly that communal services are not permitted.

On February 28, 2020, the Minister of Municipal Affairs announced approval of the new PPS, 2020. It replaces the Provincial Policy Statement, 2014, and came into effect on May 1, 2020. The PPS, 2020 carries over most of the changes contemplated in the previous proposed version. Further details are provided in Appendix I: Provincial Policy Statement, 2020 Changes.

The following are key changes in the PPS, 2020:

- Replacing “shall” to “should” in policies for compact, mixed use and phasing of new developments, and planning for the efficient use of transportation infrastructure.
- Supporting a changing climate and green infrastructure.
- Enhancing language mitigating the potential risk to public health or safety, or property damage from natural hazards.
- Providing upper-tier municipalities with the option to maintain land for residential units with servicing capacity for a minimum 5-year supply of zoned lands, while keeping existing policies that permit a 3-year supply of residential units.
- Clarifying policies related to market-based housing by adding affordable housing.
- Enhancing policies on municipal engagement with Indigenous communities through the land use planning process.

The following are key changes in the PPS that will need to be further assessed as the Peel 2041: Regional Official Plan Review & Municipal Comprehensive Review progresses:

- Increasing minimum requirements to accommodate residential growth through designated/available land supply from 10 to 15 years, extending the planning horizon from up to 20 years, to up to 25 years and employment area planning beyond the 25-year horizon. Staff will continue to monitor implications of the changes on the timing and phasing of regional infrastructure.

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- Permitting partial servicing for new development in rural areas and communal servicing for multi-unit development where services are not available, planned or feasible. A Regional study is undertaking a review of partial and communal services as discussed further below.
- Permitting additional residential development on rural lands, including lot creation that is locally appropriate. The Region does not generally support lot creation outside of existing settlement areas as it could negatively impact the agricultural system and cause servicing issues as discussed further below.

A number of Provincially proposed policies considered in 2019 were not included in the PPS, 2020, that Regional staff have no concerns with their removal, including policies such as:

- Direction for “fast-tracking” municipal approvals;
- Reference to provincial guidelines when considering impacts from new or expanding settlement areas on agricultural operations;
- Voluntary wetland mitigation hierarchy approach for wetlands that are not provincially significant; and,
- Rehabilitation plans for aggregate extraction can contribute to the demonstration of no negative impacts in some natural heritage features.

3. Implications of PPS, 2020 on Servicing Policies

As noted above, the PPS provides more permissive policies enabling municipalities to consider development based on partial or communal services. Communal systems are often proposed by private development in rural areas where water or wastewater services are not available. Typically, a specific lot size threshold and hydrogeological conditions create an inability to use septic systems (i.e. lot size proposed is too small for septic systems).

As interest in development has increased in rural communities, communal system proposals have become increasingly common, although not particularly in Peel. Communal systems are designed, paid for, operated and maintained by private landowners in accordance with provincial regulations. However, if such systems fail, they can become a liability which may have to be managed by the broader community.

The Region of Peel currently evaluates the financial and technical feasibility of proposed communal systems on a case by case basis. The Region has commenced a study, working with the consultant CIMA to review the feasibility of communal systems on a broader scale, rather than continue with case by case reviews. This study is anticipated to be completed by Fall 2020.

The study will encompass the following:

- Review the financial, technical and legal risks of the Region permitting communal systems;
- Develop a policy-based approach for determining when the implementation of communal would be deemed feasible; and,
- Recommendations related to the feasibility of implementing communal systems in Peel.

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The results of the study will be brought forward to Council and will provide input to the ongoing Peel 2041 and Municipal Comprehensive Review process.

NEXT STEPS

At this time, there are no major impacts on the Peel 2041 work plan as reported to Regional Council on September 26, 2019.

The Province is working on new population and employment forecasts which may align with the extended PPS, 2020 planning horizons, and subsequently have implications on Peel 2041 and the Region's Growth Management Program. Recognizing that these changes are anticipated, the Peel 2041 work plan remains flexible in its implementation to accommodate potential changes and address important strategic initiatives.

Further, a study has commenced to assess a standard and policies for the evaluation of communal servicing systems. Implications from this study and the Provincial planning policy and growth allocation initiatives will continue to be examined and incorporated into the Peel 2041 work plan. Staff will report back to Council as appropriate.

APPENDIX

Appendix I: Provincial Policy Statement, 2020 Changes

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

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Reviewed and/or approved in workflow by:

Department Commissioner and Division Director.

Final approval is by the Chief Administrative Officer.



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