

# Planning Reform – Bill 185 and the Proposed Provincial Planning Statement

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# Housing Supply Action Plan



On April 10, the provincial government released its most recent proposals in support of the 'Housing Supply Action Plan':

- Bill 185, the Cutting Red Tape to Build More Homes Act
- Proposed New Provincial Planning Statement

The proposed changes would build upon, or in some cases undo, the provincial changes to the land use planning system over the past few years

# Cutting Red Tape to Build More Homes



Bill 185 proposes amendments to 15 pieces of legislation including the Development Charges Act, Municipal Act, and Planning Act

Several of the proposed changes undo or clarify previous changes implemented through Bill 23, Bill 97, and Bill 109

The changes related to development charges, municipal infrastructure, and land use planning are of most direct impact for Middlesex County

# Bill 185 and Development Charges



The proposed revisions appear to recognize that recent DC changes were placing financial challenges upon municipalities

Proposed changes would include:

- Elimination of the five-year phase-in of DCs
- Reinstatement of growth-related studies as eligible DC costs
- Streamlining the process to extend or make minor amendments to DC by-laws

The changes would continue DC exemptions for 'Affordable Residential Units'

# Bill 185 and the Municipal Act



Municipalities would have 'use it or lose it' authority under Municipal Act and Planning Act to withdraw and reallocate water and wastewater capacity from an approved development where development of the site has not yet occurred after a period of time, subject to establishing policies to guide this authority

Currently, the Municipal Act prohibits municipalities from providing assistance to businesses, proposed amendments to the Municipal Act would streamline the provincial process for granting exemptions to municipalities from this prohibition to support provincial investment attraction (usually an MZO)

# Bill 185 and the Planning Act



Planning responsibilities in the Province remain unchanged except:

- the Regions of Halton, Peel and York would no longer have planning authority
- publicly-assisted universities and colleges would be exempt from municipal approvals under the Planning Act

Elimination of planning application fee refunds where timelines not met

# Bill 185 and the Planning Act



Pre-application consultation would be voluntary and applicants would be able to challenge the reasonableness of municipal complete application requirements

Draft plan of subdivisions approved pre-1995 would lapse if not registered within three years (lapsing provisions for these plans do not currently exist)

Elimination of Community Infrastructure Housing Accelerator and a new framework for requesting and considering Minister's Zoning Orders (MZOs) would be established that would include demonstration that proposal delivers on a provincial priority and / or is supported by a local municipal council

# Bill 185 and the Planning Act



The Minister would be given new regulation making authority to 'remove zoning barriers' for small multi-unit residential developments (ARUs)

Elimination of third party appeals for official plan and zoning by-law amendments except for 'specified persons' such as utilities, the applicant, or Indigenous communities

Restoration of applicant appeal rights for privately initiated proposals to expand settlement area boundaries unless the boundaries are approved by the Province in a County Official Plan



# Provincial Planning Statement



The existing 'Provincial Policy Statement' and 'Growth Plan for the Greater Golden Horseshoe' provide provincial policy direction on land use planning

It was initially proposed in 2023 to combine the two documents into a new province-wide 'Provincial Planning Statement' (PPS) and now a further proposed PPS has been released

In general, a move to a more permissive planning framework with less stringent requirements from a growth management perspective [example - move to 'shall consider' instead of 'demonstrate']

# Provincial Planning Statement



The proposed PPS policies are grouped under five themes:

1. Generate an appropriate housing supply
2. Make land available for development
3. Provide infrastructure to support development
4. Balance housing with resources
5. Implementation

# 1. Housing Supply

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- Require municipalities to provide a range and mix of housing options
- Require municipalities to implement intensification policies
- Require municipalities to permit more housing on farms, ARUs and housing for farm workers
- Relaxation of the servicing hierarchy for new development
- Reference to role of housing service manager and the re-introduction of policies pertaining to affordable housing and related definitions
- Introduces concept of designated growth areas and encourages municipalities to align growth with infrastructure needs

## 2. Land Available for Development



- Require municipalities to plan for a minimum 20-year horizon, with a maximum 30-year horizon (as opposed to the current maximum 25-year horizon)
- Require municipalities to base growth forecasts on Ministry of Finance 25-year projections
- Provide greater flexibility for municipalities (and developers to apply) to expand settlement area boundaries without a municipal comprehensive review and without as rigorous of criteria
- Change 'area of employment' policies to essentially differentiate between what has traditionally been considered 'heavy industry' and 'light industry' and require policies for their protection but also allowing for applications to remove

# 3. Infrastructure

- Proposed language relaxes the servicing hierarchy, which places full municipal services as the preferred form of servicing for settlement areas, by providing greater flexibility for development on partial or private services, particularly in rural settlement areas
- Proposed language encourages municipalities to allocate, and re-allocate if necessary, unused municipal water and sewage services to meet current and projected housing needs (“use it or lose it”)
- Require municipalities and school boards to integrate planning for schools and growth, and consider and encourage innovative approaches in the design of schools and associated child-care facilities
- Concept of ‘Strategic Growth Areas’ integrated from A Place to Grow

# 4. Balance Housing with Resources

- The natural heritage policies and related definitions primarily reflect existing policies with limited change
- The concept of watershed planning is introduced which suggests that municipalities will be taking an enhanced role in this area (coupled with April 1<sup>st</sup> changes to the responsibilities of the conservation authorities)
- An 'agricultural systems' approach to planning would be required which includes the identification of, and planning for, the agricultural land base and agri-food network
- Other resource policies are based on existing policies with limited changes

# 5. Implementation

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- Requires that Planning authorities keep their zoning by-laws up-to-date with their official plans and the PPS
- Clarifies that where a planning authority must decide on a planning matter before their official plan has been updated to be consistent with the PPS, it must make a decision that is consistent with the PPS
- Requires that planning authorities collaborate with publicly-assisted post-secondary institutions, where they exist, to facilitate planning for student housing and encourages the development of student housing strategies for off-campus student housing

# Implications for Middlesex County



If approved the new PPS is a significant change in land use planning policy for Ontario and would necessitate updates to all official plans and zoning by-laws

The proposed changes are extensive however there a few changes that would appear to have the most potential for impact within Middlesex County

1. Additional Residential Units
2. Lot Creation in Agricultural Areas
3. Settlement Area Boundary Expansions
4. County Official Plan Growth Responsibility
5. Other Considerations



# Implications - ARUs



Subordinate to the principal dwelling, up to two Additional Residential Units in prime agricultural areas would be permitted provided that any ARUs are within, attached to, or in close proximity to the principle dwelling and subject to MDS, compatibility, and servicing requirements

Does not impact the Bill 23 'as of right' permission for an ARU on a 'parcel of urban residential land' on full municipal services

This represents the third provincial definition of an ARU and the proposed language may benefit from refinement

# Implications - Lot Creation



The 2023 iteration of the proposed PPS included policies that would have allowed the creation of up to three residential lots from an agricultural parcel

This language did not carry forward to the 2024 iteration of the proposed PPS and instead the document maintains existing prohibitions of non-agricultural lot creation

The proposed document also limits surplus farm dwelling consents to “one residence surplus to a farming operation per farm consolidation”, (as opposed to the current language which does not specify a number)

# Implications - Boundary Adjustments



Several related changes would impact how municipalities consider settlement boundaries including:

- Requirement to base forecasts on Ministry of Finance projections
- Minimum 20-year planning horizon to a maximum of 30-years
- Moving away from the requirement for Municipal Comprehensive Review
- Lessening the criteria for boundary expansions
- Allow land-owners to seek on a case-by-case basis and enable appeal rights (that were removed in 2004) through proposed amendments to the Planning Act

# Implications - Boundary Adjustments



## Removal of requirement for Municipal Comprehensive Review

- May encourage land speculation ahead of growth management planning
- Potential strain on municipal infrastructure and finances resulting from uncoordinated boundary expansions and disjointed development which require upgrades and expansions of existing infrastructure
- Adds complexities in planning for infrastructure and public services such as schools
- Appeal rights may lead to increased legal costs for municipalities

Additional flexibility for municipalities could be beneficial; however, municipalities should be the final determinants of settlement boundaries

# Implications – County Official Plan Growth



## County Official Plan Growth Responsibility in the proposed PPS:

- Upper-tier municipalities in consultation with local municipalities shall identify and allocate population, housing and employment projections .. Identify areas where growth and development will be focused .. identify minimum density targets .. provide direction for the lower-tier on matters that cross municipal boundaries ..
- It appears that this would require a more fulsome review at the County level based upon updated population, employment and housing projections
- As the Minister is the Approval Authority for the County Official Plan, this would place the overall authority for growth-related decisions with the Minister

# Implications – Other Considerations



The requirement for municipalities to use Ministry of Finance projections requires additional review by staff as the Ministry projections group the County with the City of London and have not always reflected the levels of growth occurring within the County

The reference to role of housing service manager requires clarification

There are several areas where the PPS states that a policy is to be implemented 'subject to provincial guidance'; the timely provision of that guidance would greatly assist municipal implementation

# Discussion

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# Resources

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[Review of proposed policies for a new provincial planning policy instrument](#)

[Bill 185 , the Proposed Cutting Red Tape to Build More Homes Act, 2024](#)

[Bill 185, the Proposed Cutting Red Tape to Build More Homes Act, 2024 – Housing Initiatives](#)

[Introducing Bill 185, the \*Cutting Red Tape to Build More Homes Act\*, and an Update on the New Provincial Planning Statement](#)

[Ontario government announces proposed amendments to Planning Act and Development Charges Act](#)