

Report To:	Council
From:	Jill Hogan, Commissioner, Development Services
Date:	May 29, 2023
Report No:	DS-028-23
Subject:	Bill 97, the Helping Homebuyers, Protecting Tenants Act, 2023
Recommendation:	THAT report DS-028-23 regarding Bill 97, the Helping Homebuyers, Protecting Tenants Act, be received for information.

EXECUTIVE SUMMARY

The Province has introduced Bill 97, the Helping Homebuyers, Protecting Tenants Act, 2023 and proposed a new policy document titled the 'Provincial Planning Statement 2023' (PPS 2023). The proposed PPS 2023 would replace the 'A Place to Grow: Growth Plan for the Greater Golden Horseshoe' and the Provincial Policy Statement 2020 with one merged document.

The new policies in the proposed PPS 2023 would introduce the ability for municipalities to determine local population and employment targets and intensification targets based on minimum requirements provided by the Province. Proposed changes also creates the ability for municipalities to determine the timing and location of settlement area boundary expansions.

Through the proposed PPS 2023, the Town of Milton has been identified as a fast-growing municipality. As a result, the Town will be required to identify and focus growth and development into Strategic Growth Areas by identifying minimum density targets and the appropriate built form.

Overall, municipalities have been given flexibility for local determination of growth management matters. As the Town undertakes its official plan review and update the proposed changes to the Provincial land-use planning framework will be considered.

REPORT



Background

On April 6, 2023, the Province released Bill 97 the *Helping Homebuyers, Protecting Tenants Act, 2023* and a draft Provincial Planning Statement, 2023 (PPS 2023). The primary purpose of Bill 97 and proposed PPS 2023 is to facilitate the implementation of the provincial Housing Supply Action Plan, which seeks to encourage the construction of 1.5 million homes by 2031. The proposed PPS 2023 would replace the 'A Place to Grow: Growth Plan for the Greater Golden Horseshoe' and the Provincial Policy Statement 2020 with one merged document. Through Bill 97, changes to the *Planning Act* are also proposed (see Appendix 1).

Key changes to the land use planning framework would introduce the ability for municipalities to set population and employment targets and intensification targets based on minimum requirements provided by the Province. Proposed changes also creates the ability for municipalities to determine the timing and location of settlement areas expansions.

Bill 97 and the proposed PPS 2023 are available for comment on the Environmental Registry of Ontario (ERO 019-6813). Comments can be submitted until June 6, 2023. Expected implementation of the proposed PPS 2023 is fall 2023.

Discussion

Changes to the Provincial Policy Statement and Growth Plan

Bill 97, the *Helping Homebuyers, Protecting Tenants Act, 2023* proposes a series of fundamental changes to the Ontario Land Use Planning System. The Bill proposes to integrate selected policies from the Growth Plan and the Provincial Policy Statement into one document, creating an updated and re-titled Provincial Planning Statement and allowing for a subsequent repeal of the Growth Plan. There are many changes to the proposed PPS 2023, the following is a summary of key changes that will impact the Town of Milton. A summary of Growth Plan policies which have not been incorporated into the proposed PPS 2023 can be found in Appendix 2.

Growth Targets

The Growth Plan population and employment targets and supporting policies have not been inserted into the proposed PPS 2023. The draft PPS 2023 removes the Provincial Policy Statement references that required allocation of population and units by the uppertier municipality based on provincial plans. The Province has provided proposed PPS 2023 implementation guidance stating an expectation for municipalities to continue to use the 2051 forecasts provided by the province (at a minimum). Lower-tier municipalities



would be expected to meet or exceed the growth forecasts allocated to them by the uppertier. As updated forecasts are needed, municipalities would do their own forecasting of population and employment growth.

The draft PPS 2023 directs municipalities to make sufficient land available to accommodate an appropriate range and mix of land uses, to meet projected needs, for 'at least' 25 years. No longer are municipalities directed to be able to accommodate growth for a minimum of 15 years through intensification and redevelopment. Overall, the previous policy direction emphasis on intensification has been lessened with a new focus on complete communities.

The Planning Policy and Urban Design Department is currently undertaking a Residential and Non-residential Requirement Study. The study will establish new population and employment forecasts with the current 2051 forecasts as a minimum. This work will inform projected density targets, housing and employment mix and phasing of growth to 2051.

Housing and Intensification

The proposed PPS, 2023 removes the requirement for municipalities to establish minimum affordable housing targets. The proposed new policy directs planning authorities to "coordinate" land use planning and planning for housing with Service Managers (Halton Region) to address the full range of housing options including affordability needs. The definition for "affordable" has been removed from the proposed PPS 2023. A new term "additional needs housing" is proposed to be added to address housing "used by people who have specific needs beyond economic needs". Currently, the Halton Official Plan sets a target of 30% of new housing units produced annually be Affordable or Assisted Housing. The Town's Residential and Non-residential Requirement Study will also examine the full range of housing options, including affordability needs, and inform local policies.

The proposed PPS 2023, modifies the definition of housing options by inserting laneway housing, garden suites and rooming houses and by inserting references to housing arrangements such as farm worker housing and culturally appropriate housing. Currently, the Planning Act allows up to three residential units on a parcel of urban lands, for which municipalities could not require additional parking spaces. Bill 97 is proposing amendments to the Planning Act to expand this permission beyond urban lands. The Bill also modifies the changes introduced through Bill 23 to clarify that the prohibition on requiring more than one parking space per additional unit does not apply to the primary dwelling. To support the policy development, staff are leading the Additional Residential



Units study. The study examines opportunities and concerns such as health and safety, stormwater management, neighbourhood character and impacts on adjacent properties associated with multiple unit lots. The information from this study will inform the new official plan policies and zoning by-law.

Settlement Areas and Settlement Boundary Expansions

The proposed PPS 2023 does not incorporate the Growth Plan requirement that directs planning authorities to implement minimum intensification targets for development within the built-up area (i.e. 50% of all residential development occur within the delineated built boundary). The proposed PPS 2023 encourages growth to be located into strategic growth areas and encourages densities which optimize infrastructure. However, the requirement to avoid uneconomical expansions and minimize climate change impacts have been removed.

As proposed, municipalities will have the authority to undertake settlement area boundary expansions without undertaking a municipal comprehensive review at any time. Municipalities would need to consider servicing, phasing and impact to agricultural lands. Within new settlement areas planning authorities are 'encouraged' to plan for a minimum density target of 50 residents and jobs per gross hectare. Through the Residential and Non-residential Requirements Study, the Town will determine appropriate density and intensification targets to accommodate its projected population and housing requirement.

Strategic Growth Areas

The proposed PPS 2023 introduces a new defined term "Large and fast-growing municipalities". The Town of Milton is included in this definition. As a result, the Town will be required to identify and focus growth and development into Strategic Growth Areas by identifying minimum density targets and the appropriate built form. Examples of Strategic Growth Areas include Urban Growth Centres and Major Transit Station Areas. Municipalities will be able to reduce the size and change the location of an Urban Growth Centre through a new official plan or official plan amendment (s.26). The Town's Urban Growth Centre boundary was recently modified through Regional Official Plan Amendment 48 and Local Official Plan Amendment 70 to align with the Major Transit Station Areas is Station Area boundary identified in the Milton Mobility Hub Study.



Employment and Employment Areas

The draft PPS 2023 proposed to change the definition of employment areas to focus on uses that cannot locate in mixed use areas including heavy industry, manufacturing and warehousing. The definition of employment areas will be amended to specifically exclude institutional, commercial, and retail and office that are not associated with a primary employment use. Historically, Milton's designated employment areas have included large floorplate commuter office space, some institutional uses such as post-secondary education and other commercial activities such as auto dealerships. The proposed changes could constrain Milton's economic competitiveness and limit opportunities to relocate incompatible uses from strategic growth areas. It could also lead to the fragmentation of Milton's land extensive employment areas as site specific changes will need to be made to accommodate existing uses that do not comply with the proposed policy and legislative change.

Intensification by means of compatible employment uses such as office and retail, is encouraged within compact mixed-use development in order to create complete communities. A proposed new policy would require municipalities to allow residential, employment, public service facilities and institutional uses on employment lands that are outside of employment areas. Currently, the Growth Plan requires redevelopment of employment lands outside employment areas to retain a similar number of jobs as existing. This is the policy that is currently applied in Milton's UGC/MTSA, for example. Therefore, the Town is able to require the inclusion of compatible employment uses in these areas. Broadly allowing residential uses on employment lands without such a policy provision requiring replacement employment uses could lead to displacement of existing employment uses and the creation of single use, not mixed use, areas.

Municipalities will be given the authority to remove lands from designated employment areas, if it has been determined that there is a need for the removal and the land is not required for employment over the long-term and the proposed uses would not negatively impact the overall viability of the employment area. The proposed policy does not specify that this process must be done at the time of a municipal comprehensive review. While the Town of Milton can consider an employment land conversion at any time, the proposed provincial policy has the potential to gradually erode Milton's land extensive employment base, especially where uses exist that are excluded from the new employment area definition.



Previously, Provincially Significant Employment Zones were introduced into the Growth Plan. Within the Town, one zone was identified. These zones will no longer exist. The Town can now determine the appropriate policy direction for these lands.

<u>Agriculture</u>

Municipalities are 'encouraged', not required, to use an agricultural system approach to support the agri-food network. Municipalities will not be required to use the provincial agricultural system mapping. This gives the Town of Milton the ability to refine the boundaries of the agricultural system based on local information - subject to the policies of the Niagara Escarpment Plan and the Greenbelt Plan. However, it also potentially could encourage private applications to remove viable farmlands from the agricultural system forcing the Town to continually defend against such applications. The added flexibility for local determination of the agricultural land base and the added scope for such matters to be litigated, raises the bar for a robust and defensible evidence based approach with associated and necessary study costs.

The draft PPS 2023 would permit a principle dwelling, as an agricultural use, associated with the agricultural operation in prime agricultural areas. It is proposed that, subordinate to the principle dwelling, up to two addition residential units may be permitted, subject to conditions. Further, within Prime Agricultural Areas, up to three new residential lots can be created on an existing lot or parcel subject to conditions including:

- Any additional dwellings are attached to or in close proximity to the principle dwelling;
- Any additional dwelling complies with the minimum distance separation formulae;
- Any additional dwelling is compatible with and not hinder the surrounding agricultural operations;
- Appropriate sewage and water services will be provided.

This policy has the potential to create fragmentation with the agricultural area - compromising the ability to effectively protect a continuous agricultural system.

In the PPS 2023 implementation guidance, the Province has stated that an amendment is being proposed to the Greenbelt Plan that would indicate that the previous policies in A Place to Grow and the Provincial Policy Statement would continue to apply in those cases where the Greenbelt Plan refers to them. This would ensure that there would be no change to how the Greenbelt Plan policies are implemented if the proposed Provincial Planning Statement comes into effect.



Within the Town of Milton the vast majority of the prime agricultural lands are located within the Greenbelt Plan Area. The policies of the Greenbelt Plan take precedence over the policies of the Provincial Policy Statement, except when otherwise stated. When the policies of the Greenbelt Plan address the same matters as policies in the Provincial Policy Statement, the more specific policies of the Greenbelt Plan are applicable. Within Prime Agricultural Areas, the Greenbelt Plan does not permit re-designation of land for non-agricultural uses. Within the Greenbelt Plan Prime Agricultural Areas lot creation is permitted for 'agricultural uses', where the severed and retained lots are intended for agricultural uses. The Greenbelt Plan definition of agricultural use does not include residential uses, except for accommodation for full-time farm labour. Therefore, new residential lot for principle or subordinate residences as identifies in the PPS 2023, would not be permitted in the Greenbelt Plan Area.

Natural Heritage

The natural heritage policies and related definitions remain under consideration by the Province. Once proposed policies and definitions are ready for review and input, they will be made available through a separate posting on the Environmental Registry of Ontario.

Next Steps

The new Provincial Policy Statement, 2023 is anticipated to come into force in fall 2023. Municipal Official Plans, zoning by-laws and land use planning decisions are expected to be consistent with the Provincial Planning Statement.

The proposed changes provide both upper-tier and local municipalities more autonomy to determine future growth targets and subsequent land needs. As the Town undertakes its official plan review and update the proposed changes to the Provincial framework will be considered. The Town's proposed policies are also informed by technical research, understanding local needs and follow current best practices.

Financial Impact

There are no financial impacts from this report

Respectfully submitted,

Jill Hogan Commissioner, Development Services



For questions, please contact: Gail Anderson, Senior Planner, Development Services Phone: Ext. 2332

Attachments

Appendix 1 – Planning Act Amendments

Appendix 2 – Repealed Growth Plan Requirements

Approved by CAO Andrew M. Siltala Chief Administrative Officer

Recognition of Traditional Lands

The Town of Milton resides on the Treaty Lands and Territory of the Mississaugas of the Credit First Nation. We also recognize the traditional territory of the Huron-Wendat and Haudenosaunee people. The Town of Milton shares this land and the responsibility for the water, food and resources. We stand as allies with the First Nations as stewards of these lands.

Appendix 1: Planning Act Amendments

Through Bill 97, the following amendments to the *Planning Act* are proposed:

Fee Refund Provisions

• Delay the requirement for municipalities to refund zoning by-law and site plan application fees. The requirement will take effect on applications submitted on or after July 1, 2023.

Additional Residential Units

- Clarify that official plans can contain policies requiring more than one parking space be provided for the primary residential unit.
- Clarify that additional residential units are not limited to parcels of "urban" residential lands.

Employment Area Protections

• The definition of area of employment is replaced. The new definition includes manufacturing, warehousing and their associated retail or offices uses. The new definition excludes institutional uses and commercial, retail or office that are not associated with a manufacturing or warehousing use.

Appeals of Interim Control By-laws

- Enable the right to appeal the initial passing of an interim control by-law, in addition to the extension thereof.
- Reduce the requirement to give notice of the adoption of an interim control by-law to 20 days from 30, and set the appeal deadline 50 days after the date of passing of the by-law.

Minister's Zoning Orders

• Allow the use of a Minister's Zoning Order to exempt the application of the policy statements, provincial plans and official plan policies in order to establish a use permitted by the Minister's zoning order.

Ministerial Authority to Require Development Agreements

• Provide the Minister of Municipal Affairs and Housing with the authority to require landowners to enter development agreements in relation to lands that have been assigned to the Provincial Land and Development Facilitator.

Regulation-Making Authority for Site Plan Control for 10 Units or Less

- Create regulation-making authority to prescribe specific circumstances where site plan control could be used for residential developments of 10 units of less.
- The proposed regulations would permit the use of site plan for parcels of land:
 - Any part of which is located within 120 metres of a shoreline; and

- $\circ~$ Any part of which is located within 300 metres of a railway line.
- The changes are proposed to come into effect immediately on filing of the regulation.

Appendix 2: Repealed Growth Plan Requirements

The following is a summary of key A Place to Grow - the Growth Plan for the Greater Golden Horseshoe policies which have not been incorporated into the proposed Provincial Planning Statement and will be repealed.

Managing Growth

The Growth Plan provided specific policy direction to support the successful development of Urban Growth Centres. While the term Urban Growth Centre remains, policy direction to support focusing investment, supporting transit and accommodating major employment centre and significant population in the Urban Growth Centre has been removed.

Climate Change

The Growth Plan directed municipalities to prepare for the impacts of climate change by mitigation and adaption to improve resilience and reduce greenhouse gas emissions. Numerous policies were specifically provided in two section of the Growth Plan - 4.2.9 A Culture of Conservation and 4.2.20 Climate Change. The majority of these policies will be repealed.

Stormwater Management

The Growth Plan directed municipalities to prepare stormwater master plans or equivalent for serviced settlement areas that are informed by watershed planning. More detailed direction on the content of the stormwater master plans was provided. The Growth Plan also set out stormwater management plan requirements for large-scale development proceeding by way of a secondary plan and plan of subdivision. These requirements have not been transferred into the proposed Provincial Planning Statement.

Water Resources Planning

Watershed planning was required under the Growth Plan. The proposed Provincial Planning Statement encourages watershed planning to inform infrastructure and environmental protection.