

Attachment-1 Proposed 2023 Provincial Planning Statement – Summary of Key Policy Changes and Implications

Population and Employment Growth Forecasts

Current Provincial Policy	Proposed PPS 2023 Policy	Implications
<ul style="list-style-type: none">The Growth Plan provides population and employment forecasts to 2051 and allocates this expected growth to upper and single-tier municipalities in the Greater Golden Horseshoe.Through Official Plan Amendment 80, Guelph needs to plan to meet provincial growth forecasts for a population of 203,000 and 116,000 jobs by the year 2051.	<ul style="list-style-type: none">Municipalities will no longer be required to plan for a Provincially mandated population and employment forecast.	<ul style="list-style-type: none">In the short term, the Province expects that municipalities continue to use the 2051 forecasts as presented in OPA 80. However, over time, municipalities would carry out their own forecasts and plan for growth accordingly.A direct download of population forecasting, which will increase staff or consultants to manage with the potential of 444 municipalities using different methods to calculate which will be different from the numbers the Province and Minister of Finance forecast.The potential implications of this proposed policy change includes increasing the degree of fragmentation of land use planning, more land speculation, and prematurely building on agricultural land. The Provincial forecasts introduced a mechanism to allow for coordinated and strategic decision-making across the fastest growing areas of Ontario – without these forecasts, a weakened approach to land use planning framework could result. From a water and wastewater supply perspective, having increased local flexibility and control over growth could relieve some pressure on our water supply capacity.

Settlement Area Boundary Expansions

Current Provincial Policy	Proposed PPS 2023 Policy	Implications
<ul style="list-style-type: none">• Expansions to settlement area boundaries may only occur as part of a municipal comprehensive review (MCR).• A MCR is a comprehensive planning exercise initiated a municipality to determine how and where to grow, and typically occurs once every five to ten years.• A Land Needs Assessment is required to determine if any settlement expansions are required, and identifies the best location for the expansions based a variety of planning justifications (e.g., maximizing servicing and infrastructure, avoiding natural heritage systems, and climate adaptation and mitigation).• For consistency and coordinated decision-making, the Province requires that municipalities follow a standardized methodology to demonstrate the need for any proposed settlement boundary expansions. The standardized methodology is based on a series of tests and a land needs assessment.	<ul style="list-style-type: none">• The proposed PPS 2023 eliminates the need for a MCR, enabling municipalities to consider a settlement area expansion at any time, including through any privately initiated development proposals.• There would be no ability to appeal a municipal decision that either allows or refuses an expansion to a settlement area boundary.• The proposed PPS 2023 also eliminates the need for municipalities to justify any settlement area expansions. As a result, municipalities would no longer be required to carry out a land needs assessment when considering an expansion.	<ul style="list-style-type: none">• The proposed PPS 2023 seeks to provide municipalities with more flexibility to expand their settlement boundaries to facilitate the creation of housing supply. The result of the revised policy, when examined from a broader growth management lens, could lead to greater uncertainty for how, where, and when a municipality will grow over the long-term. More uncertainty could increase land speculation in areas in and surrounding Guelph and prematurely remove agricultural land from production.• A MCR process provides municipalities with the consistency that is necessary to continue to plan desirable complete communities.• An increase in fragmented boundary expansions that will severely impact the municipalities long term growth and financial stability.• Exploring the long-term implications of the proposed policy revisions presents some challenges with respect to coordinating growth and infrastructure planning. Without some form of provincial standardization of growth forecasts, there will be a lack of coordination across municipalities, potentially leading to inter-municipal land challenges and access/sufficiency of shared resources amongst municipalities. Further, service Master Plans updates could be more difficult even within a municipality and could become uncoordinated without clear internal governance structures over long-term planning.• The tests to be applied to expand boundaries are not as stringent as they were, and require consideration of adequacy of servicing, phasing and agricultural issues, such as the minimum distance separation formula. There is no limitation on the ability of landowners from applying for an expansion, although the Planning Act continues to limit the ability to appeal the refusals of any such applications.• The lack of consistent and clear direction on criteria or assumptions creates a challenging planning environment for municipalities when estimating the availability of land to accommodate future growth. Requiring a Land Needs Assessment formalized good land use planning principles.• Due to a lack of methodology or requirement to demonstrate the need to an expansion, this could result in inconsistent, uneven, and incongruous development patterns across Ontario.

Targets, Major Transit Station Areas, and Strategic Growth Areas

Current Provincial Policy	Proposed PPS 2023 Policy	Implications
<ul style="list-style-type: none">• The Growth Plan promotes an intensification-first approach to development to make better use of existing land and infrastructure. It requires municipalities to plan to accommodate at least 50 percent of its future residential growth within existing built-up areas through intensification.• Through OPA 80, and due to the addition of Dolime, Guelph requested a lower, alternative intensification target of 46%, which was approved by the Province on April 11, 2023.• The Growth Plan directs municipalities to plan new greenfield communities to achieve a minimum density target of 50 residents and jobs combined per hectare.• OPA 80 plans for a minimum density target of 68 residents and jobs per hectare on community area designated greenfield lands within the City’s boundary.	<ul style="list-style-type: none">• The proposed PPS 2023 would eliminate the requirement for municipalities to establish and work towards achieving a specific minimum intensification target.• Municipalities will be directed to permit and facilitate all types of intensification more broadly in the urban area, and to prioritize intensification in proximity to transit, including corridors and stations; there would no longer be an identified built boundary.• The proposed PPS 2023 would carry forward the requirements for municipalities to set specific density targets for Major Transit Stations Areas (MTSAs) and Strategic Growth Areas from the Growth Plan.• Policy language has been changed from a “shall” to a “should” with respect to planning to achieve the density target in MTSAs.• The proposed PPS 2023 would no longer require municipalities to achieve a specific minimum density target in designated greenfield areas. Instead, large and fast-growing municipalities, such as Guelph, would be “encouraged” to plan for a minimum density target of 50 residents and jobs per gross hectare across all new or expanded greenfield areas.	<ul style="list-style-type: none">• The intended outcome of this policy revision is to provide municipalities with more flexibility in determining how and where growth should be accommodated. It would be desirable that the City of Guelph maintain and continue to establish an intensification target within its official plan since this is an important step towards achieving a more compact, sustainable, and transit- supportive built form, as supported through the Corporate Strategic Plan and Official Plan.• By setting clear targets and expectations and having them align with infrastructure planning as Guelph has done, municipalities are better able to prioritize their efforts and resources to achieve the needed level of intensification. Targets also make it possible for municipalities to measure their progress over time and make any required adjustments to ensure they reach their targets.• The original intent of the Province’s greenfield density targets was to build more compact, transit-supportive communities in new greenfield areas. Such communities support walking, cycling, transit services and foster a mix of land uses and housing. They also help to reduce automobile dependency, promote healthier lifestyles, and better support our climate change mitigation and adaptation objectives.• If passed, the proposed policy language would lower the Province’s expectations for municipalities to achieve such communities in their new greenfield areas. Fundamentally, this change would work against many of the key planning principles that Guelph Council adopted through Official Plan Amendment 80.• This policy revision increases the risk of regressing to a time when low-density, auto-oriented development patterns prevailed and seeks to work against what that the original 2006 Growth Plan sought to prevent.• For context, Guelph has been achieving a density of 71 residents and jobs per hectares across our existing committed greenfield lands.

Affordable Housing

Current Provincial Policy	Proposed PPS 2023 Policy	Implications
<ul style="list-style-type: none">• The Growth Plan currently requires municipalities to	<ul style="list-style-type: none">• The proposed PPS 2023 no longer requires municipalities to	<ul style="list-style-type: none">• Without clear Provincial definitions of “affordable housing”

<p>establish targets for affordable ownership and rental housing, and to implement strategies to achieve these targets to support low- and moderate-income households. Affordable housing is defined as the lesser of average market rents/prices, or the housing that low- and moderate-income households can afford by spending 30 percent of their income on housing</p> <ul style="list-style-type: none">Through OPA 80, Council adopted an overall target for a minimum of 30 percent of new ownership and rental housing to be affordable for low- and moderate-income households.	<p>set any specific targets for affordable housing and eliminates the current Provincial definitions of “affordable housing” and “low- and moderate-income households.”</p> <ul style="list-style-type: none">Municipalities would still be required to plan more generally for a full range of “housing options”, including housing affordability needs in collaboration with Service Managers.	<p>and “low- and moderate-income households”, municipalities will not have a clear benchmark to facilitate the construction of affordable housing, or to hold those who indicate that they are building or providing affordable housing to a standard level of affordability.</p> <ul style="list-style-type: none">At the same time, eliminating the requirement for municipalities to establish any affordable housing targets, means that municipalities would no longer have the mandate to monitor and measure their progress in achieving affordable housing in their communities, which seems counter-intuitive to the overarching objective of the most recent land use planning legislation (Bill 23).These proposed policy revisions signal a Provincial policy shift away from encouraging or requiring affordable housing contributions from the private sector to a format that increases reliance on the public sector and other non-profit affordable housing agencies. This could, in time, put more pressure on Service Managers to fund and deliver affordable housing.
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Range and Mix of Housing

Current Provincial Policy	Proposed PPS 2023 Policy	Implications
<ul style="list-style-type: none">Provincial policy currently requires municipalities to permit and facilitate all housing options to meet needs of current and future residents.The definition for “housing options” is includes a full range of housing types, including single-detached, semi-detached, rowhouses, townhouses, multiplexes and multi-residential buildings. It also includes “affordable housing” as defined above using the Province’s income-based formulae.	<ul style="list-style-type: none">The proposed PPS 2023 would generally maintain the current policy directions but revise the definition of “housing options” to remove the term “affordable housing.”The new definition of “housing options” would also expand the range of housing types municipalities must plan for to include laneway housing, garden suites, and low- and mid-rise apartments.	<ul style="list-style-type: none">The proposal to eliminate “affordable housing” from the current definition of “housing options” weakens the policy direction for municipalities to facilitate and provide for such housing.In addition, although the new definition of “housing options” would increase the range of housing types municipalities must plan for, the proposed PPS 2023 would not require municipalities to permit any given housing type “as-of-right” in existing neighbourhood (e.g., gentle density, or missing-middle housing). In Guelph’s context, the 2023 Comprehensive Zoning Bylaw would provide this “as-of-right” opportunity by eliminating exclusionary zoning.

Employment Protection and Conversion

Current Provincial Policy	Proposed PPS 2023 Policy	Implications
<ul style="list-style-type: none">The Growth Plan requires municipalities to plan for an adequate supply of land within employment areas for traditional industries, service sector and knowledge-based	<ul style="list-style-type: none">The proposed PPS 2023 would continue to require municipalities to designate and protect employment areas for employment uses over the long-term, but the new	<ul style="list-style-type: none">The new definition of employment areas clearly articulates a focus on protecting manufacturing and other traditional industrial activities. As a result, the employment areas

<p>businesses, and a broad range of other employment uses. To support this objective, all municipalities must designate all employment areas in their official plans and plan for their long-term protection.</p> <ul style="list-style-type: none">• To help protect employment areas, the Growth Plan prohibits the conversion of lands within employment areas to non-employment uses, except where a municipality completes a MCR and any proposed conversions satisfy a series of strict criteria.• Outside of employment areas, the Growth Plan requires municipalities to ensure that any proposals to redevelop employment lands would retain space for a similar number of jobs to remain accommodated on site.• The Growth Plan currently defines “major office” and where this employment use can be located (e.g., toward Strategic Growth Areas).	<p>definition of “employment area” excludes commercial and institutional uses that do not support the primary employment use.</p> <ul style="list-style-type: none">• The proposed PPS 2023 encourages low-density employment uses, including industrial, manufacturing, and small-scale warehousing, to be located within Strategic Growth Areas.• The proposed PPS 2023 removes the definition of “major office”.• The Province is proposing a similar change to the definition of “area of employment” in the Planning Act through its proposed Bill 97, which was also posted on the Environmental Registry Ontario for public comment.• With the removal of the concept of municipal comprehensive reviews, the proposed policy would now allow municipalities to consider the removal (conversion) of lands from employment areas at any time, subject to certain criteria carried forward from the Growth Plan.• The proposed PPS 2023 would also delete the concept of “Provincially Significant Employment Zones” (PSEZs). These employment zones are identified in Guelph’s Official Plan. The Province is seeking feedback on the need to identify PSEZs to protect exclusively through an alternative approach.• In addition, the proposed policy would eliminate the requirement that the redevelopment of any employment lands (located outside employment areas) must retain space for a similar number of jobs to remain accommodated on site.• There is proposed policy language that official plans and zoning by-laws shall not contain provisions that are more restrictive with respect to employment, except for the purposes of public health and safety.	<p>designated in the City’s Official Plan, through OPA 80, will need to be amended prior to Bill 97 coming into effect to continue to allow existing commercial and institutional uses that do not support the primary employment use.</p> <ul style="list-style-type: none">• By directing low-density employment uses, including industrial, manufacturing, small-scale warehousing to Strategic Growth Areas (SGAs), which typically support higher-density, compact development, this policy language is inconsistent the Provincial definition of SGAs as presented in the proposed PPS 2023 and with Guelph’s objectives to create desirable complete communities.• Without a definition for “major office”, there is a lack of clarity around what would be considered “major office” and therefore, how to locate these types of employment uses.• Allowing municipalities to consider the removal of lands from employment areas could lead to the gradual erosion of employment areas unless municipalities continuously assess their employment lands ensure they have an adequate supply.• The revised policy framework for employment in the PPS 2023 aligns with the original intent of Provincially Significant Employment Zones (PSEZs) (to protect lower-density employment areas within the regional market area).• Positive step towards integrating land use planning with planning for public facilities, by specifically establishing schools as an element of a “complete community.” There is direction to enhance collaboration between municipalities and school boards and to explore innovative approaches in the design of schools (e.g., locating schools in high rise developments).
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Employment Protection and Conversion

Current Provincial Policy	Proposed PPS 2023 Policy	Implications
	<ul style="list-style-type: none">• There is proposed policy language that official plans and zoning by-laws shall not contain provisions that are more restrictive with respect to employment, except for the purposes of public health and safety.• The proposed PPS 2023 now requires land use planning to be integrated with public service facility planning, which	

	includes schools and associated childcare facilities	
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Climate Change

Current Provincial Policy	Proposed PPS 2023 Policy	Implications
<p>The Growth Plan requires municipalities to address climate change mitigation and adaptation goals by implementing actions that work towards the following:</p> <ul style="list-style-type: none">reduced dependence on automobiles while supporting existing and planned transit and active transportation.evaluate infrastructure risks and vulnerabilities and identifying actions and investments to address these challenges;start stormwater management planning to assess the impacts of extreme weather events in an effort to incorporate appropriate green infrastructure and low impact development;recognize the importance of watershed planning for the protection of the quality and quantity of water and the identification and protection of hydrologic features and areas; and,promote local food, food security, and soil health, and protection of the agricultural land base. <p>The Growth Plan also encourages municipalities to do the following:</p> <ul style="list-style-type: none">develop strategies to reduce greenhouse gas emissions;develop greenhouse gas inventories for transportation, buildings, waste management and municipal operations; and establish municipal interim and long-term greenhouse gas emission reduction targets.	<ul style="list-style-type: none">The proposed PPS 2023 carries forward many of the existing climate change policies from the Growth Plan, but now lacks the regulatory language (e.g., removal of direction to require municipalities to reduce auto-dependence and promote local food, food security, and soil health, and protecting the agricultural land base).The proposed PPS 2023 no longer encourages municipalities to develop greenhouse gas inventories or establish any specific targets to reduce greenhouse gas emissions.	<ul style="list-style-type: none">By removing the direction to reduce dependence on the automobile, the proposed policy would weaken the direction to municipalities to encourage the modal shift to transit and active transportation.The proposed language in the PPS 2023 does not carry forward the requirement for municipalities to consider the important relationship between local food, the agricultural land base and climate change mitigation.Municipal targets and climate action strategies are now standard practice and without Provincial support, it will become more challenging for municipalities to make require climate change polices that protect our existing and future citizens of Guelph.

Sewage and Water Servicing Systems

Current Provincial Policy	Proposed PPS 2023 Policy	Implications
The servicing hierarchy for new development is contained within	The proposed policy would generally maintain the current	<ul style="list-style-type: none">Removing the references to climate change in this section

<p>the Provincial Policy Statement and it is as follows:</p> <ol style="list-style-type: none">1. municipal sewage services and municipal water services;2. private communal sewage services and private communal water services; and3. individual on-site sewage services and individual on-site water services, provided that site conditions are suitable with no negative impacts. <p>Municipalities are generally responsible for ensuring that new development follows this servicing hierarchy and that sewage and water services are provided in a manner that:</p> <ul style="list-style-type: none">• can be sustained by the water resources upon which such services rely;• prepares for the impacts of a changing climate;• is feasible and financially viable over their lifecycle;• protect human health and safety, and the natural environment;• promotes water conservation and water use efficiency; and• integrate servicing and land use considerations at all stages of the planning process. <p>In addition, under the Growth Plan, municipal water and wastewater systems, and private communal water and wastewater systems in Guelph must also be constructed in accordance with a comprehensive water or wastewater master plan or equivalent, informed by watershed planning or equivalent.</p> <ul style="list-style-type: none">• In settlement areas, individual on-site sewage services and individual on-site water services may be used only for infilling and minor rounding out of existing development (i.e., cannot be used more broadly to facilitate the expansion of a settlement area).• Subject to the above servicing hierarchy, municipalities may allow lot creation only if there is confirmation of sufficient <i>reserve sewage system capacity</i> and <i>reserve water system capacity</i> within municipal sewage services and municipal water services or private communal sewage services and private communal water services.	<p>servicing hierarchy and policy directions noted above, except for the following changes:</p> <ul style="list-style-type: none">• remove the requirement to plan sewage and water services in manner that considers the impacts of a changing climate;• delete the requirement for municipal water and wastewater systems, and private communal water and wastewater systems, to be constructed in accordance with a comprehensive water or wastewater master plan or equivalent, informed by watershed planning or equivalent. Instead, the new policy these systems would only need to consider “comprehensive municipal planning, where applicable” without providing any details;• remove the current restriction regarding the new use of individual on-site sewage services and individual on-site water services to service new development in settlement areas. Such services could be potentially considered anywhere in a settlement area, and not limited to infilling situations or minor rounding out of existing development; and,• revise the definition of “reserve sewage system capacity” and “reserve water system capacity”.	<p>would eliminate the requirement for municipalities to have regard for the impacts of a changing climate when planning for sewage and water servicing systems. With respect to water, given the nature of the City’s integrated water supply system and comprehensive water supply, master planning will still be required. Should development happen outside of the City, this would most likely be done through private services (septic) and in absence of municipal services. Development of this type may come to complicate the City's existing well-based groundwater systems by introducing potential contaminants which must be managed/monitored. Furthermore, it may lead to additional burdens through the development of new water sources when having to monitor and work with private well owners to ensure we are not impacting their water taking rights.</p> <ul style="list-style-type: none">• Similarly, with respect to wastewater servicing, the current growth planning and geographical allocation process considers the available capacities at the City’s wastewater treatment plant. Increasing the flexibility to expand settlement areas could increase the pace at which expansion of the wastewater treatment plant could occur.• As noted above, financial challenges could be further exacerbated by the Province’s recent legislative changes under Bill 23 (the More Homes Built Faster Act, 2022). This bill limited or reduced the development charges municipalities can collect from developers to offset the infrastructure costs needed to support new communities• Introducing additional flexibility for allowing on-site or private communal systems could put added risks on the City to inherit ownership of these systems in the future, at potential considerable cost to the municipality. Guelph has wellhead protection areas that would be at risk with the addition of communal septic systems that would be a threat to our groundwater. They should not be supported in any wellhead protection areas.• The new definitions of “reserve sewage system capacity” and “water system capacity” generally maintain the current intent, with the inclusion of private communal systems.
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Water Resource Protection

Current Provincial Policy	Proposed PPS 2023 Policy	Implications
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<p>The Provincial Policy Statement directs municipalities to identify and protect water resource systems, including ground water, surface water, and certain natural heritage features. Guelph is a groundwater-reliant community.</p> <p>Municipalities must also implement any necessary restrictions on development to:</p> <ol style="list-style-type: none">1. protect <u>all municipal</u> drinking water supplies and designated vulnerable areas; and2. protect, improve, or restore vulnerable surface and ground water, sensitive surface water features and sensitive ground water features, and their hydrologic functions.	<p>The proposed PPS 2023 would generally carry over the same water resource protections from the current Provincial Policy Statement, except for the following changes:</p> <ul style="list-style-type: none">• revise the requirement for municipalities to protect “all municipal drinking water supplies” with the more generic requirement to protect “drinking water supplies.”• delete the current requirement for municipalities to ensure stormwater management practices minimize stormwater volumes and contaminant loads and maintain or increase the extent of vegetative and pervious surfaces.	<ul style="list-style-type: none">• The proposed policy language to “protect drinking water supplies” (instead of “all municipal drinking water supplies”) would expand a municipality’s responsibilities to ensure there is an adequate quantity and quality of water available for private water supplies constructed and maintained by residents.• This change could put municipalities at risk of being held responsible to fix or replace systems that are not adequately maintained by existing or previous owners, as well as impacts from other land uses and activities such as leaks from underground storage tanks.• Municipalities would need to hire staff and increase water rates to obtain the resources required to ensure the protection of residents within Guelph’s municipal boundaries who rely on private water supply services.• The proposal to remove the requirement to maintain or increase pervious surfaces may reduce the sustainability of the City’s existing municipal drinking water supply sources. This could require the City to expand its investments to identify and construct new water supply sources to meet existing and future demand.
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Cultural Heritage and Archaeology

Current Provincial Policy	Proposed PPS 2023 Policy	Implications
<p>The Provincial Policy Statement directs municipalities to conserve “[S]ignificant built heritage resources and significant cultural heritage landscapes.”</p>	<p>The proposed PPS 2023 revises, and narrows, the direction for municipalities to conserve through the introduction of the term “protected heritage property.”</p>	<p>This proposed policy change significantly narrows what is considered a built heritage resource, as properties currently listed on the Municipal Register are not included in the definition of “protected heritage properties.” Therefore, in Guelph’s case, only 20% of our identified built heritage resources will be conserved.</p>

Creation of Residential Lots in Prime Agricultural Areas

Current Provincial Policy	Proposed PPS 2023 Policy	Implications
Provincial planning policy prohibits the creation of new residential lots in prime agricultural areas. The only exception to this rule is to accommodate residences that have become surplus to a farming operation because of a farm consolidation.	<ul style="list-style-type: none">• The proposed PPS 2023 permits the creation of up to three new residential lots from an existing farm property located in a prime agricultural area, subject to certain criteria.• In addition, the proposed policy would prohibit municipalities from creating policies that would be more restrictive than the above criteria, except to address public health or safety concerns.	<ul style="list-style-type: none">• While the potential implications to the City of Guelph are limited given that land within our jurisdiction is predominantly for residential or employment purposes, the proposed policy would significantly affect the quality and character of the City’s surrounding agricultural lands. Fragmentation of the agricultural land base through the impact of the proposed residential lot creation permissions would most likely occur. It would also increase the potential for land use conflicts between farmers and new rural residents.• The ability to create three new residential lots on a farm could also increase the price of farmland and in the long-term, make it even more challenging to maintain a sustainable local food system.• The proposed lot creation policy would apply to an agricultural parcel that existed on January 1, 2023, subject to certain conditions. However, the policy proposal does not include any requirements for the minimum size of the farm parcel that would be eligible to create three new lots.
The Provincial Policy Statement currently allows residential development, including lot creation, on rural lands in municipalities. However, residential development and lot creation is limited by the availability of sewage and water services.	<ul style="list-style-type: none">• The proposed PPS 2023 permits multi-lot residential development on rural lands where appropriate sewage and water servicing can be provided and removes the test for when infrastructure is proposed to be expanded for rural development, providing greater flexibility for private servicing.• Through this revision, municipalities must consider locally appropriate rural characteristics when directing development in rural settlement areas.	<ul style="list-style-type: none">• The proposed policy would significantly affect the quality and character of the City’s surrounding agricultural lands. Fragmentation of the agricultural land base through the impact of the proposed residential lot creation permissions would most likely occur. The potential for increased land use conflicts between farmers and new rural residents is also an implication that should be considered.• In addition, the proposed policy could result in the fragmentation of land in proximity to settlement area boundaries and potentially increase conflicts with employment areas or with more dense residential development within urban areas. This could further complicate future settlement area boundary expansions.• Expanding the ability for private servicing on new residential lots on rural lands places increased financial responsibility and risk on a municipality around maintaining infrastructure for private servicing and increases the threat to Guelph’s drinking water supply if located in our wellhead protection areas.