**Chief Executive Officer** 



December 28, 2022

## BY E-MAIL ONLY (growthplanning@ontario.ca)

Ministry of Municipal Affairs and Housing Provincial Land Use Plans Branch 13th Floor, 777 Bay St Toronto, ON M7A 2J3

## Re: Response to Request for Comments Review of A Place to Grow and Provincial Policy Statement (ERO #019-6177)

Thank you for the opportunity to comment on this posting on the Environmental Registry of Ontario (ERO) by the Ministry of Municipal Affairs and Housing seeking input on how to create a streamlined provincewide land use planning policy framework that enables municipalities to approve housing faster and increase housing supply. We understand that the government is proposing to integrate the Provincial Policy Statement (PPS) and A Place to Grow (Growth Plan) into a new planning policy instrument that:

- Leverages the housing-supportive policies of both policy documents;
- Removes or streamlines policies that duplicate, delay or burden housing development;
- Ensures growth management and planning tools increase housing supply and options;
- Continues to protect the environment, cultural heritage and public health and safety; and
- Ensures growth is supported with the appropriate amount and type of community infrastructure.

We further understand that the core elements of this new policy instrument could include, but are not limited to, the following items of interest to the Toronto and Region Conservation Authority (TRCA):

- Streamlined, less-prescriptive policy direction requiring fewer studies, more flexible comprehensive reviews enabling faster implementation of provincial policy.
- Streamlined policy direction for natural heritage through empowered local decision making and options to reduce development impacts, including offsetting/compensation.
- Simplified policy direction to enable municipalities to expand settlement area boundary expansions (SABE), e.g., in response to local contexts, market demand, etc.
- Policy direction enabling municipalities to use alternate population and employment information to determine housing and land needs.
- Policy direction to increase housing supply through intensification in strategic growth areas.

TRCA has an ongoing interest in the proposed changes given our roles as:

- A regulator under Section 28 of the Conservation Authorities Act (CA Act);
- A public commenting body under the *Planning Act* and the *Environmental Assessment Act;*
- A delegated commenting body to represent the Provincial interest in natural hazards;
- A service provider to our municipal, provincial, and federal partners;
- A resource management agency operating on a local watershed basis; and
- One of the largest landowners in the Greater Toronto region.

In these roles, and as stated in the *Made-in-Ontario Environment Plan*, CAs work in collaboration with municipalities and stakeholders to protect people and property from flooding and other natural hazards, and to conserve natural resources.

#### **GENERAL COMMENTS**

TRCA appreciates the Province's important goal of addressing the housing crisis through expediting development approvals and has taken streamlining actions that support this objective. We do not believe, however, that resolving the housing crisis needs to come at the expense of the environment or public safety due to natural hazards. To this end, we provide the following comments.

The ERO posting states that PPS policies, "allow flexibility in their implementation provided that the original intent of the policy is upheld," and that, "planning decisions under A Place to Grow must demonstrate that provincial direction is explicitly satisfied." It goes on to explain that although the PPS must be independently satisfied, where there is overlap and conflict between the two policy documents, A Place to Grow prevails. TRCA appreciates the importance of recognizing these distinctions and points further to section 1.2.3 of the Growth Plan, which states:

As provided for in the Places to Grow Act, 2005, this Plan prevails where there is a conflict between this Plan and the PPS. The only exception is where the conflict is between policies relating to the natural environment or human health. In that case, the direction that provides more protection to the natural environment or human health prevails.

TRCA is concerned that the proposed amalgamation without the same emphasis on maintaining the natural environment and human health policies in both the Growth Plan and PPS risks diluting environmental protections specific to the urban centres and settlement area boundary issues of the GGH, in favour of a province-wide scale, housing-focused policy direction. From an environmental perspective, what may not be as ecologically or hydrologically important in a rural northern context may be critical to the highly altered drainage patterns and degraded natural features in an urban setting. A high-level merged PPS policy document that does not maintain the same environmental and human health policies contained in the Growth Plan creates the potential for area specific environmental policy to be lost, with resulting negative impacts on social and economic well-being.

Policies from both the PPS and the Growth Plan pertaining to watershed planning, the wise use and management of resources (e.g., natural heritage, water), protecting public health and safety (e.g., natural hazards), integrated infrastructure and land use planning to support growth (e.g., water, wastewater and stormwater management) and protecting what is valuable (natural heritage and water resource systems, key natural features, etc.) should not be seen as policy barriers to housing. The Conservation Authorities Working Group which involved representatives from BILD, municipalities, and other sectors requested emphasis on watershed planning and jointly produced updated subwatershed planning guidance to help create certainty in the development process. In any amalgamation of policy documents, watershed planning, natural heritage, natural hazards, and resource systems policies should be recognized as fundamental to effective development and infrastructure planning and be carried forward as prerequisites to growth and intensification.

### **RESPONSES TO DISCUSSION QUESTIONS**

TRCA recognizes the importance of streamlined approvals to achieve increased housing supply based on our experience as a technical advisor in the planning and EA processes and as a regulatory authority. With this in mind, we offer the following responses to the ERO posting's discussion questions.

### 1. What are your thoughts on the proposed core elements to be included in a streamlined provincewide land use planning policy instrument?

The ERO posting proposes the following under the core element of Environment and Natural Resources:

(2.) Natural Heritage – streamlined policy direction that applies across the province for Ontario's natural heritage, empowering local decision making, and providing more options to reduce development impacts, including offsetting/compensation (Proposed Updates to the Ontario Wetland Evaluation System)

While we agree that "Environment and Natural Resources" is a core element, we are concerned that the focus for Natural Heritage is on reducing impacts and offsetting/compensating instead of being premised on protection first and restoration. The approach appears to reflect an assumption that housing should be achieved at all costs so that if natural features are lost, they will simply be compensated for. As described in TRCA's comment on the Off-setting ERO posting, natural feature removals with compensation has significant limitations and cannot practically replace ecosystem structure and function of many ecosystem types and scales. TRCA maintains that compensation should not be the default for development and rather should be a last resort with avoidance of negative impacts to features and functions taking precedence in any process.

The Province should ensure that any options for reducing development impacts are based on science, can be practically implemented, and are informed by the input of municipal governments, CAs, academia, the development and environmental consulting industry, and Indigenous communities (see TRCA comments on Conserving Ontario's Natural Heritage, ERO 019-6161).

Accordingly, the protection of natural features should not be viewed as a barrier to the supply of housing. Natural heritage features help reduce flows and store floodwaters, which reduces risk and improves emergency response timelines while maintaining quality of life for residents. Natural heritage, water resource and natural hazard systems are inextricably linked, therefore the protection of all these systems is necessary to support the maintenance of healthy watersheds and to best protect public health and safety. There must continue to be specific policy direction in a future planning policy instrument that will achieve essential conservation and protection objectives in relation to natural heritage.

### Current natural heritage protections in the PPS that should be carried forward include:

- identifying natural heritage systems and protecting natural features and areas.
- requirement to evaluate adjacent lands prior to development and site alteration taking place (to maintain the basic integrity of natural heritage systems and features planning).
- prohibiting development and site alteration in significant natural features (wetlands, coastal wetlands, woodlands, valleylands), significant wildlife habitat, ANSIs, coastal wetlands, fish habitat, and habitat of endangered species and threatened species.

In addition, the Province should provide greater clarity and direction on identifying and evaluating significant natural features.

#### Current natural heritage protections in the Growth Plan that should be carried forward include:

- key environmental protections for GGH-scale water resource and natural heritage systems
- requirements for watershed planning
- protection of key hydrologic and key natural heritage features, functions and areas

Moreover, natural heritage protection policies should adhere to the mitigation hierarchy and be comprehensive and clear about intent, definitions, and roles with associated implementation guidance to ensure that tools and resources are available to support and empower local decision makers. The absence

of these creates uncertainty and a lack of oversight in assessments and decision making (as provided for in TRCA comments on the proposed updates to the Ontario Wetland Evaluation System, ERO 019-6160).

### Water Resources Management Core Element of Environment and Natural Resources

Another major shortfall for the core element of Environment and Natural Resources is the absence of water resources management, e.g., watershed planning, stormwater management and source water protection. Sections 1.6.6.7 and 2.2.1 of the current PPS are critical policy aspects to the protection of water resources, especially given the anticipated impacts from rapid growth and intensification envisioned in the provincial housing plan.

An accelerated approach to growth and development should be premised on a natural systems approach that recognizes, at the watershed scale, the connection among natural heritage, natural hazards and water resources management, to help prepare for the impacts of a changing climate. The protection and management of natural heritage systems, for example, by municipalities is critical for both maintaining biodiversity and for managing the risks associated with natural hazards. Such an approach is especially needed in the context of rapid urbanization to provide greenspace for existing and new communities, protect drinking water supplies, sustain natural habitats, and to manage flood and erosion risks.

#### **Source Water Protection**

The PPS and Growth Plan provide direction for watershed and subwatershed planning and the quality and quantity of surface and groundwater, to ensure decisions related to planning for growth protect drinking water sources and supplies, among other matters of provincial interest. Under the *Clean Water Act*, watershed-based Source Protection Plans are implemented in part by municipalities under the *Planning Act* and the *Environmental Assessment Act*. This integrated policy framework works to protect both groundwater recharge functions for aquifers as well as discharge functions to support natural features.

# PPS and Growth Plan policy direction to protect, improve or restore the quality and quantity of water are essential and should be carried forward, including:

- using the watershed as the ecologically meaningful scale for integrated, long-term planning
- considering cumulative impacts of development
- identifying (and protecting) water resource systems to provide for the protection of key hydrologic features, key hydrologic areas, and their functions
- evaluating and preparing for the impacts of a changing climate to water resource systems
- restrictions on development and site alteration to protect municipal drinking water supplies and vulnerable areas
- ensuring stormwater management practices minimize stormwater volumes and contaminant loads and maintain or increase the extent of vegetive and pervious surface

TRCA worked collaboratively with partner municipalities to help implement provincial policies related to watershed planning, identification, and protection of the natural heritage and water resource systems through recent Municipal Comprehensive Reviews.

TRCA recommends that should the Province proceed with a new, merged provincial policy document, that it requires planning approval authorities to:

- undertake watershed planning in collaboration with conservation authorities, using watershed as the ecologically meaningful scale for integrated and long-term planning and the foundation for considering cumulative impacts of development
- protect and restore a natural heritage system made up of natural features and natural hazards and associated buffers
- direct that buffers start from the greatest extent of natural features and hazards
- manage stormwater to maintain the hydrologic function of features and groundwater systems, and meet SWM criteria for water quantity (flooding), quality, erosion, and water balance

TRCA recommends that provincial policy direction in the PPS and the Growth Plan on watershed planning, natural hazards, natural heritage, and water resources be maintained, and strengthened as above, in any amalgamated provincial policy document.

## Natural Hazards

As a sub-component under Environment and Natural Resources, the ERO posting proposes for Natural and human-made hazards - "streamlined and clarified policy direction for development in hazard areas, while continuing to protect people and property in areas of highest risk."

It is unclear what is meant by "areas of highest risk." To focus protection only on these areas, and not on all lands subject to natural hazard risk, is extremely concerning from a public safety and a liability perspective. Such an approach would run counter to the current policy and regulatory framework for natural hazard management implemented by the Province, municipalities and conservation authorities that protects life, property and saves public dollars otherwise needed for flood damages.

Current policies that reduce unacceptable risk to life and property from natural hazards, direct development away from natural hazards, do not create or aggravate natural hazards, and address climate change impacts, are vital to the health and well-being of Ontarians and should be carried forward. This includes continuation of specific policy concepts such as the "floodway" and "one-zone" and "two-zone" floodplain based on the regulatory storm event. The Province should work with CAs, municipalities and the building industry to update technical guidance for natural hazards in a timely manner to help achieve these important policy objectives.

To ensure increased housing supply is not located within areas of natural hazard risk, increased provincial investment in natural hazards identification, management, and remediation is needed. Inadequate investment in the identification of hazardous areas, to determine where growth and intensification should not occur, can be a barrier to building a range of housing forms and increasing housing supply. Increased provincial investment in natural hazards identification, management, and remediation along with strong provincial policy direction and technical guidance to municipalities to engage partner CAs, would help ensure new development, redevelopment, or any form of intensification mitigates, remediates, or is safely sited outside of natural hazards. Doing so minimizes risk to life and property, while optimizing public-and private-sector time and resources for helping to increase the mix and supply of diverse housing types across the province.

Updated provincial technical guidance is needed for effective implementation of provincial policy. Previously, CAs and the Province have discussed the need for updates to the provincial technical guides on natural hazards and the Special Policy Area Procedures to enable more efficient technical reviews. Finalization and approval of these guidance documents in tandem with the new planning tools for increasing housing supply would help facilitate faster approvals of more sustainable housing. A good

example of provincial technical guidance is the draft subwatershed planning guide recently developed by the Province through the CA Working Group discussed earlier in this submission.

TRCA recommends, given the Province's commitment to prepare for the impacts of a changing climate, that they work with the CA Working Group to update the provincial Natural Hazard Technical Guides to provide implementation guidance specific to flood and erosion risk and mitigation in both urban and greenfield contexts. In addition, the provincial procedures related to Special Policy Areas should be updated, informed by lessons learned by CAs and municipalities from comprehensive updates undertaken since 2009.

### Watershed-Scale Planning

The rapidly shifting provincial land use planning framework will have a significant impact on municipalities responsible for implementation. Replacing the regional-scale Growth Plan with a "one-size fits all" provincial-scale policy statement while removing the regional planning function in the GGH imposes new growth management challenges for the municipalities in TRCA's jurisdiction, including how rapid growth accommodation intersects with watershed planning.

Like regional growth planning, watershed planning is undertaken at the scale necessary for meaningful, integrated long-term planning that considers cumulative development impacts across local municipal boundaries. TRCA's experience with watershed and subwatershed planning, is that this type of work, when supported by a strong regional growth management framework with involvement of local municipalities, creates certainty for all stakeholders and saves time while achieving efficiencies at successive stages of *Planning Act* and environmental assessment processes across multiple political boundaries.

TRCA recommends that any new, merged policy document retain the watershed as the ecologically meaningful scale for integrated, long-term planning, as well as the foundation or considering cumulative impacts of development to mitigate upstream and downstream development impacts across political boundaries.

In the context of Settlement Area Boundary Expansions, TRCA recommends that growth management decisions are appropriately informed by watershed-scale and subwatershed planning and consider the local expertise of watershed practitioners, provincial policy should continue to include:

- watershed-scale planning requirements regarding the identification and protection of regionalscale natural heritage and water resource systems.
- protection from adverse upstream/downstream impacts from flooding and erosion.
- feasibility analysis of SABE and avoidance of negative impacts on watershed conditions.
- direction that large-scale development be supported by a stormwater management plan informed by a subwatershed plan.

# 2. What land use planning policies should the government use to increase the supply of housing and support a diversity of housing types?

Policies (and accompanying legislation) that would incentivize expedited construction following approvals within a certain timeframe, e.g., within 2 years of permit approval. CAs have long used permit expirations as a successful tool in ensuring development and site alteration are undertaken in an expeditious manner following approvals.

Working collaboratively with municipalities and CAs, identify historic neighbourhoods within flood hazards where higher density residential growth and intensification could be concentrated following provincially funded remediation and restoration works to reduce risk and increase resiliency. In this way, increased housing supply is facilitated, remnant and degraded natural features like valleylands and wetlands are protected and enhanced, and the flood and erosion risks to life and property are eliminated or mitigated.

CAs use their environmental modeling, watershed data, and environmental policy and design and construction expertise, to advise municipal implementers on how to strategically implement development and infrastructure projects to meet provincial and municipal policies for growth management, public safety, environmental protection, and climate change. Significant examples of major projects benefiting from TRCA's contributions have been to facilitate redevelopment of mixed-use communities and higher-density transit-oriented developments in the Toronto Waterfront and Lower Donlands, and in strategic growth areas in Brampton, Vaughan, and Markham.

Provincial funding and engagement is needed in support of other future major "catalyst" infrastructure projects where lands near transit could be freed up for development through flood protection and remediation, e.g., elements of the Brampton Riverwalk project, the Concord Highway 7 and Bowes Road potential transit hub, and use of underutilized and surplus provincial lands in the Vaughan Metropolitan Center that are necessary for Black Creek Renewal flood protection and redevelopment of housing on adjoining sites. A greater emphasis on supporting implementation would help ensure infrastructure is in place to help deliver near-term housing through agreements with developers that benefit from infrastructure investments.

# 3. How should the government further streamline land use planning policy to increase the supply of housing?

A great deal of time, effort and cost goes into the identification of wetlands and application of the definition embedded in the PPS, 2020 in the land use planning and appeals process. While TRCA supports the current definition of a wetland, additional clarity would reduce delays resulting from disagreement on additional details, such as the size and vintage of a wetland. **The definition of wetland should apply a minimum size of 0.2ha and a minimum age of 10 years.** This would expedite determining the status of small, isolated potential wetlands. It would also provide clarity for areas where wetland vegetation has established due to recent changes to site drainage.

Considering that the proposed policy framework would apply to the whole province, the Natural Heritage section could be refined to ensure that protections afforded to significant natural features are improved and requirements to evaluate are stronger in those Ecoregions where the greatest impacts and losses have occurred. For instance, reduced criteria for triggering significance of wetlands and woodlands in Ecoregions where losses have exceeded a certain scientifically based threshold. This will provide for much greater certainty and efficiency in the land use planning and decision-making process.

TRCA has developed <u>technical guidance documents</u> that assist municipalities and the development industry in assessing the need to undertake wetland water balance studies (for example) and/or scoping them by considering the sensitivity of features and the scale of projects, among other criteria.

# 4. What policy concepts from the PPS and A Place to Grow are helpful for ensuring there is a sufficient supply and mix of housing and should be included in the new policy document?

Please see TRCA comments and recommendations throughout this submission.

## 5. What policy concepts in the PPS and A Place to Grow should be streamlined or not included in the new policy document?

Low willingness on the part of proponents to evaluate the significance of potential natural heritage features represents a significant barrier and delay in the land use planning process. Building upon the weak requirement for evaluation of some natural heritage features currently in Section 4.6 of PPS 2020, new policy direction should include clear requirements for feature identification, evaluation of significance and determination of protection or other management options.

To avoid confusion and speed up evaluation, the onus should be clearly placed on the proponent to identify and confirm all types of significant wildlife habitat (SWH). In practice, the direction provided in the Natural Heritage Reference Manual is not consistently interpreted and results in delay. Habitat types where MNRF is required to determine if SWH exists causes an added layer of communication and review that delays the process. Data and screening layers from municipalities and other public agencies can be used to inform proponents.

Greater clarity on evaluation, management and mitigation associated with some significant wildlife habitat types would greatly streamline that process. There are SWH types that are difficult to identify through study (e.g., ground nesting birds), difficult to manage and provide mitigation for (terrestrial crayfish, heronries).

Further to the above, it is recommended that review of the Provincial Policy Statement be accompanied by a review and update of the Natural Heritage Reference Manual to provide greater clarity and direction where there has been difficulty or inconsistency in interpretation and application.

The Natural Heritage Reference Manual was first produced in support of the PPS in 1999 and was updated in support of the 2005 PPS. However, an update to this document has not been provided since 2010, and it remains the most relevant provincially produced resource to aid in natural heritage evaluation. While it still applies to the natural heritage sections of the 2020 PPS, up-to-date guidance and implementation support including case studies documenting best practices would streamline the application of policy relative to proposals to increase the supply of housing. TRCA would be pleased to provide input into this manual along with case studies of effective implementation and best practices where housing was achieved while mitigating natural hazards and protecting and restoring natural heritage.

This being said, for the Natural Heritage Reference Manual to effectively and practically support the land use planning process, it is strongly encouraged that a working group be established to support this review and update. This working group should include representatives from municipal governments, provincial governments, academia, conservation authorities, the environmental consulting community, and other applicable public and private organizations.

The Provincial program supporting the identification of significant areas of natural and scientific interest (ANSI) has been inconsistently applied across the province for some time now. The review of the PPS offers an opportunity to re-evaluate this program in a way that maintains existing protections and streamlines the process for updating currently identified ANSIs. Further, there are opportunities to consider a more defensible and practical process for identifying new ANSIs, with much greater oversight being provided at the local decision-making scale.

Policies that help effectively manage growth through more compact development patterns while continuing to address conservation objectives, including minimum greenfield densities and intensification

targets, should be increased to optimize the use and efficiency of land and infrastructure necessary to support additional housing.

TRCA is encouraged to see the emphasis on local decision making. To further aid local implementation, the Province should maintain the policy principle to allow planning authorities and decision makers to go beyond minimum standards to suit their local conditions and needs.

TRCA recommends reconvening the multi-sector CA Working Group, with inter-disciplinary technical experts, to seek input on the formulation of core environmental elements for a merged provincial policy document.

Overall, TRCA recommends that environmental policy protections be maintained and strengthened to provide for resilience of natural systems and ecosystem services to growing and intensifying communities of the GGH and the watersheds of TRCA and its municipal partners.

Thank you for the opportunity to provide comments on this important initiative. Should you have any questions, require clarification, or wish to meet to discuss any of the above remarks, please contact the undersigned at 416.667.6920 or at <u>john.mackenzie@trca.ca</u>.

Sincerely,

< Original Signed By >

John MacKenzie, M.Sc.(PI), MCIP, RPP Chief Executive Officer

Cc: Sameer Dhalla, Director, Development and Engineering Services Laurie Nelson, Director, Policy Planning