

Cassels

We're Growing (More): Proposed Update to the Provincial Growth Framework

Adrianna Pilkington

July 20, 2020

On June 16, 2020, the Minister of Municipal Affairs and Housing proposed changes to *A Place to Grow: Growth Plan for the Greater Golden Horseshoe* (Growth Plan), posting notice of [Proposed Amendment 1 to the Growth Plan](#) on the [Environmental Registry of Ontario](#) (ERO) and [Ontario's Regulatory Registry](#). The Ministry concurrently released a [proposed new approach to the Land Needs Assessment Methodology for the Greater Golden Horseshoe](#) and [updated growth forecasts to 2051](#).

Growth Outlook to 2051; Alignment with Provincial Policy Statement, 2020

The new Provincial Policy Statement, 2020 (PPS) came into effect on May 1, 2020, and several technical amendments to the Growth Plan are required to maintain consistency.

Under the PPS, municipalities are required to make land available for urban development to accommodate growth forecast needs out to a horizon of 25 years. Updated forecasts to 2051 are proposed for Schedule 3 to provide an additional 1.39 million people and 740,000 jobs in the Greater Golden Horseshoe (GGH).

New and revised definitions proposed for the Growth Plan include:

- “Cultural Heritage Landscape,” which would add views and buildings to an inexhaustive list of features that could be valued in a Cultural Heritage Landscape
- “Impacts of a Changing Climate,” which would add in the new definition from the PPS: “the present and future consequences from changes in weather patterns at local and regional levels including extreme weather events and increased climate variability”
- “Public Service Facilities,” which would now explicitly include long-term care services

Alignment would also see a new policy in the Growth Plan requiring, no longer simply encouraging, planning authorities to engage on planning matters with Indigenous communities.

Housing

Cassels

Municipalities are already required to identify a diverse range and mix of housing options, establish targets for *affordable* ownership housing and rental housing, identify mechanisms to support housing choice, and align land use planning with applicable housing and homelessness plans under the *Housing Services Act, 2011*. The Proposed Amendments will add a requirement for municipalities to “address housing needs in accordance with provincial policy statements such as the Policy Statement: ‘Service Manager Housing and Homelessness Plans’” (the Homelessness Policy Statement). The Homelessness Policy Statement provides guidance and direction to Service Managers to support the development of local housing and homelessness plans, and while the policy statement is not new, the Growth Plan’s new requirement for municipalities to address housing needs in accordance with it emphasizes the role of municipalities in addressing homelessness and housing affordability in the province.

Major Transit Station Areas in Provincially Significant Employment Zones

May 2019 changes to the Growth Plan provided new policies allowing municipalities to convert land from employment to non-employment uses without provincial approval in certain circumstances in order to expedite bringing housing to market. To ensure certain *employment areas* are not converted without provincial involvement, Provincially Significant Employment Zones (PSEZ) were introduced. The proposed revision would allow conversions within PSEZs where the lands are also located in a delineated protected Major Transit Station Area (PMTSA), through the latter’s ministerial approval process. The Province has suggested that this could provide flexibility to municipalities by allowing them to consider a broader range of permitted uses within PMTSA that overlap with PSEZ.

Mineral Aggregate Operations

The proposed change to the Growth Plan regarding mineral aggregate operations would make it easier to establish new mineral aggregate operations outside of the Greenbelt but still within the GGH. Notably, the revision will remove the prohibition on new mineral aggregate operations, wayside pits and quarries from habitats of endangered species and threatened species within the Natural Heritage System. Blanket prohibitions on damage to habitats of endangered and threatened species that are subject to limited exception continue to exist through other legislation including the *Endangered Species Act, 2007*, but the Province’s removal of this consideration from the municipal planning process will arguably remove one barrier to development, assuming it has been satisfied elsewhere.

Growth Forecasts

With the requirement to ensure land is available for an increased horizon of 25 years, Hemson’s latest Technical Report forecasts growth out to 2051. The Ministry is considering amending the Growth Plan with

Cassels

one of three forecasts: a Reference Growth Forecast representing Hemson's anticipated most likely future growth outlook, a High Growth Scenario, or a Low Growth Scenario. As part of the consultation, the Ministry is seeking feedback on the three growth scenarios.

The forecasts for 2041 in the proposed Schedule 3: Distribution of Population and Employment for the Greater Golden Horseshoe to 2041 remain the same with total growth forecasted for 2051 of close to 15 million people and 7 million jobs (based on the Reference Growth Forecast).

Proposed Amendment 1 would eliminate Schedule 7: Distribution of Population and Employment for the City of Barrie, City of Orillia and County of Simcoe to 2031, and require Simcoe County, through its next Municipal Comprehensive Review (MCR), to allocate growth forecasts in Schedule 3.

Land Needs Assessment Methodology

According to the Growth Plan, the Minister is responsible for establishing a methodology for assessing land needs to implement the Plan. The methodology will be used by upper- and single-tier municipalities to assess the quantity of land required to accommodate forecasted growth to the horizon of the Plan.

The government is also consulting on a proposed new Land Needs Assessment (LNA) Methodology (the Methodology), which would provide an outcome-based approach for municipalities to assess community area and employment area land needed through 2051.

The Methodology has a stated aim of ensuring a sufficient and appropriate mix of land is available to “accommodate all housing market segments; avoid housing shortages; consider market demand; accommodate all employment types, including those that are evolving; and plan for all infrastructure services that are needed to meet complete communities’ objectives to the horizon of the Plan.” Four components shall provide minimum requirements to be considered when completing local land budgeting as part of the MCR:

- Population forecasts
- Housing needs analysis
- Housing allocation and supply inventory
- Community area jobs analysis and reconciliation

The community area LNA is based on the growth forecasts in the Growth Plan, from which upper- and single-tier municipalities are to estimate households by type and housing need, and then allocate projected need to lower-tier municipalities as appropriate. This projected need is then translated into densities and separated into housing within delineated built-up areas and designated greenfield areas. Community area lands are those lands where most housing required to accommodate forecasted population growth shall be

Cassels

located, but it also includes most population-related jobs, office jobs, and some employment lands jobs.

The employment area LNA reviews employment forecasts, employment categorization and needs analysis, and employment allocation and reconciliation in an effort to determine where and how much land is needed to accommodate forecasted job growth within both employment areas and community areas.

Municipalities may develop alternate growth assumptions provided the forecasts are met, but municipalities must be able to demonstrate that the assumptions used in their Methodology conform with the Plan and are justifiable in light of provincial trends and municipality-specific conditions.

While the LNA has yet to be set out in detail, at first blush it appears to loosely follow the structure of the last LNA, the [Land Needs Assessment for the Greater Golden Horseshoe, 2018](#), which supported the Growth Plan for the Greater Golden Horseshoe, 2017. New features appear to be an express recognition of the requirement for municipalities to, “at all times, have enough land with servicing capacity to provide at least a three-year supply of residential units available through lands suitably zoned in lower-tier municipalities” and to “plan to maintain the ability to accommodate residential growth for a minimum of 15 years,” both policies in the PPS. According to the ERO posting, the Methodology will represent a “simplified approach to land needs assessment that reduces the overall complexity of implementation... [and] provide more flexibility to municipalities.”

Transition

The Minister is proposing minor modifications to the Growth Plan transition regulation (O. Reg. 311/06) to require that all decisions that must conform to the current Growth Plan will have to conform to the Growth Plan as amended by Proposed Amendment 1, the only exception being where the Local Planning Appeal Tribunal has completed a hearing but not yet issued a decision on a matter, in which case conformity is required to the then former Growth Plan. While the transition proposal is straightforward, the more complex transition provisions with respect to the current Growth Plan otherwise remain.

Consultation and Next Steps

The consultation period for the Proposed Amendment 1 and the proposed LNA Methodology closes on July 31, 2020. The Environmental Registry notice for the proposed LNA Methodology notes that after considering submissions, the Minister may modify the approach and formally issue a final revised LNA Methodology.

As the Proposed Amendment 1 will be applicable to planning decisions upon adoption, the most immediately impacted will be municipalities undertaking MCRs, the aggregate industry, and those currently in an PSEZ. Most significantly, given the revision to the proposed LNA Methodology and revised forecasts,

Cassels

the changes will have a direct impact on the development potential of land across the Province. See our recent article about the City of Toronto's MCR and conformity exercise plans, [here](#), which also identifies important next steps for landowners in the City of Toronto.

The conformity date remains set at July 1, 2022. Further, for those municipalities which have already started their MCR and conformity exercise, with the countdown for that work still running, some municipalities may find themselves circling back on their work.

This publication is a general summary of the law. It does not replace legal advice tailored to your specific circumstances.