

November 21, 2025

Provincial Land Use Policy Branch
Ministry of Municipal Affairs and Housing
13th Floor, 777 Bay Street
Toronto, Ontario
M7A 2J3

Re: ERO 025-1099: Consultation on Simplifying and Standardizing Official Plans

On behalf of our many municipal clients, we are submitting our comments related to the consultation on simplifying and standardizing Official Plans.

1. Introduction

Watson & Associates Economists Ltd. (Watson) is one of Canada's leading economic consulting firms, comprising municipal economists, planners, accountants, and support staff. The firm has been in operation since 1982. We work with municipalities across Canada on assignments related to growth management strategies, demographic forecasts, comprehensive urban land need reviews, employment strategies, housing studies, as well as a broad range of municipal finance and land economics studies. Watson is a recognized national leader in the field of growth management, having completed numerous comprehensive review studies for lower-tier, upper-tier and single-tier municipalities over the past two decades.

2. Overview Commentary

We appreciate the province's initiative to standardize Official Plans across Ontario, as it reflects the government's commitment to improving consistency, clarity, and predictability in planning processes. This approach has the potential to streamline approvals and advance housing and growth objectives. Drawing on our experience working with municipalities on Official Plan Reviews, we see opportunities for the province to consider changes that will support effective implementation and maximize the benefits of this initiative. Provided herein is a summary of our key recommendations and considerations.



3. Recommendations

3.1 Standardizing Land-Use Designations

We recognize the province's intent to simplify and standardize land use designations as part of standardizing Official Plans. This approach can improve clarity, add predictability and help streamline development approvals. However, based on our experience working with municipalities, we believe the following considerations are crucial.

Variation in Local Context

Land use designations are designed to reflect the unique characteristics, economic drivers, and community priorities of individual municipalities. Applying a one-size-fits-all approach would significantly reduce the flexibility needed to address local conditions. Municipalities have invested considerable effort in creating plans that respond to distinct economic opportunities, geographic constraints, and long-term planning objectives. A rigid, province-wide template regarding land use designations risks diminishing these distinctions, potentially weakening local planning goals and economic development strategies. To address this, the province should allow municipalities the flexibility to incorporate local subcategories (e.g., light, general, heavy, rural industrial uses) or overlays where necessary, to accommodate unique conditions and priorities.

Recognizing the Range of Employment Uses

A key concern is ensuring Official Plans provide more than one stand-alone employment designation to reflect the diversity of economic activity. The Provincial Planning Statement (PPS), 2024 defines "Employment Area" primarily as industrial-type development; however, this narrow definition does not capture the full range of employment-generating uses that drive modern economies. Commercial uses, such as innovation hubs, technology campuses, stand-alone research facilities, and business parks, require dedicated land and tailored policies, as they do not meet the provincial definition of an Employment Area, but are also often not suitable or feasible in pedestrian-oriented, mixed-use environments. For example, such commercial uses often require large floor plates, have specific infrastructure requirements, necessitate significant surface parking, or can introduce a substantial increase in car/truck traffic to the local area. Furthermore, land-extensive, car-oriented commercial uses, which often rely on highway visibility (e.g., car dealerships), are typically not well-suited to mixed-use environments and require distinct designations to ensure they are properly located and supported. Lastly, commercial rents, particularly for lower-order service commercial uses (e.g. auto repair, dance studios), generally cannot support higher land costs in mixed-use areas.

The province should support more than one stand-alone employment designation to reflect the diversity of economic activity within municipalities. In addition to the



traditional Employment Area designation, which primarily covers industrial uses, a separate category for other Employment Generating Uses should be established. This designation would apply to non-industrial employment uses that do not meet the provincial industrial definition and are not suitable or feasible within mixed-use environments. Furthermore, it is important to maintain well-located, distinct commercial designations for uses which directly support industrial operations in Employment Areas and/or are not well-suited or supported in mixed-use environments. These designations can form appropriate transitional lands between Employment Areas and mixed-use and/or residential areas. Providing distinct commercial designations will help municipalities protect strategic lands for employment generation, support complete communities, and respond effectively to evolving market needs.

3.2 Maintaining Secondary Plans

While Official Plans establish broad directions, Secondary Plans provide the detailed, site-specific guidance necessary to implement those directions effectively. They allow municipalities to address critical issues such as infrastructure capacity, protection of natural features, and coordination of land use in ways that Official Plans cannot.

Secondary Plans are comprehensive documents that include detailed mapping, technical studies, and design work. Without this level of detailed information, municipalities are limited in their ability to effectively plan for infrastructure, identify suitable balances across a range of required residential and non-residential land uses, protect environmental features, and deliver the community amenities needed to support urban development. This depth of analysis is essential for coordinating land use, transportation and services in a way that creates complete and sustainable communities.

3.3 Official Plan Schedules

Proposed schedules related to “Estimate of Market Need” and “Serviced Land Requirement” often require dynamic, data-driven models based on established methodologies, which are best documented through supporting background studies rather than being embedded in the Official Plan itself.

It is important to recognize that existing Official Plan schedules related to urban structure, land use and infrastructure are directly informed by comprehensive growth analysis studies, urban needs assessments and master servicing strategies, which are carried out by municipalities in conjunction with key stakeholders. These studies are designed to identify the need for urban land by planning policy area based on anticipated real estate market trends over a long-term horizon, as set out in the PPS, 2024.



Phasing strategies and associated policies can also inform Official Plan schedules, which provide direction on the timing and sequencing of municipal services required to address the estimated market need for designated urban lands, including approved urban expansion areas or urban reserve lands / future urban growth lands (where applicable). Urban land supply inventories, growth tracking systems, and servicing capacity monitoring tools must be better integrated and enhanced to enable municipalities to dynamically respond to changing real estate market conditions and infrastructure needs, which inform the broader direction of their Official Plans and supporting schedules.

We appreciate the opportunity to provide comments related to the proposed changes on behalf of our municipal clients.

Yours very truly,

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