

**To be sent via email to growthplanning@ontario.ca,
minister.mah@ontario.ca and the Environmental Registry of Ontario**

The Honourable Steve Clark
Minister of Municipal Affairs and Housing
Government of Ontario
777 Bay Street
Toronto, Ontario M7A 2J3

Dear Minister Clark,

**RE: Review of Proposed Policies Adapted from A Place to Grow and
Provincial Policy Statement to Form a New Provincial Planning Policy
Instrument (Environmental Registry of Ontario Posting 019-6813)**

The City of Guelph appreciates the opportunity to provide comments on the adaptation of the Provincial Policy Statement ("PPS") and A Place to Grow: Growth Plan for the Greater Golden Horseshoe ("the Growth Plan") into a new proposed Provincial Planning Statement ("Planning Statement"). As stated in the preface to the Planning Statement, the overall goal of this policy adaptation is to support the achievement of housing objectives across Ontario, primarily to build more homes faster.

In comments provided on December 23, 2022, regarding Environmental Registry of Ontario (ERO) posting 019-6177, which initiated the conversation between municipalities and the Province on merging the PPS and the Growth Plan, the City of Guelph requested the following broader considerations:

- A balanced tone be presented when integrating the two documents.
- Greater local autonomy through a combined provincial planning framework that respects local growth constraints and fiscal impacts.
- Continued support of the vision that municipal official plans are the most important tool for implementing provincial policy at the local level and for achieving comprehensive, integrated, and long-term planning that also accounts for local priorities and circumstances.
- Empower local decision-makers to bring lands online more quickly that have gone through a secondary planning process by exempting these plans from appeal.
- Continued recognition of the importance of an integrated approach between land use planning and infrastructure investment in a manner that is fiscally responsible.
- Consultation with municipalities directly on the proposed changes and draft document, and,

- Continued support and guidance by local decision-making towards the achievement of complete communities.

More policy-specific requests were also made in the December 2022 memo.

The proposed Planning Statement addresses most of the City of Guelph's broader requests, particularly those that offer the continued support of complete communities. Overall, the proposed Planning Statement appears to provide municipalities, including the City of Guelph which is identified as a "large and fast-growing municipality", a greater ability to forge its own path as it relates to population forecasts and potential expansions of municipal boundaries.

There are some revisions, however, that will make respecting local growth constraints and fiscal impacts a continuing challenge. The looming challenge connected to the loss of development charges, introduced through the More Homes Built Faster Act, 2022 (Bill 23), is the financial stability and sustainability of the City of Guelph. This has not been addressed through the Planning Statement. Rather, it appears to make it even more difficult for municipalities to make decisions around growth management in a fiscally responsible manner and further opens the City to increased financial risk and potential liability.

The City of Guelph is a desirable place to live and will continue to be, particularly with a sound, consistent, and strategic Planning Statement that reflects an inclusive, environmentally-sound, economically sustainable, and a balanced approach to land use planning. With some suggested revisions, the proposed Planning Statement can more effectively facilitate the creation of new housing, which Guelph has supported through its pledge, and more importantly, housing that is affordable, while also adhering to the fundamental principles of good community planning.

Responses to ERO Posting #019-6813 Questions

In addition to the above comments, the City of Guelph has responses to the questions provided in the ERO posting for provincial staff to consider.

1. What are your thoughts on the policies that have been included from the PPS and A Place to Grow in the proposed policy document, including the proposed approach to implementation?

Guidance Policies

- Concern with moving the policy "the official plan is the most important vehicle for implementing [the] Provincial Policy Statement" to the non-policy preamble since an Official Plan will remain as one of the most effective mechanisms to direct and guide local land use planning.
- Support for carrying forward that the Planning Statement policies represent minimum standards, especially for the Natural Heritage System, and that

planning authorities and decision-makers may go beyond these standards to address matters of importance to the City of Guelph.

- Concern with the proposed changes to the vision of the proposed Planning Statement and the movement away from protections for the environment and agricultural lands.

Population and Employment Forecasts

- As proposed with Guelph, no longer planning to provincially-mandated forecasts gives the City more control over planning for growth or limiting growth. At the same time, without provincial guidance on forecasts, this could potentially weaken existing coordinated and strategic decision-making across the province, causing further fragmentation of land use planning. Comprehensive planning for the province will be lost without a coordinated approach to population and employment forecasting resulting in further housing and employment gaps province wide.

Housing Policies (Section 2.2)

- Support for maintaining the Growth Plan's concepts of Strategic Growth Areas (SGA) and Major Transit Station Areas (MTSA). The City of Guelph is identified as one of 29 "large and fast-growing municipalities" in the proposed Planning Statement, and supports the requirement to identify SGAs and meet certain density targets in MTSA's on higher order transit corridors through their official plans. The City of Guelph has implemented these requirements through Official Plan Amendment 80.
- Support for expanding the definition of "housing options" to specifically include more examples of gentle density and broader housing arrangements. This proposed revision aligns with work recently completed by the City on the 2023 Comprehensive Zoning Bylaw.
- Guelph is concerned with the conversion of existing commercial buildings for residential use can cause long-term economic implications for job growth and erode employment areas, especially those primarily comprised of office uses. Recommend that local municipalities be given flexibility to identify areas appropriate for residential conversion rather than permitting that conversion as of right for all existing commercial and institutional uses. (Policy 2.2.1 b).
- The City of Guelph does not support the removal intensification targets. The intensification targets ensured that a percentage of all new residential development would be within the built-up area. Intensification targets ensure that a portion of new development is near infrastructure such as transit, water and wastewater servicing and community amenities. Intensifying existing urban areas allows for housing units of varying types and sizes and limits the need for expansion of urban boundaries to accommodate additional population and employment. Intensification uses land and infrastructure efficiently and because

amenities are close-by, encourages a more walkable community. Intensification targets allow the City to plan infrastructure capacity in growth areas to maximize growth to ensure a compact and sustainable community. Although the proposed PPS encourages intensification, removing the target reduces certainty and transparency, eliminates an indicator for measuring and reporting progress, reduces certainty on infrastructure capacity and long term servicing capacity, and reduces the focus of working toward more sustainable communities. The City of Guelph is open to establishing a 'made-in-Guelph' approach, as demonstrated in our recent Growth Management Strategy (July 2022) and Official Plan Amendment 80, which will maximize the use of existing services within our boundary.

- The City of Guelph does not support the removal of the policy related to consideration of a range and mix of housing from the Growth Plan (current policy 2.2.2.6c). As shared with the Province in the City's December 23, 2022 memo, "this policy requires municipalities to consider the range and mix of housing of the existing housing stock while planning for a diverse future housing stock. Our existing housing stock should continue to be captured and utilized as part of a comprehensive policy framework." Our ability to produce a more balanced mix of housing, as presented through Guelph's Council-adopted Growth Management Strategy (July 2022) and Official Plan Amendment 80 is weakened with the removal of this policy.
- The City of Guelph does not support removing the definition of "affordable" or the proposed definition of "affordable" through Development Charges (DC) Act (Bill 23). The implications of this proposed revision result in two issues that do not address the creation of housing, specifically affordable housing, at a threshold that is reasonable for low to moderate income earners. Rather, this policy revision works counter to the overall objectives of recent land use planning legislation (More Homes Built Faster Act, 2023). These issues are:
 - The lack of a clear Provincial definitions of "affordable housing" and "low and moderate income households" means municipalities would not have a clear standard threshold/benchmark to facilitate the construction of affordable housing. A measure of accountability for those who indicate they are building affordable housing would no longer exist, and,
 - 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.

Settlement Area Boundary Expansion Policies (Section 2.3)

- The City of Guelph does not support allowing municipalities to expand their urban boundaries more easily, by either identifying new settlement areas or allowing the expansion of existing settlement area boundaries. As stated in the December 2022 comments, "although boundary expansions may be necessary,

they should be discouraged, and growth should continue to be accommodated through intensification.”

- The City of Guelph does not support eliminating the need for a Municipal Comprehensive Review process. A MCR process provides municipalities with the consistency that is necessary to continue to plan desirable complete communities. By no longer requiring municipal comprehensive reviews and therefore the requirement to demonstrate the need for expansion under a new, simplified and flexible approach for settlement boundary expansion, this risks “creating an ad-hoc approach to efficient and orderly development” (December 2022 memo). Furthermore, this could lead to greater uncertainty for how, where and when a municipality will grow over the long-term which can then lead to increased financial costs to the municipality to provide roads, services and infrastructure to these areas, which will not support a growth paying for growth.
- The City of Guelph does not support the weakening of justification for boundary expansions. There is a considerable amount of research and data that demonstrates an abundant supply of land for residential development – both in Guelph and across Ontario. Mitigating the housing supply challenges across the Province, which is the overall goal of the revision of the Planning Statement and other more recent legislative changes, will not be solved by opening up lands on the periphery of the City. Rather, this will result in more expensive home-building efforts and long-term implications for existing and future taxpayers. This will also impact other services including schools and bussing to schools, paramedic response times, fire response times and will increase car dependency. It is widely acknowledged that suburban development imposes significant economic and environmental costs on the entire taxbase at a disproportionate rate.

Employment Protection and Conversion Policies (Section 2.8)

- The City of Guelph does not support the revised definition of “employment area” to remove the employment use protection from business and research parks and to prohibit any commercial uses that are not associated with the primary employment use and/or institutional uses. While the City of Guelph understands the need to focus employment areas on uses that cannot locate in mixed use areas (e.g., heavy industry, manufacturing, and large-scale warehousing), the removal of the words “including, but not limited to” regarding the types of uses that could be included in an employment area in an Official Plan, removes the discretionary ability of municipalities to plan according to local context.
- There is a limited amount of employment land in the City of Guelph and the densities are already low, simply due to the nature of employment uses. As of April 2023, more employment lands have been removed through the Province decision on OPA 80, jeopardizing our ability to have employment lands to meet our 2051 population. By further limiting the types of uses on these lands, the potential implications – such as lowering the ratio of residents to jobs (activity

rates) and decreasing our non-residential tax base – puts Guelph at a greater risk of moving away from our community vision as embedded in our Official Plan, and climate action, sustainability, and economic objectives.

- The City of Guelph supports the revision around scoping and clarifying the test for employment conversion requests but does not support removing the requirement for a municipal comprehensive review from the overall process. The City of Guelph is supportive of the revised conversion tests, including demonstrating that there is a need for the removal of the land from employment, and the land is not required for employment uses over the long term. In the absence of land budgets and targets to be met with the proposed repeal of the Growth Plan, the application of these tests will rely on targets contained in the City's Official Plan.
- 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 for an expansion, this could result in inconsistent, uneven, and incongruous development patterns across Ontario.

Climate Action Policies (Section 2.9)

- This City of Guelph does not support eliminating the direction to reduce dependence on the automobile as this is a central piece that supports the modal shift to transit and active transportation.
- The City of Guelph does not support eliminating language that currently requires a municipality to consider the significant relationship between climate change mitigation, local food, and the agricultural land base. The reduction of greenhouse gas emissions is necessary to mitigate climate change and creating/maintaining a thriving local food system helps reach our collective reduction goals.
- The City of Guelph does not support eliminating language that currently encourages municipalities to develop greenhouse gas inventories or establish any specific targets to reduce greenhouse gas emissions. Municipal targets and climate action strategies are typically standard practice and without continued Provincial support, it will become more challenging for municipalities, like Guelph, to make informed decisions around climate for existing and future citizens of Ontario.

General Policies for Infrastructure (Section 3.1)

- Requirements to ensure viability of infrastructure over its lifecycle in 3.1(1)a is critical and needs to remain clearly called out.

- Infrastructure takes time to plan and build, it is recommended that the PPS direct proponents to develop in areas with servicing or servicing is planned, whenever possible, as outlined in the municipality's Master Plans.

Sewage and Water Servicing Systems (Section 3.6)

- The City of Guelph does not support removing the references to climate change in this section of the proposed PPS 2023. Climate change is essential to take into consideration when planning for sewage and water services – if we are to experience wilder, wetter, and warmer weather in the years to come, preparing our sewage and water servicing infrastructure to mitigate these changes is critical.
- The City of Guelph is concerned with the policy language that speaks to expanding available wastewater servicing capacities to settlement areas since this could increase the risk of directing growth to areas with insufficient servicing capacity.
- The City of Guelph is also concerned with introducing additional flexibility for allowing on-site or private communal systems as this could put added risks on the City to inherit ownership of these systems in the future, at potential considerable cost to the municipality and could lead to substantial threats to the safety of our groundwater drinking system. The City has wellhead protection areas, that are identified in the City and the County of Wellington that need to be protected from contamination in order to have a safe supply of water for the citizens of Guelph.

Cultural Heritage and Archaeology

- The City of Guelph is concerned that through the proposed introduction of the term "protected heritage property" in policy, a significant number of properties within Guelph that are identified as a built heritage resource (on the Municipal Register) will not be conserved.

Water Resource Protection

- The City of Guelph does not support removing the requirement to maintain or increase existing pervious surfaces. Guelph is a groundwater-dependent community and has capacity limitations; long-term solutions to this capacity need to be environmentally and fiscally responsible and sustainable. This policy revision may reduce the sustainability of the City's existing municipal drinking water supply sources and force the City to halt growth.

Creation of Residential Lots in Prime Agricultural Areas and Rural Lands

- The City of Guelph does not support the creation of up to three new residential lots from an existing farm property located in a prime agricultural area. This policy encourages fragmentation of the agricultural land base and threatens the quality and character of the City's surrounding agricultural lands.

- The City of Guelph does not support permitting multi-lot residential development on rural lands where appropriate sewage and water servicing can be provided. Removing the test for when infrastructure is proposed to be expanded for rural development is also a concern. This proposed policy encourages fragmentation of the agricultural land base and threatens the character of rural lands, in addition to placing increased financial responsibility and risk on a municipality around maintaining infrastructure for private servicing.

Public Spaces, Recreation, Parks, Trails and Open Space (Section 3.9)

- The City recommends including a need to balance requirements for increasing housing density with requirements with expanding publicly available parkland and green space. Public spaces, recreation, parks, trails, and open spaces are important areas that contribute to overall health and well-being. These areas enhance both physical and mental health and are also important for climate change mitigation and adaptation. Most notably in higher density areas, ensuring equitable access to green space and opportunities for recreation, physical activity, socialization, and relaxation are critical in the development of healthy, complete communities.

Proposed Approach to Implementation

The document titled “Proposed Approach to Implementation” provides an approach to implementation on some of the key proposed changes in the proposed Planning Statement. The City of Guelph offers the following thoughts:

- **Timing for Official Plan Updates** – the City of Guelph supports maintaining the Planning Act’s requirement that official plans be revised every five years (or every ten years after a new official plan) and will update our official plan to implement the Planning Statement policies during the next review cycle.
- **Official Plan Updates related to Change to the Definition of “Area of Employment”** – As previously mentioned, the City of Guelph requests that the Province consider additional revisions to the definition of “employment areas” that would maintain the discretion of a municipality to determine what uses could locate within an “employment area”. Should the Province move forward without additional revisions, the City of Guelph would respectfully comply with the Province’s direction and update our official plan to explicitly authorize the site-specific permission of any existing uses that do not align with the new definition; as stated in the implementation document, areas that do not meet the definition would no longer be subject to policy requirements for “conversions” to nonemployment uses.
- **Continued Implementation of 2051 Forecasts (at minimum)** – The City of Guelph supports maintaining the population and employment growth forecast horizon of 2051, the Province should ensure consistency on comprehensive, standardized approach to growth management across the province.

- **Go-Forward Approach to Provincially Significant Employment Zones (PSEZs)** - There is qualified support for eliminating PSEZs. The City of Guelph requests that the employment protection and conversion policies within the PPS 2023 be strengthened to allow for the protection of employment lands from conversion to residential lands. If revised, then it would be reasonable to eliminate PSEZs.

2. What are your thoughts on the proposed policy direction for large and fast-growing municipalities and other municipalities?

- The City of Guelph is one of 29 municipalities identified in Schedule 1 of the proposed Planning Statement "large and fast-growing". The City of Guelph supports the requirement to identify appropriate minimum density targets for Strategic Growth Areas as identified in our Official Plan.
- Support for the proposed requirement to delineate the boundaries of the Major Transit Station Area (MTSA) through a new official plan or official plan amendment adopted under Section 26 of the Planning Act. OPA 80 has already fulfilled this requirement.
- Support for the proposed requirement to establish prescribed minimum density targets (aligned with the current Growth Plan) within MTSA's. The City of Guelph's minimum density target is 150 people and jobs per hectare and this has been established through OPA 80, and increases to 200 people and jobs per hectare.

3. What are your thoughts regarding the proposed policies to generate housing supply, including an appropriate range and mix of housing options?

- The City of Guelph supports the direction from the Province that municipalities must continue to facilitate the creation of housing at an accelerated pace; the City's commitment to the March 2023 Housing Pledge is evidence of this with assistance from the province.
- The City of Guelph is concerned that, by not carrying forward a definition of "affordable" or "low and moderate income households", this will create an even greater inability to offer homes that are affordable to the majority of the population of income-earners in Guelph.
- The City of Guelph is concerned that the proposed Planning Statement does not carry forward the Growth Plan's policy 2.2.2.6c, which requires municipalities to consider the range and mix of housing of the existing stock while planning for a diverse future housing stock. As stated in the December 23, 2022 comments from the City, our existing housing stock should continue to be captured and utilized as part of a comprehensive planning policy framework, but the proposed Planning Statement does not take this into consideration.

- The City of Guelph supports the proposed Planning Statement's recognition that development proponents have the capacity, financial and otherwise, to also facilitate and increase a diverse range and mix of housing stock. There is concern, however, that some of the proposed policies could result in placing a municipality at increased financial risk and liability, particularly with respect to allowing development proponents to "leverage" their capacity and compel a municipality to enter into an agreement to service lands in advance of staging of development (proposed policy 3.1.1).

4. What are your thoughts on the proposed policies regarding the conservation of agriculture, aggregates, natural and cultural heritage resources?

Please see previous comments on the conservation of agriculture.

The Natural Heritage System policies are still being considered by the Province and are not yet available for review or comment. City of Guelph staff will provide comment when available through a future ERO posting.

Please see previous comments on the conservation of cultural heritage resources.

5. What are your thoughts on the proposed policies regarding planning for employment?

Please refer to comments contained in responses to Question 1.

6. Are there any other barriers to, or opportunities for, accelerating development and construction (e.g., federal regulations, infrastructure planning and approvals, private/public partnerships for servicing, provincial permitting, urban design guidelines, technical standards, zoning, etc.)?

The City of Guelph fully appreciates the challenges with respect to housing supply and meeting the needs of current and future Ontarians – accelerating the pace of housing development is a monumental task that requires a sustained level of commitment from all stakeholders. We recognize time is of the essence and are willing to work with the Province to realize the proposed vision in the PPS 2023 for a prosperous, strong, and competitive economy and a clean and healthy environment. We, too, want Ontario to continue to be a "great place to live, work, and visit and where all Ontarians enjoy a high standard of living and an exceptional quality of life."

The proposed PPS 2023 also offers some barriers to accelerating development and construction, particularly under a fiscally-responsible model. For example, the revised policy language appears to encourage the expansion of settlement area boundaries and the conversion of lands to residential in municipalities, like Guelph, that have already identified a plentiful supply of existing and future land for housing. It is well-acknowledged that intensification and higher-density

development not only generates more revenue for a municipality than low-density development, but the life-cycle cost associated with low-density development far exceed that of high-density development.

We respectfully request that the pace at which proposed legislation and policy direction is being released and receiving royal assent decelerate, both for our benefit as reviewers and commenters, and for your benefit as legislative leaders and policy writers. These are some very significant changes to the land use planning framework – which, again, we understand the reasoning behind - but the fast and furious pace at which they are being written, released, and reviewed can lead to some significant, permanent, and detrimental unintended consequences (e.g., the premature development agricultural lands). This is a serious barrier to achieving the overarching goal of building more homes faster. Our staffing resources are not able to advance housing units while continuing to re-write policies based on changing legislation, amending operational practices, monitoring reports, and reevaluating infrastructure timing with ongoing staffing challenges.

We all want to serve in the best interests of our community. We all want existing and future residents of this Province to have a safe and affordable place to live, which includes safe drinking water. There is an enormous opportunity for Provincial leaders and staff, and municipal leaders and staff, to come together to work collaboratively, with transparent and open communication, on crafting legislation, policy, and regulations that consistently weaves together and advances building homes quickly that people can afford and in communities that people want to live, work, and visit.

The City appreciates the opportunity to provide input on the direction of land use planning direction and policy in Ontario. The City looks forward to work with the Provincial Land Use Plans Branch and staff are available to discuss these comments. If you have any questions, please feel free to contact us.

Sincerely,

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