

Ministry of Municipal Affairs and Housing  
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Toronto, Ontario M7A 2J3  
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**ERO Posting: 019-6177**

**Re: Focused Policy Review of A Place to Grow and the Provincial Policy Statement**

The City of Ottawa is pleased to provide its comments on ERO 019-6177, Focused Policy Review of A Place to Grow and the Provincial Policy Statement (PPS).

Summary

A combined provincial policy document has great potential to streamline planning, as major investments in roads, highways and transit are also applicable to Ottawa. But we recognize that Toronto and the Greater Golden Horseshoe face unique growth and land inventory challenges: a combined document will have to recognize distinct growth management contexts that exist outside of the Greater Golden Horseshoe, and not paint every region with the same broad brush.

The current PPS, 2020 states in its Preamble that its primary objective is to “enhance the quality of life for all Ontarians.” In our view, this wording appropriately captures not just housing, a recognized human right, but also those land use planning features that impact livability like public health, walkability and climate change mitigation. Those are prioritized in the PPS through policies on natural resources, efficient land use patterns and rural areas, among others. Moving forward, we recommend that housing supply continue to be balanced alongside other elements that contribute to “quality of life” in the successor to the PPS.

Response to Five Questions

1. What are your thoughts on the proposed core elements to be included in a streamlined province-wide land use planning policy instrument?

**CORE ELEMENT 1: RESIDENTIAL LAND SUPPLY**

*Settlement Area Boundary Expansions*

The City of Ottawa supports the existing requirement for a municipal comprehensive review when evaluating settlement area boundary expansions. While we recognize that it may be necessary to expand settlement area boundaries in certain parts of the province, doing so within a municipal comprehensive review of an official plan is the most efficient methodology because it takes a comprehensive look to identify the best opportunities for the most dwellings at the lowest cost for expansion, including a coordinated approach to land uses and infrastructure that further reduces servicing and transportation costs.

*Rural Housing*

The PPS currently recognizes that “*efficient development patterns* optimize the use of land, resources and public investment” and that they “support the financial well-being of the Province and municipalities over the long term...” In most instances, rural development does not represent an efficient land use pattern, and for that reason the PPS discourages rural lot creation except in very specific circumstances. The City of Ottawa supports this approach, and notes that our New Official Plan focuses its rural intensification targets to existing villages, where municipal services are planned or available. Country estate subdivisions are inefficient, requiring larger lot sizes to separate private wastewater from contaminating private water services, and can lead to increased conflicts between subdivision residents and aggregate operations, agricultural uses, and the natural environment.

Enabling more residential development outside rural settlement areas (villages) results in increased costs for the provision of municipal and community services such as waste collection and road maintenance and increases the demand for other types of essential services such as reliable internet that may be inefficient or prohibitive due to cost and/or lack of supporting infrastructure.

Where vacant rural settlement area lands or vacant rural lands are adjacent to urban settlement areas, however, the City of Ottawa would support policies that permit a “land swap” so that developable rural lands can be included in urban settlement areas and accommodate significantly more dwellings per hectare. Further, we suggest that rural lot creation near provincially significant wetlands have sufficient non-wetland area to permit development that is safe for residents and does not adversely impact the wetland.

In general, the City of Ottawa would not support policy changes that would make rural lot creation for residential development easier to obtain outside of established settlement areas. Not only would it result in inefficient land use patterns, but it would create challenges for providing essential services, adversely impact natural systems, increase conflict with agricultural businesses, and impact the feasibility of future mineral extraction operations.

### *Employment Area Conversions*

To better facilitate conversions where they are appropriate, the City would suggest distinguishing industrial employment lands – that is, those lands with uses that require separation from residential and other sensitive uses – and non-industrial employment lands. Such a bifurcation would streamline conversions of employment areas, at least for non-industrial uses, for new residential or mixed-use development. However, non-residential uses should still be required to maintain an economic base for the underlying population. We are mindful of the need to maintain a land supply for new industrial uses within the urban area that flow from innovations in technology, that may not neatly fit the classic industrial classification category but are also, due to logistics, loading or other requirements, not suitable for location near sensitive uses. The rapid growth of logistics, warehousing and “last-kilometre” delivery models in the last decade that require transshipment terminals of varying scales and impact are a recent example.

A no-net-loss policy will enable the addition of employment lands simultaneous with the conversion, however a comprehensive approach is preferred so that adequately sized employment lands can be planned and serviced rather than smaller lots that do not significantly contribute to useable supply and may be more expensive to service, and that can in turn be utilized for future industrial/economic generators as demand requires.

## **CORE ELEMENT 2: ATTAINABLE HOUSING SUPPLY AND MIX**

### *Housing Mix*

The City of Ottawa would support policy direction that encourages an appropriate mix of housing options and densities. However, we suggest that an adequate mix of housing is better achieved by planning for a mix of dwelling *sizes* rather than a mix of dwelling *types*, and by encouraging a balanced geographic distribution of housing sizes and tenure throughout a municipality.

Policy direction on housing mix or housing size should also apply to rural settlement areas to encourage intensification, promote healthy communities and strengthen local economies.

### *Major Transit Station Areas*

The City of Ottawa would support the continuation of requirements for minimum densities to ensure maximum return on government investment in infrastructure. Focusing density in urban centres near transit is an efficient use of land and infrastructure and reduces pressures on our rural area including farmland and natural features.

We suggest that transit-oriented development planning for improved multi-modal connections to transit stations also be encouraged.

### *Urban Growth Centres*

The City of Ottawa has no objection to what is described. However, allow municipalities outside of A Place to Grow to determine density targets for their growth centres that are tailored to their specific contexts, rather than a generic density target across all urban centres.

## **CORE ELEMENT 3: GROWTH MANAGEMENT**

### *Population and Employment Forecasts*

As indicated in the City of Ottawa's submissions to the Standing Committee regarding Bill 23 on November 17, 2022, the housing target assigned to Ottawa by the Province is 70% higher than provincial projections to 2031 and double the City's projection to 2031. In that submission, the City of Ottawa requested clarification on how those targets were created and assigned to municipalities, as the delta indicates a departure from best practices of the cohort-survival model and observed household formations and propensities.

The status quo of Official Plan adoption followed by a five-year review already incorporates the use of the most current, reliable information. This system uses a minimum land supply at the time of adoption to ensure that there is enough land in the short and medium terms, while longer-term needs are adjusted during each five-year review using the most current and reliable information for projections available at that time. Provided that sufficient minimum land supplies are required, such as a 15-year minimum, enough land will be available to go through the planning process to construction while the longer-term projections are adjusted during each five-year review.

Regarding the “type of housing needed”, the recommendation mentioned above to move away from housing *type* to housing *size* would provide flexibility and enable more housing through intensification, while also allowing the housing industry to adapt to market demands.

#### *Intensification*

The City of Ottawa has no objection to what is described. As per the Housing Affordability Task Force report, municipalities should increasingly rely on intensification rather than outward expansion of settlement areas, as continued sprawl is economically and environmentally unsustainable. The proposed policy direction should recognize the full spectrum of intensification housing, from gentle infill, missing middle housing, mid-rise apartments, high-rise apartments, and seniors housing, which has a spectrum of its own. The proposed policy direction should generally guide where the different built forms and/or densities of intensification *can* occur within the delineated built-up portion of settlement areas. With regards to suburban locations, vacant areas with higher-density designations should be recognized as high-priority areas for municipal and provincial investments into transit, public service facilities, including schools and funding allocation from the Ministry of Education, and preserve opportunities for commercial and other services that will accelerate the attractiveness of these existing housing opportunities from a market perspective.

#### *Large and Fast-Growing Municipalities*

The City of Ottawa has no objection to what is described and wishes to highlight that Ottawa’s context for growth management as the hub for eastern Ontario and western Québec may be different than other parts of the province.

### **CORE ELEMENT 4: ENVIRONMENT AND NATURAL RESOURCES**

#### *Agriculture*

The City of Ottawa is concerned that the described “increased flexibility” could result in added development pressure on natural features such as woodlands and wetlands. Development pressure should remain focused within established settlement areas and linked to infrastructure and transit investments that support development, while minimizing conflicts with sensitive environmental areas and agricultural operations.

We continue to support strong protection of primary agricultural resource areas and recommend that the local *agricultural systems* should be preserved to accommodate the diverse spectrum of essential and complementary activities that ensure viable and resilient farm operations and the overall agricultural and agri-food sector.

Additional residential developments in rural areas, as contemplated in Core Element 1: Residential Land Supply, could further fragment agricultural lands, introduce conflicting land use activities, disrupt normal farm operations, limit the ability of agricultural operations to adapt for future changes (e.g., addition or expansion of livestock facilities) and increase traffic in areas that may conflict with farming equipment/vehicles. Similarly, recent studies across Ontario suggest that allowing smaller agricultural lots may increase competition from non-farmers for these lands: further amplifying land affordability issues and impacting farm operators’ ability to expand and/or establish new operations.

#### *Natural Heritage*

In addition to the below, this submission includes **Appendix 1: Addendum on Core Element 4, Item 2: Natural Heritage**.

The current PPS natural hazards policies do not need streamlining, although we suggest that *implementation* of the policies could be improved through increased resourcing and updated technical guidelines and standards. Provincially-coordinated resources, guidelines and standards would be particularly valuable to add certainty and predictability.

#### *Natural and Human-Made Hazards*

These policies were recently reviewed as part of the PPS consultations in 2019 and by the Special Advisor on Flooding. We suggest they should be maintained or strengthened. Natural heritage features and systems often coincide with areas of natural hazards, such as floodplains and steep slopes. Development restrictions in these areas protect people, property and natural features and functions.

The City of Ottawa would be supportive of a streamlined policy direction that allows for recognizing stormwater infrastructure that is designed and constructed with the purpose of managing hazards and mitigating the impacts of development. This could:

- Eliminate the unnecessary regulatory burden on properties of low to no risk, without needing to make exemptions and exceptions for permits;
- Free up more developable land without introducing increased risk that could otherwise result from alternative processes such as permit exemptions; and
- Reduce the time to assess permit applications since there would be less debate over technical aspects of the relevant mapping.

Lastly, and in light of recent changes to the *Conservation Authorities Act*, the City of Ottawa would also be supportive of streamlined policy direction that allows municipalities to define and/or request additional studies or assessments related to the management of natural hazards, particularly where the proposed development would be exempt from a Conservation Authority Permit.

#### *Aggregates*

The City of Ottawa had no concerns with the changes to the PPS in 2019, which clarified when aggregate extraction may be considered in natural heritage features. We note that increased rural residential development may in turn compromise future aggregate extraction operations.

#### *Cultural heritage*

The existing PPS policies on cultural heritage resources are succinct and effective in their language, providing the basis for the conservation of heritage resources in the planning process. Rather than softening language around conservation of cultural heritage resources to create flexibility to increase housing supply, the City of Ottawa suggests that there be an explicit acknowledgement that cultural heritage resources offer opportunities to create new housing units through intensification.

## CORE ELEMENT 5: COMMUNITY INFRASTRUCTURE

### *Infrastructure Supply and Capacity*

Long-range integrated infrastructure planning should be encouraged across the province to accommodate new growth in efficient land use patterns; Ottawa routinely considers infrastructure planning as part of our Official Plan Review process and has an Infrastructure Master Plan Review in progress. Moving forward, and to support policies encouraging intensification, Provincial guidance and regulatory support for flexible approaches to servicing are needed; for example, long-awaited guidance on low-impact development approach to stormwater management.

One example of how the PPS could increase servicing flexibility is to require municipalities to develop long-term projections (i.e. 50+ years) and oversize trunk infrastructure projects based on these projections. This is already the City of Ottawa's practice, structured so that post period capacity cost allocation is assigned to Development Charges, so that ratepayers are not financing future growth.

### *School Capacity*

The City of Ottawa supports the coordination of increased residential density and school facility planning. However, planning for new school sites should be based on *projected student enrollment*, with little or no regard to urban context or price of land. Further, a new policy statement should encourage school boards to provide more efficient use of their lands, such as through smaller footprint, multi-storey school buildings, mixed use school sites or shared facility agreements. These would increase flexibility and create opportunities for new school sites where projected student enrollment indicates that they are needed.

The ability to adapt existing schools within the built-up area for intensification projects is equally important as creating new school sites; a provincial policy document that deals with school capacity should also recognize schools' need for funding for retrofits or to address growing enrollment (i.e., additions or portables).

## CORE ELEMENT 6: STREAMLINED PLANNING FRAMEWORK

The City of Ottawa would support policy direction that creates efficiencies and predictability; however, as mentioned above, doing so should not be at the expense of policies that support other "quality of life" elements like greenspace and public health. Similarly, heritage and natural systems must be appropriately considered and conserved, as neither of these things can be readily reinstated after they have been destroyed.

An "Outcomes-Focused" approach should therefore not be so focused on housing as a singular outcome that it compromises equally important outcomes such as environmental preservation. Coordinating our priorities will mean that future renters and home buyers in Ontario will not only have housing, but a healthy environment and a sense of place – all factors that contribute to overall livability.

Likewise, "speed and flexibility" for municipal comprehensive reviews of official plans should only be considered when it is appropriate to do so – a piecemeal planning exercise for a settlement area



boundary expansion will result in a less efficient land development pattern. Expansions should remain limited to comprehensive reviews, with limited exceptions.

2. What land use planning policies should the government use to increase the supply of housing and support a diversity of housing types?

Ottawa stresses the critical importance of an updated PPS maintaining or strengthening the focus of new residential development in existing settlement areas to optimize existing and planned infrastructure and protect natural systems. Land use planning policies that encourage and enable intensification supply to meet our housing targets are the most important directive to increase the supply of housing and support a diversity of housing types without compromising other priorities.

Other policies that would be helpful to increase the supply of housing and diversity of housing types include:

- Focus policy direction on a diversity in housing *size* and *tenure* rather than housing *type*;
- As mentioned above, long-range infrastructure planning would be a beneficial first step to ensure that there are adequate services in place to accommodate growth through intensification (**Core Element 5: Community Infrastructure**);
- Policy direction that encourages a focus on the provision of housing for the senior population, including those exiting the private housing market and entering a collective housing market, would be helpful to make existing units available to households entering the market. A new policy framework for the older-aged population is also needed *now* to set the foundation that will provide residential care for the baby boom population when they become of age.
- “Use it or lose it” incentive policies to advance vacant greenfield lands that are idle - where if no progress in the planning process has been made by the next Official Plan review the lands are removed from the residential land supply and an equal supply can be provided at an alternate location; the original lands would not be eligible to be considered under the following comprehensive review; and
- As mentioned above, where vacant rural settlement area lands or vacant rural lands are adjacent to urban settlement areas, policy support for a “land swap” so that developable rural lands can be included in settlement areas and accommodate more dwellings per hectare (**Core Element 1: Residential Land Supply – Rural Housing**).

3. How should the government further streamline land use planning policy to increase the supply of housing?

There are several opportunities for streamlining land use planning policy in the current PPS, but the City of Ottawa suggests this does not include heritage resources or natural systems. As mentioned above, the existing PPS policies on cultural heritage resources are succinct and effective in their language, and we caution that any softening of the language could threaten important built heritage resources and cultural heritage preservation in the long term. Similarly, we suggest that the upcoming policy document uphold strong protections for sensitive natural features and natural hazard areas in the interest of health and safety.

Some opportunities for streamlining land use planning policy include:

- Increasing the maximum designated supply beyond the current 25-year maximum;
- Allow municipalities to recognize stormwater infrastructure that is designed and constructed with the purpose of managing hazards and mitigating the impacts of development (see Core Element 4: Environment and Natural Resources);
- Provide policy direction and technical guidance to Eastern Ontario regarding management and delineation of retrogressive landslide hazards in areas of sensitive marine clay. There is no direction currently available regarding these hazards, but if introduced it could support the reasonable delineation of these hazards without requiring extensive technical studies. This would help streamline development approvals and improve the management and mitigation of possible impacts to and from development;
- Introduce policies to manage on-site stormwater management for “gentle intensification” projects permitted through Bill 23 to eliminate flows on neighbouring properties, rather than relying on a patchwork of varying processes across municipalities. This will create certainty in project management;
- Distinguishing between industrial and non-industrial employment land areas; and
- As mentioned above, if rural lot creation are proposed to be permitted in or near provincially significant wetlands, a policy should be introduced to condition the severance on the new lots having sufficient non-wetland area to permit safe development.

4. What policy concepts from the Provincial Policy Statement and A Place to Grow are helpful for ensuring there is a sufficient supply and mix of housing and should be included in the new policy document?

The PPS policies that promote the use of existing services and allow densification along those services are helpful for ensuring there is a sufficient supply and mix of housing and should be included in the new policy document. As mentioned above, these policies can be reinforced by long-range infrastructure planning policies. They promote efficient land use patterns that optimize existing services, protect our natural environment, promote economic development and support active transportation options.

Other policy concepts that are helpful include:

- Policies that directly or indirectly serve to protect agricultural lands or natural systems; this includes policies that limit settlement area boundary expansions to a municipal comprehensive review with very limited exceptions;
- The existing policies in section 2.2.1 of A Place to Grow (Managing Growth) would be helpful if applied to other regions, particularly if they are updated to specifically refer to gentle intensification opportunities permitted by Bill 23;
- The current definition of “built heritage resource” in the PPS that includes UNESCO, natural historic sites and federally recognized properties is particularly helpful to Ottawa; maintaining this broad definition retains efficiencies in built heritage conservation; and
- The spirit of the existing definitions for affordability in the PPS are helpful and should be carried forward – tying affordability to income rather than to average market rent or average purchase price is the correct approach. This is because calculating average market rent and



average purchase price is not a straightforward exercise and it is dependent on typological inclusions (i.e., may or may not include ADUs) and geography, among other factors. While guidance is expected from the Province in the form of a Bulletin contemplated in the *Development Charges Act* on this issue, the City of Ottawa would not support this definition as a basis for policy because it ties affordability to the market, rather than to the households in need. Tying affordability to income appropriately makes the starting point for affordable and supportive housing frameworks for the households that we are looking to help.

5. What policy concepts in the Provincial Policy Statement and A Place to Grow should be streamlined or not included in the new policy document?

The priorities in the current PPS are largely aligned with the City of Ottawa's: climate change mitigation, protection of natural systems, conservation of heritage, and promotion of efficient land use patterns allowed Ottawa to adopt a strong Official Plan to guide the next 25 years of planning. Recently approved by the Minister in November 2022, we stand behind that Official Plan and trust that the priorities will all remain in a new policy document.

Conclusion

We look forward to reviewing the upcoming policy document and working with the Province to ensure that it captures the land use planning priorities that are important to Ottawa.

Sincerely,

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## Appendix 1: Addendum on Core Element 4, Item 2: Natural Heritage.

The City of Ottawa has previously submitted comments on the proposed changes to the Ontario Wetlands Evaluation System through ERO 019-6160 and on the Conserving Ontario's Natural Heritage Discussion Paper through ERO 019-6161. Many of those comments are reiterated here for convenience and fullness.

The new proposed direction on natural heritage and rural areas do not appear to be supported by the Province's own statements and reports:

- The Minister's message as posted on [More Homes, More Choice: Ontario's Housing Supply Action Plan | ontario.ca](#) (2018) notes that "Housing must be built in the right places, so we can maintain Ontario's vibrant agricultural sector and employment lands..."
- The Province also notes that it can "introduce policies that encourage densification. We can also make the most of infrastructure investments and encourage more density around major transit stations. **We can do all these things while maintaining important protections** for existing residents of stable communities, a vibrant agricultural sector, employment lands, the Greenbelt, our cultural heritage and the environment" (emphasis added).

Perhaps most importantly, the Housing Affordability Task Force Report (February 2022) noted that "Most of the solution must come from densification. Greenbelts and other environmentally sensitive areas must be protected, and farms provide food and food security. Relying too heavily on undeveloped land would whittle away too much of the already small share of land devoted to agriculture." The direction described in this Core Element does not appear to support this recommendation.

Our specific comments on this core element, together with the Conserving Ontario's Natural Heritage Discussion Paper and proposed changes to OWES, are:

- "Empowering local decision making" will include resource challenges that should be addressed at the same time, particularly where municipalities will be responsible for identifying significant natural features, with little to no Provincial support for their protection.
  - For example, when a municipality is compelled to buy locally significant features at a high cost, or else let them be developed.
  - Significant wildlife habitat is already appropriated to municipalities, which Ottawa staff have found to be very challenging to manage.
  - Proposed changes to OWES and the *Conservation Authorities Act* also appear to download substantial responsibility for wetlands onto municipalities.
- Strong provincial policy protection for significant wetlands and flood plains to date has enabled Ottawa and other municipalities to build our natural heritage systems around these features.
- Ottawa has recently introduced "no net loss policies" for rural woodlands and non-significant wetlands into our Official Plan based on many of the same principles around *offsetting* described in the provincial discussion paper, Conserving Ontario's Natural Heritage. There are several challenges with these policies:
  - The discussion paper notes that some habitats such as coastal wetlands/southern bogs and fens should not be eligible for offsetting; we agree and further recommend

that this exclusion apply to all significant wetlands, mature forests, and specialized/rare habitats such as alvars.

- Some habitat types are too complex to successfully recreate.
  - The ecosystem services provided by both wetlands and woodlands tend to increase with maturity and it may take decades (or centuries) for a compensation site to reach those levels of function.
- Recent literature has shown that offsetting should only be considered in very limited circumstances, and that enforcement and long-term monitoring are critical to success.
- Wetland offsetting has been demonstrated to be problematic in several jurisdictions, while other types of habitat are less well-studied.
  - Several cases have highlighted significant concerns and risks, showing continued losses of habitats and ecosystem services.
  - Compensation banking must be carefully controlled to ensure that losses do not quickly outpace gains, and that localized inequities do not result.
- It is difficult to measure success within the typically short time frames of post-construction monitoring, especially for ecological functions/biodiversity which take much longer to fully develop
- Land is a finite resource and compensation must be considered a long-term commitment; we cannot assume that suitable sites will always be available, especially if appropriate offset ratios and geographic limits are applied.
  - Suitable compensation sites must be capable of supporting the desired habitat, not required for other uses; the owner must commit to allowing this use over the long term (multiple decades, if not in perpetuity).
  - Most jurisdictions already use a 2:1 or 3:1 compensation ratio at a minimum to try and achieve no net loss / net gain, yet these may not be successful in preventing losses in the long term.
  - Even in Ottawa, which is geographically large with apparently abundant potential compensation sites, it has been challenging for proponents to secure appropriate locations within allowable limits (e.g., same subwatershed).
- The existence of offsetting options, especially financial ones, encourage developers to continue pursuing projects in areas with environmental constraints. These sites may not be suitable for the type of attainable or affordable housing desired in the short term, since they may be difficult to service and likely more costly to develop.
- *Planning Act* processes may not be sufficient to ensure compensation is achieved:
  - Significant changes may be approved on paper in advance of compensation planning or delivery (e.g., through Official Plan Amendments or Zoning By-law Amendments); this establishes development rights that could limit or preclude options to avoid or minimize impacts at later stages of planning, even if compensation is determined to be unfeasible.
    - This disconnect is already apparent when dealing with OPAs / ZBLAs that could have implications for endangered or threatened species habitat; Ottawa has attempted to ensure compliance by engaging with provincial staff early in the area planning process.

- Most small developments will no longer require site plan or subdivision approvals, where legal mechanisms to ensure implementation are strongest (via conditions of approval); this will introduce new challenges to achieve a net gain.
  - In site plan and subdivision scenarios, timelines are challenging, and post-approval protections are poor.
- Protection of natural features relies largely on *Municipal Act* by-laws, especially if *Conservation Authorities Act* regulations are amended as currently proposed. This creates several challenges:
  - Regulation of site alteration and tree cutting are enabled, but not required, under the *Municipal Act*, therefore protection for natural features varies among municipalities.
  - Enforcement is problematic: municipalities rely on complaints to trigger investigations, meaning that features may be cleared before any enforcement action is taken, or that charges cannot be laid due to statutes of limitation being exceeded.
  - Municipal by-laws cannot restrict normal farm practices, so farming can and has been used as a pretext for land clearing in advance of *Planning Act* applications.