March 8, 2013

Peter Fay
Municipal Clerk
City of Brampton
2 Wellington Street West
Brampton, ON L6Y 4R2

Dear Mr. Fay,

Subject: Further Region of Peel Responses to Provincial Policy Matters

I am writing to advise that Peel Regional Council approved the following resolutions at its meeting held on February 28, 2013:

“That the Regional Municipality of Peel response to the Ministry of Municipal Affairs and Housing and the Ministry of Infrastructure regarding the proposed amendments to the Provincial Policy Statement and the Growth Plan, with the recommendations contained in the report of the Chief Financial Officer and Commissioner of Corporate Services, dated January 18, 2013, titled “Further Region of Peel Responses to Provincial Policy Matters”, be approved;

And further, that Regional staff initiate consultations with the Ministry of Infrastructure and the Ministry of Municipal Affairs and Housing to address the issues presented in the subject report;

And further, that Regional staff be directed to prepare, in consultation with area municipal staff, and present the policy and financial aspects of servicing growth at the upcoming Council Workshop on Managing Growth scheduled for April 18, 2013, at the Region of Peel Council Chamber;

And further, that a copy of the subject report be forwarded to the Ministry of Infrastructure, the Ministry of Municipal Affairs and Housing, the cities of Mississauga and Brampton, the Town of Caledon, and the Conservation Authorities having jurisdiction in the Region of Peel, for their information.”

Please be further advised that subsequent to the February 28, 2013 Regional Council meeting, the date for the Council Workshop on Managing Growth has been rescheduled from April 18, 2013 to May 30, 2013. Invitations for the Council Workshop will be forthcoming to your office.
A copy of the report is attached for your review and information.

Yours truly,

Helena West  
Legislative Specialist, Region of Peel

HW:js

Encl: Copy of Report: “Further Region of Peel Responses to Provincial Policy Matters”
Also sent to: Brian Denney, Chief Administrative Officer, Toronto and Region Conservation Authority;
Rae Horst, Chief Administrative Officer, Credit Valley Conservation;
Ken Phillips, Chief Administrative Officer, Conservation Halton;
Crystal Greer, City Clerk, City of Mississauga;
Peter Fay, City Clerk, City of Brampton;
Office of the Clerk, Town of Caledon;
DATE: January 18, 2013

REPORT TITLE: FURTHER REGION OF PEEL RESPONSES TO PROVINCIAL POLICY MATTERS

FROM: Norma Trim, Chief Financial Officer and Commissioner of Corporate Services

RECOMMENDATION

That the Regional Municipality of Peel response to the Ministry of Municipal Affairs and Housing and the Ministry of Infrastructure regarding the proposed amendments to the Provincial Policy Statement and the Growth Plan, with the recommendations contained in the report from the Chief Financial Officer and Commissioner of Corporate Services, dated January 18, 2013, titled “Further Region of Peel Responses to Provincial Policy Matters”, be approved;

And further, that Regional staff initiate consultations with the Ministry of Infrastructure and the Ministry of Municipal Affairs and Housing to address the issues presented in the subject report;

And further, that Regional staff be directed to prepare, in consultation with area municipal staff, and present the policy and financial aspects of servicing growth at the upcoming Council Workshop on Managing Growth scheduled for April 18, 2013 at the Region of Peel Council Chambers;

And further, that the subject report be forwarded to the Ministry of Infrastructure, the Ministry of Municipal Affairs and Housing, the cities of Mississauga and Brampton, the Town of Caledon, and the Conservation Authorities having jurisdiction in the Region of Peel, for their information.
FURTHER REGION OF PEEL RESPONSES TO PROVINCIAL POLICY MATTERS

REPORT HIGHLIGHTS
- On January 10, 2013 Regional Council approved Regional comments on two proposed amendments to provincial planning documents: the Provincial Policy Statement (PPS) and the Growth Plan.
- In addition, Regional Council directed staff to report back on an additional five issues identified during Council discussion:
  - challenges associated with implementing Greenfield density targets;
  - planning for and financing of infrastructure needed to accommodate growth;
  - impacts to the Region of Peel and area municipalities resulting from appeals of municipal official plan amendments related to provincial policy conformity;
  - coordination and consolidation of review cycles for provincial plans and policies; and
  - challenges that result from inconsistent terminology in provincial plans and other planning documents.
- Addressing the issues raised in this report is critical to managing growth in Peel.

DISCUSSION

1. Background

On January 10, 2013 two reports were on the Regional Council agenda to address provincial planning initiatives: proposed Amendment 2 to the Places to Grow, Growth Plan (Growth Plan) and amendments to the Provincial Policy Statement (PPS). Both reports were approved as submitted; however, Regional Council directed staff to report back addressing additional planning and growth issues raised during Council discussions. This report responds to the Council's direction to provide further information on the following issues:

- challenges associated with implementing the greenfield density target of 50 persons and jobs combined per hectare;
- provision of new and maintenance of existing infrastructure required to accommodate growth;
- appeals of municipal official plan amendments related to provincial policy conformity;
- coordination and consolidation of the review cycles for provincial plans and policies; and
- harmonization of terminology in provincial plans and other planning documents.

2. Recommendations and Findings

In addition to the above direction, Council deliberated on the implications of growth and intensification on the Region's economy, finances, and overall quality of life in Peel. These issues will be further explored and discussed at the Council Workshop on Managing Growth scheduled for April 18, 2013.

a) Greenfield Employment Densities

It is recommended that the Provincial Government change the current approach to allow flexibility in planning for optimal greenfield densities including separating the combined density measure in the Growth Plan and establishing two separate
and realistic targets (one for residential and the other one for employment areas) for the greenfield growth area.

To achieve the goals and objectives of the Growth Plan, including the creation of complete communities, a density target for designated greenfield areas was established. The minimum density target for Peel, as prescribed in Policy 2.2.7.2 of the Growth Plan, is a combination of 50 residents and jobs per hectare to be measured across the Region's designated greenfield area. Averaging the density target on a region-wide basis enables some flexibility for greenfield densities to be higher in some areas and lower in others. Through Regional Official Plan Amendment 24 (ROPA 24), the Region developed a set of targets for the area municipalities that resulted in meeting the density of 50 residents and jobs per hectare at the Regional level.

There are many examples in Peel where residential greenfield development will achieve, if not exceed, the minimum targets. For example, the Springdale neighbourhood in Brampton exceeds 65 residents and jobs per hectare and the Mount Pleasant neighbourhood is close to 100 residents and jobs per hectare. On the other hand, employment areas throughout the Region of Peel achieve much lower densities. While some employment areas (e.g. along urban corridors and nodes) may intensify over time, recent evidence in the Region suggests overall employment densities may be dropping. This is particularly noticeable in areas that accommodate logistics and warehousing. When implementing density targets, particularly within employment areas, economic realities, not arbitrary targets, have to be taken into account to properly inform Regional and local planning decisions.

b) Provision of Infrastructure

It is recommended that Regional staff prepare, in consultation with area municipal staff, and present the policy and financial aspects of servicing growth at the upcoming Council Workshop on Managing Growth scheduled for April 18, 2013.

As a fast growing Region, parts of Peel are transitioning from a suburb to a mature city. Some areas are intensifying while new greenfield areas are starting or continuing to be developed. To support this diversified growth, existing infrastructure needs to be upgraded and new infrastructure needs to be built. The scale and character of Peel's proposed development requires infrastructure to be planned and built differently. The coordination of infrastructure and services is also dependant on the timing of growth. All of these factors have an impact on the cost of infrastructure and services.

To manage the growth which is occurring and expected to occur in Peel, as identified in the proposed Amendment 2 to the Growth Plan and related background materials, a thorough review of Regional servicing and infrastructure plans and the supporting financial plans and strategies established to achieve the planned service delivery in a fiscally sustainable manner is required. The determination of the infrastructure required to support the additional forecasted population will be the subject of detailed analysis involving both the Region of Peel and the area municipalities over an extended period of time. Significant strategic tools including the Regional Official Plan and long term master servicing program plans will need to be amended for the additional population and employment in order to provide critical inputs to capital spending plans to be integrated into revised financial strategies and tools involving development charges (DCs), asset maintenance and replacement and the use of debt.
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The completion of the necessary service and infrastructure planning and determination of related costs will require considerable time which impacts the Region’s ability to revise its financial strategies in a timely way. In particular, the new growth infrastructure costs need to be included in time for the next DC update so that the Region can commence collecting DC revenues from benefiting development otherwise the Region’s financial capacity is constrained (i.e. under-collecting DCs) and additional debt may need to be issued. As the current DC legislation does not allow for the recovery of all growth infrastructure costs (e.g. waste management is not DC eligible and Police, Social Housing, Paramedic and other “soft service” costs are discounted by 10 per cent), taxes will need to fund a portion of new capital investments.

As demand from the additional population materializes available service capacity will be reduced and existing water and wastewater services, for example, will need to be reconfigured to accommodate growth beyond the design expectation. As Peel’s urban form matures existing servicing capacity will be largely consumed in some areas, necessitating additional infrastructure investment to accommodate growth. Significantly increased costs can result when reconfiguring services to accommodate intensification versus extending greenfield services (e.g. Mississauga City Centre feedermain). Servicing intensification will involve some loss of useful life in existing systems that need to be upsized with costs to existing development (i.e. non-DC eligible costs) which are to be funded from other sources namely, taxes and rates.

Planning for growth at the Regional scale also results in challenges related to inter-governmental relations. Some of Peel’s infrastructure serves inter-regional (e.g. regional roads, GO transit system, elements of water distribution system), provincial (e.g. major highways), national (e.g. major railways) or international (e.g. Toronto Pearson International Airport) functions. Maintaining, upgrading and expanding this infrastructure needs to be closely co-ordinated with the Region, the area municipalities and other levels of government to make sure that it supports forecasted growth.

Accurate population and employment growth forecast are essential to the preparation of plans. Regional staff are concerned with the revised Growth Plan population and employment forecasts. Regional staff have urged the province to revise the 2031 forecast for Peel in Schedule 3 to the Growth Plan, which underestimates Peel’s population. In undertaking this revision, the province is encouraged to recognize Peel’s immigration trends and household composition patterns, as these are different from other GTAH municipalities. It is also critical that the 2011 Census data be used to establish a base year and to verify all assumptions. Without resolution of these matters, the Region and area municipalities may be forced to delay the planning for a significant amount of population until after the 2031 planning horizon year.

c) Appeals of Official Plans Conforming to Provincial Policies

It is recommended that the Provincial Government make amendments to the Planning Act to further strengthen municipal decision making and limit appeals to the OMB, especially where municipal official plans are deemed by the Provincial Government to be in conformity with provincial requirements.

Regional staff is concerned that OMB hearings on policy appeals can be costly in terms of legal expenses and staff time and result in delayed implementation of policy direction adopted by municipal councils. Appeals of amendments to bring official plans into conformity with provincial policy require municipalities to devote scarce resources to defending decisions that have already proceeded through the planning process, and in
many instances, have been approved and deemed to conform with provincial policy by the Province.

Recent provincial planning reform initiatives have attempted to limit the matters and scope of what can be appealed to the OMB. Legislative amendments to the Planning Act introduced through the Strong Communities Act (Bill 26) removed the right to appeal council decisions on private official plan amendments proposing settlement boundary expansions. Additional revisions through the Planning and Conservation Statute Law Amendment Act (Bill 51) removed appeal rights for employment land conversions, gave municipal councils the opportunity to reconsider certain planning decisions, which are before the OMB, based on new information, and restricted parties who may appear before the OMB and evidence which may be given. Changes also clarified the OMB’s mandate to now “have regard to” decisions made by municipal councils under the Act. The objective of these amendments was to strengthen the municipal role by placing greater emphasis on municipal council decisions.

Despite these important legislative improvements there is still opportunity to further limit appeals in situations where there is no public interest served by a lengthy hearing process on policy decisions that have been deemed to conform to provincial policy. The precedent of limiting appeals on conformity amendments related to provincial plans is already established in the Oak Ridges Moraine Conservation Act, which contains no appeal provisions on official plan amendments approved by the Province. Several options to further limit and scope appeals of policy amendments conforming to provincial plans are possible. These range from limiting matters that can be appealed (e.g. no appeals of approved land budgets) to removing the ability to appeal an entire official plan that is deemed to conform. Any restrictions on appeals should preserve municipal council’s ability to appeal provincial decisions.

d) Coordination of Provincial Review Cycles

It is recommended that the Provincial Government consolidate all of the provincial plans and PPS review cycles into one review process.

Municipalities are required to respond to multiple provincial planning documents. These include the Growth Plan, Greenbelt Plan, Oak Ridges Moraine Conservation Plan, Lake Simcoe Protection Plan, Niagara Escarpment Plan and Parkway Belt West Plan. The province reviews and updates most of these documents on a five to ten year cycle, after they come into effect. While Regional staff appreciates the province’s intent to keep its policy documents current, the consequence has been that the Region is continuously allocating resources towards provincial plan reviews.

Coordination or consolidation of the review cycles is necessary to ensure that the provincial policy framework is manageable. Without this coordination, the five year review cycle will become unwieldy, and use a considerable amount of municipal financial and staff resources. Regional staff recommends the province use the model already established in the Greenbelt Plan which requires that the Greenbelt Plan, Niagara Escarpment Plan and Oak Ridges Moraine Conservation Plan all be reviewed in conjunction over one ten year period. This model could be followed for other provincial planning documents.
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e) Harmonization of Terminology in Provincial Plans

It is recommended that the Provincial Government provide one consistent set of definitions in all provincial land use planning regulations and policies.

Each provincial planning document contains a glossary of the significant terms used within it. However, these terms are not consistent among the various provincial planning documents. For example, section 1.3.2 in the PPS references “Employment Areas” while section 2.2.6 of the Growth Plan uses the term “Employment Lands”. It is not clear why different terminology was used, nor is it clear what the difference is between the two terms. “Infrastructure” and “mineral aggregate operations” are two other examples of terms which have different definitions within different provincial plans. Inconsistent terminology can lead to challenges when municipalities are developing policies to implement the provincial direction.

CONCLUSION

The Region of Peel, along with the area municipalities, is determined to work closely with the Province to develop solutions to the issues raised in this report. Regional staff will be advocating to the Province the need to separate the greenfield density targets for residential and employment, as well as the need to coordinate provincial review cycles and harmonize terminology. Regional staff will also consult with the Province on how the Planning Act can be amended to eliminate appeals on conformity of official plan amendments. In terms of infrastructure to accommodate growth, regional staff will continue to work on the policy and financial aspects of servicing growth and provide more information and opportunity for discussion at the upcoming Council Workshop on Managing Growth scheduled for April 18, 2013.

Norma Trim
Chief Financial Officer
and Commissioner of Corporate Services

Approved for Submission:

D. Szwarc, Chief Administrative Officer

For further information regarding this report, please contact Arvin Prasad, Director of Integrated Planning Division at extension 4251 or via email at arvin.prasad@peelregion.ca

Authored By: Gail Anderson and Roman Kuczynski

c. Legislative Services