

Provincial Planning Statement (PPS)

1. Growth Planning & Forecasting

The draft PPS includes some significant changes to planning horizons ('plan to' timeframes) as described in the table below.

Proposed Change	Comment
A more flexible planning horizon is proposed which sets a minimum of 20 years and a maximum of 30 years (current PPS is maximum of 20 years)	This change allows municipalities to plan up to an additional 10 years, including designating land supply, planning for infrastructure, etc. for all uses up to 30 years out. As part of our Growth Strategy, a plan that currently extends to 2051 (30 year plan at the time of adoption) was approved by the province in line with the requirements of the Growth Plan that was (and still is) in effect. As such, this change does not do much for the County in the present given the previous provincial decision, however, it does make clear the policy intentions of the Province more broadly as we move forward. The one key change that does impact the County, and differs from the previous approvals from the Province, is that this policy change does allow for planning for Employment Areas beyond the 30-year time horizon. This does add new flexibility for the County should it wish to plan for Employment Area development beyond the 30 year horizon. That is something that would be explored at the time of the next Official Plan update.
Ministry of Finance (MOF) 25 year population and employment projections to be used as a reference only in municipal forecasting exercises	MOF projections have historically driven the assigned forecasts in the Growth Plan which in turn would inform municipal forecasting. It appears that MOF projections will now just need to be a starting place to establish municipal forecasts and testing the reasonableness of area municipal growth allocations.
Expanded scope for Strategic Growth Areas (SGAs)	The proposed PPS expands on the description of SGAs to include a greater range of site areas focused for infill and redevelopment, such as underutilized shopping malls and plazas, as well as existing and emerging downtowns. These areas are to be planned to accommodate greater levels of intensification and infill. While the 2023 draft PPS identified this requirement for just the 29 large and fast growing municipalities (GTA-based, not including Haldimand), the current draft encourages all municipalities to focus growth and development in SGAs to achieve higher density outcomes. The County's Official Plan identifies the urban area downtowns as intensification areas and several commercial corridors (e.g. Argyle Street South in Caledonia) as intensification corridors – and so, it would appear that the direction of the new PPS would align with the vision already in place for various areas of the County that would fit the new PPS definition of SGAs.

2. Housing

There are a number of changes included within the draft document that relate specifically to housing policies, which have been highlighted below.

Proposed Change	Comment
<p>A new Schedule and set of policies have been developed to cover the 29 largest/fastest growing municipalities in the Province. These municipalities – mostly GTA based and not including Haldimand – will be required to plan for a revised density target of 50 residents and jobs per hectare (lowered from 80). The rest of the Province, including Haldimand, will no longer have a prescribed density target and will set their own.</p>	<p>Haldimand is not included in the list of 29 municipalities identified as ‘Large and Fast Municipalities’. Haldimand County has been subject to density targets since the initial Growth Plan in 2009. Most recently, as part of the Official Plan (OP) Update Phase 1, the County was able to establish ‘locally appropriate’ targets as permitted under Provincial policy. This is due to the fact the County is situated on the ‘Outer Ring’ of the Growth Plan area which is an area that already has policy flexibility relative to greenfield density. The County targets – approved at 40 residents and jobs per hectare – have been set based upon public and stakeholder consultation through the recent OP update process and represent an appropriate and achievable density for the County based on local conditions. In effect, the changes proposed now by the Province will reflect the flexibility for a larger part of the Province that is already afforded to the County as an ‘Outer Ring’ municipality.</p>
<p>Removes mandatory intensification targets for all municipalities;</p>	<p>Haldimand County has been subject to intensification targets within the Provincial Growth Plan since 2009. The County is required (under current OP policy) to ensure 20% of all new residential units are constructed within existing built-up areas. Intensification ensures an efficient use of land, supports a mix of housing options, facilitates smart use of existing infrastructure and helps to limit the pressure on prematurely expanding urban areas into agricultural areas. Removal of the targets would eliminate the requirement for municipalities to prioritize infill development and make it more difficult to promote (and possibly require) intensification in urban areas. It could result in potential for less dense development proposals and lead to larger urban lots. This could also result in additional lands being required to accommodate the projected population targets, thus putting pressure on urban boundary expansion, which in turn, could mean the loss of additional farm land.</p>
<p>Provides for greater permissions for residential intensification;</p>	<p>The proposed change would allow for additional opportunities for residential intensification, including the conversion of existing commercial and institutional buildings to residential uses; new housing options within existing or previously developed areas (i.e. townhouses or apartments in existing residential neighbourhoods); and redevelopment that results in additional residential units. The changes, combined with the removal of policy that directed “where this {intensification} can be accommodated”, opens up the</p>

Proposed Change	Comment
	<p>potential location of residential development and removes some of the overall protections for efficient and effective use of land and land use compatibility.</p> <p>While staff are generally supportive of the intent of these changes, there is concern in allowing conversion of commercial space in downtown areas – i.e. ground floor commercial space on a downtown main street. The viability and vitality of the County’s downtown areas is dependent upon a vibrant and active commercial streetscape. The County has put significant financial supports into the downtown commercial areas over the last 10+ years (CIP grants, Streetscaping enhancements) and it is critical to ensure these investments are not negatively impacted. Staff are of the view that protectionist policy is still required for downtown commercial spaces.</p>
<p>Expands the definition for housing options;</p>	<p>The change to the definition would include laneway housing, garden suites, rooming housings and refines multi-residential to include low and mid-rise apartments. Additionally, it would also include multi-generational housing, farm working housing, culturally appropriate housing, supportive, community and transitional housing and educational and long-term care homes.</p> <p>This change could see an increase in a variety of housing forms as of right within the County and greater intensification with the broader arrangement of housing types and forms within existing residential areas, as well a additional opportunities for mixed use buildings. . This could see a shift in the traditional residential neighbourhood form and appearance. Generally speaking, this is a positive change as it does address the need for more housing options which is part of the affordable housing solution. What is critical, however, is for local autonomy to establish policies in municipal Official Plans that identify areas suitable/most able to accommodate these more dense and alternative forms of housing. This appears to be missing in the Province’s proposal.</p>
<p>Adds back the definition and reference for ‘affordable housing’.</p>	<p>In the 2023 PPS draft, the term “affordable housing” was removed and the municipality would have to define what it is. To do so, Haldimand would have needed to complete an analysis on the average resale and purchase price for housing or the average market rent to determine rates for the municipality. This would have been a significant shift away from the generally accepted affordable housing definition (i.e. that which is tied to income) and would have driven County policy further away from a true measure of affordability. This would have also hampered municipal efforts to produce (or require to be produced) housing that is truly affordable to large segments of the population. The previous proposal would have effectively allowed the real estate market to dictate what is considered</p>

Proposed Change	Comment
	affordable, whereas it is income that should be driving the definition. The Province appears to have listened to the feedback received and has now added back the “affordable housing” definition from the current PPS which has long been accepted and supported.

3. Settlement Areas and Settlement Area Boundary Expansions

The changes relating to settlement areas are related to no longer having the requirement for a Municipal Comprehensive Review (typically done through the municipal Official Plan update process) and the reduction for criteria for new or expanding settlement areas. These changes combine to have a significant impact on the growth strategy for the municipality and for the works recently completed for the Haldimand County Official Plan update and growth forecast to 2051.

Proposed Change	Comment
Removes the requirement for municipal comprehensive review (MCR) and reduces criteria necessary to justify settlement expansion and new settlement areas.	<p>An MCR has been a requirement for settlement area expansions since 2005 and is typically completed by the municipality as part of an Official Plan review every 5-years. The MCR is a defined study and process which requires consideration of several factors (i.e. servicing, population and employment forecasts, demand, impact on agriculture, natural feature impacts, etc.) prior to growing out into rural or agricultural areas. The draft Provincial Planning Statement removes all references to an MCR, which means that level of study will no longer be required prior to a settlement boundary expansion.</p> <p>In lieu of the MCR, the Province proposes a small series of less stringent criteria that the municipality would need to address when considering a settlement expansion. That limited set includes:</p> <ul style="list-style-type: none"> i. The need to designate and plan for additional land to accommodate an appropriate range and mix of land uses; ii. That there is sufficient capacity in existing or planned infrastructure and public service facilities; iii. The applicable lands do not comprise specialty crop areas; iv. The new or expanded settlement area complies with the minimum distance separation formulae (representing setbacks from livestock facilities); v. Impacts on agricultural lands and operations which are adjacent or close to the settlement area are avoided, or where avoidance is not possible, minimized and mitigated to the extent feasible as determined through an agricultural impact assessment or equivalent analysis based on provincial guidance; and

Proposed Change	Comment
	<p>vi. The new expanded settlement area provides for the phased progression of urban development.</p> <p>Item 'i' above has been added since the 2023 draft and mirrors what is in the current PPS. While this adds some necessary prescription to the approach that was found lacking in the 2023 draft, the end result is largely unchanged. The result of removal of the MCR, and combined with the reduction in the criteria for settlement area expansions, is effectively easing up the requirements for boundary expansions. This easing up could result in additional Official Plan amendments by private developers and land speculation as well as potential impacts on municipal servicing strategies and agricultural land preservation. When this is looked at in combination with the elimination of intensification targets as described above, it poses the threat of inefficient use of existing services areas, and unnecessary, costly and premature expansions. There is the real potential that significant expansion pressures could lead to urban sprawl and land supply that far exceeds the actual needs of the municipality. Given that the test for new or expanding settlements will be conformity with Provincial policy, and the fact that the tests of that policy are very limited, it could be difficult for municipalities to refuse proposals. A level of autonomy, that could include the ability to set local criteria that goes beyond the Province's base level or to require a certain size of expansion/new settlement be considered only in connection with a larger process (OP update), is absolutely necessary.</p>

4. Employment

The changes would represent a shift in the employment policies and employment land protection. The policies appear to promote mix-use development where appropriate, however, does open up the opportunities for greater conversion of potential employment lands.

Proposed Change	Comment
<p>Change in the definition of <i>Employment Area</i>.</p>	<p>The definition is proposed to be scoped from its current version and will now only include industrial (manufacturing, research and development) and warehousing with ancillary retail and office. The new definition would exclude long permitted uses such as stand-alone commercial uses that are not associated with the primary employment, offices and institutional uses. This is a limiting change because currently the definition includes a wider range of uses (as noted) and the wording "Including, but not limited to". The effect of these, historically, has been they provide the municipality with some flexibility and discretion regarding the types of uses that can be included within an Official Plan for employment. It has also allowed for protection of employment lands from conversion to other uses such</p>

	<p>as residential. The proposed amendment would remove this ability. It is also noted that when planning for employment lands outside of employment areas, municipalities cannot be more restrictive through local policies and the Official Plan.</p>
<p>Amends the policies and requirements for employment area conversions.</p>	<p>The new PPS is proposing to allow the removal of lands from an employment area to be converted to other uses without the requirements for a Municipal Comprehensive Review (MCR). This change has a similar effect as that described in the Settlement Areas section above in that applications for changes in these uses could be submitted at any time and would not have the benefit of a larger, more comprehensive analysis of the supply and needs for employment lands that is afforded through an MCR process. Municipalities would be able to consider employment area conversion where it can be demonstrated that there is need for the removal, the proposed uses will not have a negative impact on the area or overall viability and function of the employment area and there is sufficient or planned infrastructure. This represents a fairly 'lean' justification when compared to the current policy framework. These requests could be initiated by private property owners/developers, which could lead to conversion pressures especially with increasing market pressure to accommodate residential development.</p> <p>Staff do acknowledge there could be benefits to this policy framework, in particular in those situations where employment lands are mis-cast, isolated and/or surrounded by incompatible uses – this new approach would provide flexibility to look at establishing more appropriate land uses in these cases. On the whole, staff have limited concerns with this new policy but believe a hybrid approach would be better – i.e. one where an MCR process is still required for more significant large scale land conversions, but smaller conversions or those that have unique circumstances (as described above – isolated, incompatible uses abutting), would not require such.</p>
<p>Removes the application of Provincially Significant Employment Zones.</p>	<p>This amendment will impact Haldimand as the Lake Erie Industrial Park is currently identified as a Provincially Significant Employment Zone (PSEZ). The identification as a PSEZ provides an additional layer of protection and security for larger industrial areas from potential conversions. The PSEZ is proposed to be covered by the PPS' Employment Area policies which the Province suggests provide a similar and appropriate level of policy protection. It is not clear to staff how the Province arrives at this conclusion given the permissiveness of conversions within Employment Areas that is being introduced in the new PPS (as described in the row above)</p>

5. Agriculture

From the protection of farmland perspective, there is impact from previously raised items in this summary, including the settlement boundary expansion and elimination of intensification targets. Under the current PPS framework, the criteria notes that expansions needed to avoid prime agricultural lands or be located on lower priority lands. The draft changes look to open up the opportunities for expansion that no longer serve to protect and preserve those areas. Additionally, it eliminates alternative evaluations for mineral aggregate extraction rehabilitation. Both changes could impact the viability and availability of prime agricultural lands. Additionally, the following changes are also noted:

Proposed Change	Comment
<p>Additional residential units / limits on residential lot creation.</p>	<p>In the 2023 PPS draft, policies were proposed that would have permitted three (3) new residential lots from a farm parcel, however, this policy intention has been removed. The current PPS does not permit new residential lot creation in the prime agricultural area, an absolute restriction that dates back to 2005. The original proposal would have introduced a significant shift in planning policy, with lot creation opportunities that have not been promoted or encouraged for over fifty (50) years. More specifically, residential lot creation has been discouraged since the Countryside Planning/Foodland Guidelines that were issued by the Province in the 1970's. The intention of the policies was for the protection of agricultural lands and minimizing potentially incompatible or sensitive uses from encroaching upon active agricultural operations. The draft 2023 policies could have resulted in the creation of tens of thousands of lots and countless acres of lost farmland across the Province, including potential for up to 8,847 new non-farm residential lots in Haldimand County.</p> <p>Farmland severances have been a major discussion point in creation of a new PPS. In short, the farming community (e.g. Ontario Federation of Agriculture and via the County Wardens) raised concerns about removal of viable farmland from production (especially as we try to protect our domestic food chains) and incompatibilities that arise from new residential uses. Due to the incredible amount of push back on this policy the Province has responded by removing it entirely. In its place, the Province has introduced policy that supports additional residential dwellings on the farm where they are located close to the primary residence and minimize land taken out of production. The ability to sever these additional units would be restricted to only those situations where farm consolidation takes place and a dwelling is deemed surplus to the needs of the farmer (which is effectively the current process in place in Haldimand).</p>

Proposed Change	Comment
	<p>This is viewed as a positive change (from the previous 2023 draft) that will ensure the primacy of agricultural lands and support the protection of the valuable and finite resource. The County already permits additional housing units in the form of accessory dwellings (secondary suites, farm help houses, garden suites) with similar requirements (minimizing land loss, located in proximity to primary dwelling, shared access, etc.). And so, this new policy does not appear to be a significant change or departure from what is practiced and accepted in the County. It is noted that surplus farm dwelling severances, agriculturally-related severances, and applications for minor or technical reasons (boundary adjustments) are still recognized and supported in the draft PPS.</p>

6. Natural Heritage

Proposed Change	Comment
<p>Not yet released – still being drafted</p>	<p>Natural Heritage is a key section of the current Provincial Policy Statement and Provincial Growth Plan, however, at this time the draft Provincial Planning Statement has noted that these policies are still under review and consideration by the Province. As such, there is nothing for staff to review and comment on at this time. However, it is important to note that staff, as part of the Official Plan Update Phase 2, retained and worked extensively with a consultant (NRSI Inc.) to develop a natural heritage system and feature classification system for the entire County. This work was significant, costly, included public and stakeholder meetings/input (including the 3 CAs, First Nations and environmental groups) and was done to comply with the current versions of the PPS and Growth Plan. To what extent any new policies will impact on this work is yet to be determined. Once the new policies are released for public comment, and if there are significant impacts for the County, staff will produce a subsequent report to Council.</p>