

City of Mississauga Corporate Report



Date: 2019/08/23

To: Chair and Members of the Planning and Development Committee

From: Andrew Whittemore, Commissioner of Planning and Building

Originator's files:
LA.07.PRO

Meeting date:
2019-09-23

Subject

Draft Provincial Policy Statement 2019

Recommendation

1. That the report titled "*Draft Provincial Policy Statement 2019*" from the Commissioner of Planning and Building, dated August 23, 2019, be received for information.
2. That Council endorse positions and comments contained in this report and Appendix 1.
3. That the City Clerk forward the report to the Ministry of Municipal Affairs and Housing.

Report Highlights

- The Ministry of Municipal Affairs and Housing is undertaking a review of the Provincial Policy Statement (PPS) for planning matters. This report highlights the major changes proposed and provides draft comments to the Province for Council's consideration.
- Key changes proposed to the PPS address housing options (with an emphasis on market-based housing), urban expansions, employment areas, Indigenous engagement, the environment and heritage.
- The proposed PPS updates reinforce policy directions set out in Bill 108 and the updated *A Place to Grow: Growth Plan for the Greater Golden Horseshoe, 2019* (the *Growth Plan*) that aim to increase the housing supply.

Background

In July 2019, the Province released draft policies of PPS and requested comments by October 21, 2019. Comments on these changes are included in this report and in Appendix 1.

The PPS provides planning policy direction on matters of provincial interest. Any council decision on a planning matter, including development applications, must be consistent with the PPS. The PPS is also a policy document considered at Local Planning Appeal Tribunal hearings.

The proposed PPS changes work together with other recent changes to the land use planning system – including changes to the *Planning Act* through Bill 108, *More Homes, More Choice Act, 2019* (partially proclaimed) and the *Growth Plan*. The primary intent of the changes is to increase the supply of housing.

Comments

HOUSING

The draft PPS proposes several policy changes intended to address housing challenges across Ontario, including:

- A new focus on a market-based range and mix of housing types and market-based considerations for where growth should occur (intensification or new settlement areas) (policy 1.1.1 and 1.4.3).
- *Housing options* has been introduced as a new term which means: “a range of housing types such as, but not limited to single-detached, semi-detached, rowhouses, townhouses, stacked townhouses, multiplexes, additional residential units, tiny homes, multi-residential buildings and uses such as, but not limited to life lease housing, co-ownership housing, co-operative housing, community land trusts, affordable housing, housing for people with special needs, and housing related to employment, institutional or educational uses” (policy 1.1.3.3, 1.4.3, and 1.7.1).
- Aligning housing targets with housing and homelessness plans (policy 1.4.3 (a)).
- Requiring transit-supportive development and prioritizing intensification including potential air rights development in proximity to transit (policy 1.4.3 (e)).
- New policy that requires planning authorities to streamline, fast-track and reduce time needed to process priority applications (policy 4.7).

Staff support provincial aims to create more housing, a greater mix of housing and efforts to make home ownership and renting more affordable. However, it is not clear on what is meant by “market”, and what data would be used to identify market needs. This PPS language seems to run counter to policies in the *Growth Plan* intended to shift the market to more dense forms of housing.

The proposed PPS also includes a new term *housing options* (replacing *housing types*), which encourages a broader range of housing types and tenures. Staff recognize the importance of encouraging an innovative range of housing and are exploring gentle forms of infill and other housing options as part of the City’s *Housing Strategy Action Plan*. Staff would encourage the Province to add detailed policies in the *Planning Act* so that municipalities have more legislative

tools to increase the supply of affordable units, rental and co-op housing, and dwellings for people with special needs.

Staff support greater alignment between housing targets and actual housing being built. The City has already aligned its targets with Regional targets and is looking for the Province to go further and provide municipalities with an expanded set of tools to create affordable housing. Additional tools could include simplified inclusionary zoning city-wide, conditional zoning and provincial tax incentives.

New policies supporting transit oriented development are aligned with City priorities as we are working to advance the planning for major transit station areas. However, clarification is required regarding the intent and use of air rights. Air rights involve planning permissions above existing buildings or infrastructure, such as a rail corridor. In some jurisdictions, unused air rights can sometimes be purchased and transferred between adjacent sites (e.g. a condominium developer may purchase the air rights above a place of worship). Air rights have not been an issue in Mississauga in the past. It is recommended the Province release more guidance on how to plan for air rights including: transfer of air rights; application processes for air rights; and implementation of air rights over long term. Overall, air rights can be workable as long as they are regulated in a way that does not drive property speculation, and proposed development aligns with policy direction contained in the Official Plan.

The proposed policy changes also require planning authorities to streamline, fast track and reduce timelines to process priority applications. Further fast tracking is not required given the already reduced timelines introduced through Bill 108. Further, the City, through its development liaison and planners, work with applicants and commenting agencies to resolve issues as expeditiously as possible.

URBAN SETTLEMENT EXPANSIONS

The draft PPS proposes several amendments to urban settlement area expansions including:

- Changes to the maximum planning horizon for developable land, infrastructure, public service facilities and employment areas from 20 years to 25 years (policy 1.1.2 and 1.3.2.7).
- Extending the minimum number of years required to maintain the ability to accommodate residential growth from 10 years to 12 years (policy 1.4.1(a)).
- Upper- and single-tiers may choose to provide 5 years supply of serviced land within regional market areas (policy 1.4.1).
- Allowing less detailed agricultural assessments for smaller or less complex settlement expansions (policy 1.1.3.8 (e)).
- Allowing potential settlement boundary expansions outside of a Municipal Comprehensive Review, provided there is no net increase to the municipal-wide settlement area (policy 1.1.3.9).

- Requirement to consider market demand in existing growth areas when contemplating settlement area boundary expansions (policy 1.1.3.8).

Mississauga has the capacity to absorb a significant amount of growth and development that would optimize existing infrastructure and services. The proposed policy changes are similar to prior amendments to the *Growth Plan* that allow more low density greenfield development to occur. The proposed urban settlement policies are not expected to impact Mississauga directly, however they could impact future growth allocations. Initial discussions with Regional Staff indicate they are not planning on adjusting their current Municipal Comprehensive Review process to a 25 year horizon.

EMPLOYMENT

The draft PPS proposes several policy changes relating to employment planning and employment area protections, including:

- A new policy that permits the development of sensitive land uses adjacent to existing or planned industrial, manufacturing or other uses when no reasonable alternative locations are available (policy 1.2.6.2).
- A new policy that allows for non-provincially and/or regionally significant employment areas to be converted to non-employment uses prior to a Municipal Comprehensive Review (policy 1.3.2.5).

The proposed policies may reduce employment area protections.

The proposed changes could result in residential development encroaching on the City's employment areas. Specifically, new policy proposes the development of sensitive land uses adjacent to existing or planned industrial uses where no alternative exists. The Province needs to clarify what an assessment of an alternative location would entail, and how the City would determine if this requirement has been met.

The proposed PPS policies, in conjunction with the amended *Growth Plan*, expand the role of the Province in the planning of employment areas. The Province has identified provincially significant employment zones where land-use use conversions are not permitted. However, the PPS will enable the conversion of non-provincially or regionally significant employment areas outside of a Municipal Comprehensive Review. The proposed changes will only affect a small land area of Mississauga. After accounting for natural areas and roads, approximately 97% of Mississauga's employment areas are identified as provincially significant and therefore only 3% of the City's employment area land base could be subject to increased conversion pressure. Please see Appendix 2 for a map of the City's provincially significant employment zones, relative to its employment areas.

INDIGENOUS ENGAGEMENT

The draft PPS proposes that planning authorities shall engage with Indigenous communities and consider their interests:

- When identifying, protecting and managing cultural heritage and archaeological resources (policy 2.6.5).
- When coordinating on land use planning matters (policy 1.2.2).

The proposed updates strengthen the language for Indigenous engagement. The proposed policies align to Mississauga's ongoing engagement with Indigenous communities on land use planning, cultural heritage and archaeological matters.

ENVIRONMENT, ENERGY, NATURAL AND CULTURAL HERITAGE

The draft PPS proposes several policy changes relating to the environment, energy, natural and cultural heritage, including:

- The word *climate change* has been replaced with *impact of changing climate* through the PPS.
- A new policy allows for the management of non-significant wetlands (policy 2.1.10).
- Removal of language related to opportunities for renewable and alternative energy systems throughout the PPS (policy 1.6.11.2, 1.7.1(j), and 1.8.1).
- A new policy that proposes excess soil be re-used on-site where feasible (policy 3.2.3).
- Changes to definitions related to cultural heritage and archeology.

Staff request that the Province maintain strong language to support environmental protection and respond to climate change throughout the PPS. The proposed policy changes in some areas of environmental management have a greater focus on mitigation though this is not expected to impact Staff's review of studies and development applications. Staff support proposed policies on wetlands and the promotion of on-site soil re-use.

Municipalities look to the Province for leadership in the promotion of clean and renewable energy sources. The PPS should retain and integrate previous language that encourages alternative energy systems.

The proposed PPS policy changes impact provincially applied heritage protections, and will work with the significant changes proposed as part of Bill 108. Until the regulations are released, it is not possible to understand the full impact of changes under Bill 108. However, in the interim it is recommended that the Province consider a formal process allowing municipalities to pass heritage by-laws which allow for similar protection applied to locally significant resources.

Financial Impact

There would be no financial impact created by the recommendations.

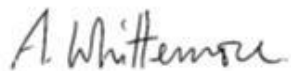
Conclusion

Staff are pleased to have the opportunity to comment on the Draft PPS. While there is support for the Province's efforts to bring more housing to market, there are particular concerns about the greater emphasis placed on market-based housing. Also there are concerns that proposed changes to the settlement boundary policies could lead to more greenfield development and reduced growth in existing urban areas.

Attachments

Appendix 1: Detailed Comments to the Province on the Draft Provincial Policy Statement 2019

Appendix 2: Proposed Provincially Significant Employment Zone (PSEZ) Boundaries and Excluded Employment Areas in Mississauga



Andrew Whitemore, Commissioner of Planning and Building

Prepared by: Mojan Jianfar, Planner, City Planning Strategies

Appendix 1: Detailed Comments to the Province on the Draft Provincial Policy Statement 2019

Initiative	Policy No.	Description of proposed changes	Implications for Mississauga	Comments to the Province
Housing	1.1.1(b); 1.4.1 Definitions	Replaces the term <i>housing types</i> with <i>housing options</i> , which permits a broad range of housing types and tenures, including: single-detached, semi-detached, rowhouses, townhouses, stacked townhouses, multiplexes, additional residential units, tiny homes, multi- residential buildings and uses such as, but not limited to life lease housing, co-ownership housing, co-operative housing, community land trusts, affordable housing, housing for people with special needs, and housing related to employment, institutional or educational uses.	The City recognizes the importance of encouraging innovative housing types, and is exploring sensitive forms of infill and varied housing options as part of its <i>Housing Strategy Action Plan</i> .	<p>The City requests flexibility to assess local needs and context in developing permissions for housing types and tenures city-wide.</p> <p>The City currently lacks the planning tools to mandate certain types and tenures of housing. The City requests that the Province provide expanded planning tools to mandate a more diverse range of housing options.</p>
	1.4.3; 1.4.3(b); 1.7.1(b)	Shift in focus from meeting housing requirements to meeting market-based needs of current and future residents, demographic changes and the needs of a diverse workforce.	<p>The Provincial Policy Statement (PPS) language seems to run counter to policies in the <i>Growth Plan</i> intended to shift the market to more dense forms of housing.</p> <p>Proposed policy may limit the City's ability to obtain the range and mix of housing identified in the <i>Housing Strategy</i>. For example, the Strategy identifies a need for family size units of 3 or more bedrooms. However, the market often does not provide these units in apartments due to the high cost of construction per square foot.</p>	<p>The City does not support a shifting policy focus towards market based housing and is concerned it would provide support for a narrower range of housing. Specifically small condominium units which often provide the greatest return.</p> <p>The City is unclear on what is meant by the term "market," and what data would be used to identify "market" needs.</p>

Initiative	Policy No.	Description of proposed changes	Implications for Mississauga	Comments to the Province
	1.4.3(a)	Requires that minimum affordable to low and moderate income housing targets align with applicable housing and homelessness plans.	Limited impact.	The City's housing targets are aligned with the Region's <i>Housing and Homelessness Plan</i> . Municipalities should be granted additional legislative tools to achieve the targets such as city-wide inclusionary zoning, conditional zoning to secure housing targets and provincial tax/grants for incentives.
	4.7	New policy that requires planning authorities to streamline, fast-track and reduce time needed to process priority applications.	The City may be under increased pressure to process 'priority applications.' This is compounded by timeline reductions introduced under Bill 108. The City has already introduced a development liaison to help applicants advance their applications.	The City requests that the Province provide clarifying language as to what constitutes a 'priority application.' The City does not consider further fast tracking is required given the timeline reductions introduced through Bill 108.
Planning Horizons and Land Supply	1.1.2; 1.3.2.7	Changes to the maximum planning horizon for developable land, infrastructure, public service facilities and employment areas from 20 years to 25 years.	Initial discussions with the Region indicate they are maintaining a 20 year forecast for the current Municipal Comprehensive Review process. Therefore there is no impact on the City in the short term. The change could lead to some municipalities designating more greenfield land.	The City requests that the PPS and <i>Growth Plan</i> provide consistent planning horizons.

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	1.4.1	Within regional market areas, planning authorities shall provide at least 3 years supply of serviced land to support residential development. Upper- and single-tiers may choose to provide 5 years supply of serviced land.	Limited impact. The Region already plans beyond this time horizon.	The City suggests that the Province consider only including one time horizon for land supply.
	1.4.1(a)	Provide a 12 year supply of land to accommodate residential growth (up from 10 years).	Limited impact. The Region already plans beyond this time horizon.	No comments.
Settlement Areas	1.1.3.6	Change to language from 'shall' to 'should': new development taking place in designated growth areas adjacent to existing built-up areas <u>should</u> have compact form, mix of uses and densities that allow for efficient use of land and facilities.	Limited impact.	The City of Mississauga has long supported provincial direction contained in PPS and <i>Growth Plan</i> to build compact and complete communities. The City considers original wording should be maintained.
	1.1.3.7	Change to language from 'shall' to 'should': planning authorities <u>should</u> establish and implement phasing policies for settlement areas.	Limited impact.	The City considers original wording should be maintained.
	1.1.3.8(a); 1.1.3.8(e)	Allows for settlement areas to expand to accommodate growth and satisfy market demand, including allowing less detailed agricultural assessments for less complex settlement expansions.	Limited impact. Initial discussions with the Region indicate they are maintaining a sufficient land supply to accommodate new growth. Therefore there is no impact on the City in the short term. The change	No comments.

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			could lead to some municipalities designating more greenfield land, which could potentially accelerate loss of agricultural lands.	
	1.1.3.9	Allows municipalities to adjust settlement area boundaries outside a Municipal Comprehensive Review provided there is no net increase to the municipal-wide settlement area.	Limited impact.	No comments.
Land use Compatibility	1.2.6.1	Change to language from 'should' to 'shall': major facilities and sensitive land uses <u>shall</u> be planned and developed to avoid, minimize or mitigate adverse effects on public health and support economic viability.	Limited impact as the City already plans to ensure land use compatibility.	The City supports policy changes which provide added protection to major facilities in employment areas.
	1.2.6.2	New policy that permits the development of sensitive land uses adjacent to existing or planned industrial, manufacturing or other uses when no reasonable alternative locations are available and when potential impacts are minimized and mitigated.	Could result in residential development encroaching on the City's employment areas.	The City is concerned that the proposed policy may reduce employment area protections. The City requests that the Province clarify what an assessment of an alternative location would entail, and how the City would assess if this requirement has been met.
Employment	1.3.2.3	New policy prohibiting non-ancillary residential and institutional uses within employment areas that are planned for industrial and	The City currently does not permit residential and institutional uses within its employment areas, yet in some cases permits community	The City seeks to clarify that the proposed policy would not prohibit any uses that the City currently permits in its employment areas.

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		manufacturing uses.	infrastructure uses.	<p>The City suggests that the PPS include a definition for “institutional uses”.</p> <p>The City also requests the Province clarify the phrase “employment areas planned for industrial and manufacturing uses.” The City notes that industrial and manufacturing uses predominate most of its employment area land base.</p>
	1.3.2.5	New policy that allows for non-provincially and/or regionally significant employment areas to be converted to non-employment uses prior to a Municipal Comprehensive Review.	<p>Approximately 97% of Mississauga’s employment areas are identified as provincially significant. Therefore as a result of this change approximately 3% of the City’s employment area land base (after netting out natural areas and roads) could be subject to increased conversion pressure, depending on landowner intent.</p> <p>At the same time, this level of protection limits the City’s ability to undertake conversions in some limited and strategic locations in line with Council approved planning strategies that align to Provincial requirements (i.e. major transit station areas).</p>	The City requests it can advance a limited number of employment area conversions in some of its major transit station areas (such as Dundas Street), in line with Council approved planning strategies.

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	1.3.1(c)	New policy to identify and monitor strategic sites for investment that are suitable for employment and are market ready.	Mississauga currently has many programs in place to attract investment and reduce barriers for businesses.	The City seeks clarification on what monitoring requirements would entail. The City also seeks clarification on the Province's role in helping attract investment to these sites.
Transportation, Transit Supportive Development and Air Rights	1.4.3(e)	New policy that requires transit-supportive development, prioritizes intensification and enables air rights development in proximity to transit, including corridors and stations.	The City strongly supports development in its intensification areas and major transit station areas.	<p>The City seeks clarification on the Province's intended use of air rights. It further requests that the Province issue more guidance on air rights to help guide future development (e.g. transfer of air rights, implementation of air rights over the longer term etc.).</p> <p>The City supports the use of air rights, so long as it is regulated in a way that does not drive property speculation, and proposed development aligns with policy direction contained in the Mississauga Official Plan.</p>
	1.6.7.5	Removal of policy that indicates that transportation and land use considerations shall be integrated at all stages of the planning process.	The City encourages the importance of integrating transportation and land use considerations at all stages of the planning process.	The City requests that original wording be maintained.

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Indigenous Engagement	1.2.2; 2.6.5	Change in language from 'should' to 'shall': planning authorities <u>shall</u> engage with Indigenous communities and coordinate on land use planning matters; and planning authorities shall engage with Indigenous communities and consider their interests when identifying, protecting and managing cultural heritage and archaeological resources.	Policies are in line with Mississauga's priorities to engage with Indigenous communities on land use planning, cultural heritage and archaeological matters.	No comments.
Accessibility	1.1.1(f)	Removal of language related to identifying, preventing and removing land use barriers for persons with disabilities and older persons.	The City identifies the importance of the <i>Accessibility for Ontarians with Disabilities Act (AODA)</i> and encourages the importance of a barrier-free Mississauga for citizens of all abilities including persons with disabilities.	The City requests that original wording be maintained.
Environment, Energy, Natural and Cultural Heritage	2.1.10	New policy to allow for municipalities to manage wetlands not subject to policy 2.1.4 and 2.1.5.	New ability for municipalities to manage wetlands that are not considered <i>significant</i> (as per the PPS). Wetlands are limited in Mississauga's landscape and this proposed policy would support the City in protecting wetlands that do not meet <i>significant wetland</i> criteria but still serve an important function to the City's ecosystem.	No comments.
	3.1.3; Definition	Change in language for planning authorities to <u>prepare</u> for the impacts	These changes strengthen the language for climate change,	The City requests the Province remove the term 'opportunities' as it

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	for <i>impacts of a changing climate</i>	of a changing climate instead of considering the potential impacts. New definition for <i>impacts of a changing climate</i> .	however the new definition of <i>impacts of a changing climate</i> suggest there are present or future 'opportunities' from climate change.	relates to the impacts of climate change. The City requests that the Province provide a definition for what would constitute environmental mitigation.
	1.6.11.1; 1.6.11.2; 1.7.1(j); 1.8.1;	Removal of policy regarding the promotion of renewable and alternative energy systems. Removal of language related to opportunities for renewable and alternative energy systems throughout the PPS.	The City seeks to increase energy supply and encourages clean and renewable energy sources.	The City requests the Province retain and integrate previous language throughout relevant sections of the PPS encouraging alternative energy systems.
	1.6.6.7	Greater emphasis placed on mitigation of risks (as opposed to increased risk) when planning for stormwater management.	Limited impact.	No comments.
	3.2.3	New policy to promote on-site and local re-use of excess soil, where feasible.	The City supports re-use of soil where feasible, and is identifying appropriate policies and procedures for soil re-use.	No comments.
	Cultural Heritage and Archeology Definitions	Six definitions related to cultural heritage and archaeology have been revised, including: <i>areas of archaeological potential; built heritage resource; conserved; cultural heritage landscape; heritage</i>	The six definitions are generally revised to clarify that the authority to define the criteria for cultural heritage value and interest falls under the Province, and not the municipality, as it pertains to the	The City requests that the Province consider a formal process for allowing municipalities to pass Heritage by-laws which allow for similar protections for locally significant resources as allowed for

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		<i>attributes; and significant – subsection (e).</i>	<i>Ontario Heritage Act.</i> These revisions may impact Mississauga as only resources that meet provincial criteria could be protected under the <i>Heritage Act</i> , and resources of local significance would not have access to the same protections.	provincially significant resources under the <i>Ontario Heritage Act</i> .

Appendix 2: Proposed Provincially Significant Employment Area Boundaries and Excluded Employment Areas in Mississauga

