

## REPORT TITLE: Response to Planning Statute Law Amendment Act, 2023 – Reversal of Provincial Decisions on Municipal Official Plans

FROM: Kealy Dedman, Commissioner of Public Works

#### RECOMMENDATION

- 1. That the Peel staff recommendations outlined in the report of the Commissioner of Public Works, listed on the December 7, 2023 Regional Council agenda titled "Response to *Planning Statute Law Amendment Act, 2023* – Reversal of Provincial Decisions on Municipal Official Plans," be endorsed; and,
- 2. That the Regional Chair, on behalf of Regional Council, write a letter to the Minister of Municipal Affairs and Housing to request that housekeeping or clarification modifications be retained through the *Planning Statute Law Amendment Act, 2023;* and, that transition provisions be provided for local official plans currently being reviewed by Peel; and,
- 3. That the Commissioner of Public Works be authorized to prepare and submit estimates of additional costs incurred by the Region of Peel as a result of the Provincial Modifications to the Region of Peel Official Plan and any additional costs incurred since the Provincial Announcement on October 23, 2023; and,
- 4. That the subject report be forwarded to the Ministry of Municipal Affairs and Housing, the Town of Caledon, the City of Brampton and the City of Mississauga.

### **REPORT HIGHLIGHTS**

- The Region of Peel Official Plan (RPOP) was adopted by Regional Council on April 28, 2022 and approved by the Minister of Municipal Affairs and Housing (MMAH) with 44 modifications on November 4, 2022.
- On October 23, 2023, the Minister of Municipal Affairs and Housing, Paul Calandra, announced a 45-day window for municipalities to submit comments on the Provincial modifications made to official plans, and that legislation would be introduced to reverse the Province's changes to a number of official plans, including Peel's.
- On November 16, 2023 proposed legislation was released under the *Planning Statute Law Amendment Act, 2023* that enacts the *Official Plan Adjustments Act, 2023* and amends the *Planning Act*.
- Staff request that various housekeeping or clarification modifications be retained through the legislation.
- Staff at the City of Brampton, Town of Caledon and City of Mississauga are in support of retaining the housekeeping and clarifications modifications.

### DISCUSSION

### 1. Background

The Region of Peel Official Plan (RPOP) was adopted by Regional Council on April 28, 2022 through the passing of By-law 20-2022 which repealed and replaced the July 11, 1996 Regional Official Plan. The new RPOP was approved by the Minister of Municipal Affairs and Housing (MMAH) with 44 modifications on November 4, 2022, and came into effect on the same date.

On October 23, 2023, the Minister of MMAH announced that legislation would be introduced to reverse the Province's past decisions related to land use planning, including official plans and the review of Minister's Zoning Orders (MZOs). The *Planning Statute Law Amendment Act, 2023* was introduced on November 16, 2023, with a 30-day commenting window to provide input on the proposed legislation and implementation considerations associated with the reversal of the official plan decisions.

The proposed legislation, if passed, would enact the *Official Plan Adjustments Act, 2023* that reverses MMAH decisions issued affecting 12 municipalities' official plans. As a result, the RPOP as adopted by Regional Council on April 28, 2022 would revert back retroactively to the date of the ministerial approval on November 4, 2022, except for limited modifications that the Province has recommended to retain, or changes the Province may make in response to the draft legislation. Any decisions on outstanding applications and appeals would need to conform with the legislatively approved official plan.

Immunity provisions have been introduced to mitigate legal risk for municipalities and the Province resulting from the reversal of provincial decisions through this legislation. The legislation also amends the *Planning Act* to introduce immunity provisions to help mitigate legal risk for municipalities and the Province in making, amending, or revoking of MZOs. Staff are in support of this legislation.

### 2. Request for Housekeeping and Clarification Modifications

Forty-four modifications were made to the RPOP by the Province in its November 2022 decision. Modifications were in response to requests submitted by individuals, landowners, organizations, or a municipality through the provincial commenting period. Of these 44 modifications, the Province made seven modifications to address housekeeping matters or provide clarification. In addition, Peel staff requested the Province make eight modifications of a similar nature during the approval process.

The remaining Provincial modifications revised several policies, schedules and figures related to the Natural Heritage System, Growth Management, Transportation, Major Transit Station Areas, Employment Areas and the Regional Urban Boundary, (known as the 2051 New Urban Area, see Appendix I).

As part of the proposed legislation, the Province is recommending retaining nine of the 44 modifications to the RPOP, and noted in Appendix II as modification 3, 16, 17, 18, 21, 30, 41, 42 and 43. Peel staff are recommending that thirteen housekeeping and clarification modifications be retained. These are noted in Appendix II as:

• six modifications (1, 2, 4, 15, 28ab and 29) as requested by Peel during the RPOP approval process; and

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• seven modifications (5, 22, 23, 24, 25, 26 and 44) made by the Province through the RPOP approval process.

These are minor in nature, do not require additional study or consultation, and do not conflict with Regional Council's endorsement of the RPOP. Local municipal staff are in support of retaining these thirteen housekeeping and clarification modifications.

#### 3. Planning Costs and Impacts Incurred with Reverting back to Council Adopted Official Plans

The Province has provided an opportunity for municipalities to submit documentation that outlines planning related costs incurred by a municipality associated with reversing provincial modifications. Cost recovery can also include circumstances or projects where construction has already begun in relation to the modifications that were made by the Ministry. Municipalities can submit documentation on costs beyond the 45-day comment period.

Peel anticipates requesting reimbursement for consulting costs that were already incurred to update the growth forecasts to align with the Provincially modified 2051 New Urban Area, and any additional costs incurred now to revert to the Regional Council adopted 2051 New Urban Area, including any costs associated with refunding planning applications impacted by this change.

Further, the City of Brampton, Town of Caledon and City of Mississauga are currently undertaking official plan reviews to bring their plans into conformity with the RPOP as required under the *Planning Act*. Until such time that the *More Homes, Built Faster Act, 2022* (Bill 23), is proclaimed, which would remove Peel's planning responsibilities, Peel remains the approval authority for official plan reviews. The Province has not provided a date for the proclamation of these changes but advised that the earliest would be winter 2024.

The Town of Caledon and City of Mississauga are undertaking a phased approach to updating their respective official plans. Peel staff anticipate receiving updated official plans in 2024. The City of Brampton Council recently adopted a new Brampton Plan, requiring Regional review and decision within the current legislative context. Peel staff are currently evaluating the submission for completeness and will have a 120-day statutory timeline to issue a decision on the Brampton Plan. Although Brampton Plan was developed based on the RPOP with the Provincial modifications, no conflicts have been identified with the April 2022 RPOP at this time. If conflicts arise, they can potentially be addressed as modifications by Peel upon approval. It is recommended that the Province implement transition provisions to address the potential complexities of reviewing the Brampton Plan, and additional time or permissions that may be needed to reflect changes that may result from reverting Provincial modifications on the RPOP.

### BILL 23 AND BIII 112 RISKS AND IMPLICATIONS

As a result of the provisions in Bill 23, at a date to be proclaimed, Peel's responsibilities as a planning authority will be removed, and the RPOP will be deemed to be an official plan of each local municipality, in addition to their own official plans. The Province has not provided a specific date for the proclamation of these changes. If proclamation occurs before the reversal of provincial modifications and the completion of local official plan reviews, guidance from the

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Province will be necessary in understanding the status of the RPOP and the role of the Province in issuing decisions on local municipal official plans.

On May 18, 2023, the Province introduced the *Hazel McCallion Act, 2023* (Bill 112), that will dissolve the Region of Peel and make the Cities of Brampton and Mississauga and the Town of Caledon single-tier municipalities, effective January 1, 2025. The proposed legislation provides for the establishment of a Transition Board to make recommendations on implementing the restructuring. Details of the transition including matters as they relate to Regional roles and responsibilities are not known at this time and are to be addressed in future reports to Regional Council. The Board's future recommendations related to Regional roles and responsibilities may need to consider the status and process for local official plans currently under review and the RPOP.

### CONCLUSION

This report recommends that housekeeping and clarification related Provincial modifications to the RPOP be retained. This includes six Peel-staff requested modifications and seven modifications made by the Province through the approval process. Peel staff will also be requesting the reimbursement of planning costs associated with the reversal of provincial modifications related to work undertaken on growth forecasts and changes made to the 2051 New Urban Area, in addition to any potential costs with refunding planning application fees for projects impacted by this change. Additional time and legislative provisions are requested to review official plans submitted to the Region as the approval authority.

### APPENDICES

Appendix I – Minister's Notice of Decision with 44 Provincial Modifications – November 4, 2022 Appendix II – Provincial Modifications Table with Housekeeping and Clarification Recommendations

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