

Proposed Amendment 1 to A Place to Grow: Growth Plan for the Greater Golden Horseshoe

The Minister of Municipal Affairs and Housing has initiated an update to *A Place to Grow: Growth Plan for the Greater Golden Horseshoe*. This update will include changes to the population and employment forecasts, the Plan horizon year for planning, aggregates framework, changes to employment lands near transit and other policy revisions that support the objectives of increasing housing supply, creating more jobs, attracting business investments and better aligning infrastructure. We are seeking feedback on proposed amendments to the Plan. The government is also consulting concurrently on a proposed new Land Needs Assessment Methodology for the Greater Golden Horseshoe ('Methodology') which supports implementation of A Place to Grow.

This proposal is for Proposed Amendment 1 to *A Place to Grow: Growth Plan for the Greater Golden Horseshoe* ('A Place to Grow', 'the Plan'). It is recommended that Proposed Amendment 1 be read in conjunction with A Place to Grow. This proposal works in conjunction with two proposals currently posted on the Environmental Registry of Ontario at

1. ERO 019-1680: Proposed Amendment 1 to A Place to Grow: Growth Plan for the Greater Golden Horseshoe (<https://ero.ontario.ca/notice/019-1680>)
2. ERO 019-1679: Proposed Land Needs Assessment Methodology for A Place to Grow: Growth Plan for the Greater Golden Horseshoe (<https://ero.ontario.ca/notice/019-1679>).

Growth Forecasts

A Place to Grow supports the More Homes, More Choice: Ontario's Housing Supply Action Plan to increase housing supply, create more jobs, attract business investments and better align infrastructure.

To ensure coordinated planning for growth across the Greater Golden Horseshoe (GGH) and to support the achievement of complete communities, A Place to Grow currently provides population and employment forecasts for all upper- and single-tier GGH municipalities. These forecasts are currently used for planning and managing growth to the horizon of the Plan. The forecasts are a key input into the land needs assessment methodology that municipalities use to determine the quantity of land needed to accommodate growth. The provincial government, including its agencies such as Metrolinx, and municipalities also use the forecasts to inform infrastructure and financial planning as well as economic and business investment strategies.

The Minister has initiated a review and update of the Distribution of Population and Employment for the GGH (Schedule 3), in accordance with policy 5.2.4.7 of A Place to Grow. The forecasts are being updated and extended to 2051 through a proposed amendment to the Plan. Additional policy changes are being proposed as outlined below. Details of all the changes to the Plan can be found here (<https://prod->

[environmental-registry.s3.amazonaws.com/2020-06/Proposed%20APTG%20Amendment%20%28ENG%29_0.pdf](https://prod-environmental-registry.s3.amazonaws.com/2020-06/Proposed%20APTG%20Amendment%20%28ENG%29_0.pdf)).

In fall 2019, the government issued a request for proposals to revise population and employment forecasts for A Place to Grow. Following that competitive process, the services of Hemson Consulting (“the consultant”) were procured and a series of technical and advisory meetings were held. For more detailed background information about the proposed updated growth forecasts and the methodology behind them, please view “Greater Golden Horseshoe: Growth Forecasts to 2051” available at (https://prod-environmental-registry.s3.amazonaws.com/2020-06/Proposed%20APTG%20Amendment%20%28ENG%29_0.pdf).

In addition to the updated forecasts, a related policy change is proposed to specify that municipalities would use the forecasts in the Plan or higher forecasts determined through the municipal comprehensive review as part of their long-term planning work.

The Ministry is considering amending A Place to Grow with one of the following growth outlooks: The Reference Growth Forecast, High Growth Scenario, or Low Growth Scenario for the forecast numbers. The Reference Forecast represents the most likely future growth outlook and is the result of extensive modelling and analysis. The Reference Forecast forms the basis of the draft report Greater Golden Horseshoe: Growth Forecasts to 2051 (https://prod-environmental-registry.s3.amazonaws.com/2020-06/Proposed%20APTG%20Amendment%20%28ENG%29_0.pdf). The High and Low Scenarios illustrate possible growth prospects under a set of variable assumptions about the future economic outlook. The Ministry is seeking feedback on the forecast and the two scenarios.

Municipalities would be required to use the selected growth outlook as the updated forecasts or use higher forecasts as determined through the municipal comprehensive review as part of this round of conformity exercises to meet the conformity deadline of July 2022. The effective date of Proposed Amendment 1 to A Place to Grow, if approved, will be determined by the Lieutenant Governor in Council as part of the approval.

The updated forecasts support economic development, new housing and job creation as they help municipalities coordinate long-term housing and employment needs with the infrastructure and public services necessary to support anticipated growth. Updated forecasts also help municipalities assess the amount of land needed to maintain an adequate supply of serviced land to support a mix of housing types. They also guide the development of financial strategies to recover growth-related capital investments.

In addition, updated forecasts support local economies by supporting the development of long-term transportation strategies to accommodate future growth as well as the preservation of employment lands to reflect local economic needs.

New Plan Horizon Year

Another proposed change is an extension of the Plan horizon from 2041 to 2051 to ensure municipalities have sufficient land to support the fostering of complete communities, economic development, job creation and housing affordability.

A longer Plan horizon is consistent with the long-range planning approach of previous growth plans and better aligns with the land supply requirements of the Provincial Policy Statement, 2020. A longer Plan horizon would help coordinate future housing and employment needs with the infrastructure and public services necessary to support economic development and long-term anticipated growth in the GGH.

Growth Outlook to 2051

The economic, social and demographic conditions in the GGH point to substantial growth in the GGH over the next 30 years. Under the Reference Forecast, the GGH is forecast to grow to close to 15 million people and 7 million jobs by 2051.

Mineral Aggregate Operations

Proposed Amendment 1 also includes a proposed change to A Place to Grow policies related to mineral aggregate resources. Mineral aggregate resources play a crucial role in the development of housing and municipal infrastructure. Ensuring adequate aggregate resources are available is critical to achieving the success of A Place to Grow. The proposed changes would make it easier to establish new mineral aggregate operations closer to market throughout the GGH outside of the Greenbelt.

Major Transit Station Areas in Provincially Significant Employment Zones (PSEZs)

In May 2019, changes to A Place to Grow provided new policies to enable municipalities to convert lands within employment areas to non-employment uses without provincial approval so as to expedite new housing construction as part of the government's More Homes, More Choice: Ontario's Housing Supply Action Plan. However, to ensure certain employment areas were not converted locally without provincial involvement, the provincially significant employment zones (PSEZs) were introduced with policy that provides the employment area lands located in a PSEZ could only be converted to non-employment uses through Ministerial approval.

As a tool to support economic development, PSEZs are utilized to provide provincial land use protections for employment areas that require provincial involvement in the support of retaining and expanding existing businesses as well as attracting new business investments. While each PSEZ is unique in nature, all zones must contain a significant number of jobs.

In light of the unique nature of each zone and to address the government's objective of intensification around major transit station areas (MTSAs), Proposed Amendment 1 proposes to change an employment policy within A Place to Grow with respect to the planning of MTSAs within a PSEZ. Notably, the policy amendment would allow conversions of employment areas to non-employment uses within a provincially significant employment zone that is located within a MTSA. This proposed change would allow for mixed-use developments to be initiated faster around MTSAs. This does not change municipal zoning by-laws or other conversion policies within A Place to Grow.

Mapping of an MTSA still requires provincial approval and this exercise can encourage transit-oriented development while protecting and enhancing employment opportunities.

This proposed change could provide flexibility to municipalities by permitting them to consider a broader range of land uses within PSEZs to support new residential and employment construction around transit stations. The changes could also provide an opportunity to accelerate planning for complete communities, allowing for businesses to capitalize on transit infrastructure investments, while bringing jobs close to places where people live.

The next phase of work, which will begin shortly, will examine how PSEZs can support post-COVID economic recovery and support the retention and expansion of existing industrial and manufacturing operations and how the zones can attract investment. The government continues to view PSEZs as an important tool and looks forward to engaging with businesses, municipalities, Indigenous communities and organizations and the development industry to maximize opportunities within a PSEZ.

Alignment with Provincial Policy Statement, 2020

Given the most recent changes to the Provincial Policy Statement, 2020, proposed Amendment 1 proposes to change A Place to Grow policies to ensure continued alignment with the new PPS, which came into effect on May 1, 2020. These changes, which are mostly technical in nature, would ensure that A Place to Grow reflects up to date references to the new PPS and maintains consistency across the planning system with things such as definitions and planning horizons. A proposed policy revision would also require planning authorities to engage on planning matters with Indigenous communities to ensure appropriate engagement is undertaken.

These technical changes to align with the PPS will help ensure a consistent and well-functioning planning system for municipalities and businesses in the GGH.

Transition

It is proposed that the Minister would make the following housekeeping modifications to the Growth Plan transition regulation (O. Reg. 311/06) to facilitate implementation of Amendment 1 to A Place to Grow, if approved:

- Provide that rules that required conformity with the Growth Plan for the Greater Golden Horseshoe 2019 would now require conformity with the Plan as amended by Amendment 1; and
- Provide that where the Local Planning Appeal Tribunal has completed a hearing but not yet issued a decision in respect of a matter required to conform with the Growth Plan for the Greater Golden Horseshoe 2019, those decisions are required to conform with the Plan as it read before Amendment 1.

Subject to the limited transitional rules mentioned above, the Minister is not proposing any other new transitional rules. This would mean that the policies in Proposed Amendment 1, if approved would need to be used in most decisions immediately after they come into effect, including in the current municipal comprehensive review. The date by which municipalities must conform with the policies in APTG will remain July 1, 2022.

Land Needs Assessment

The government is also consulting concurrently on a proposed new Land Needs Assessment Methodology for the Greater Golden Horseshoe ('Methodology') which supports implementation of A Place to Grow. The proposed new Methodology would provide an outcome-based approach to assessing community area and employment area land need to the Plan horizon. It provides a streamlined approach to land budgeting activities by outlining the key components, at a minimum, that would be addressed as part of local land needs assessment processes. Recognizing that local needs are diverse, the proposed new Methodology aims to provide the key factors to be considered as municipalities plan to ensure that a sufficient and appropriate mix of land is available to accommodate:

- a. all housing market segments, to avoid supply shortages;
- b. market demand;
- c. all employment types, including those that are evolving; and
- d. all infrastructure services that are needed to meet the complete communities objectives to the horizon of the Plan.

As part of this work, municipalities could refer to background information on housing growth by type prepared as part of the review and update of A Place to Grow's population and employment forecasts. Refer to ERO 019-1679: Proposed Land Needs Assessment Methodology for A Place to Grow: Growth Plan for the Greater Golden Horseshoe (<https://ero.ontario.ca/notice/019-1679>) for further information.

Establishing a new Methodology supports housing supply in the GGH by reducing the implementation burden on municipalities and streamlining and expediting the planning

approvals process. In addition, the new Methodology provides municipalities with the flexibility to better reflect local circumstances and market conditions in the land needs assessment.