Subject: Update on the Provincial Planning Statement 2024 Consistency Review

File Number: ACS2025-PDB-PS-0015

Report to Joint meeting of

Planning and Housing Committee

and

Agriculture and Rural Affairs Committee 9 April 2025

and Council 16 April 2025

Submitted on March 31, 2025 by Derrick Moodie, Director, Planning Services, Planning, Development and Building Services Department

Contact Person: Lorraine Stevens, Planner, Policy Planning

613-580-2400 ext. 15077, Lorraine.Stevens@ottawa.ca

Ward: City Wide

Objet : Le point sur l'examen de la conformité de 2024 concernant la Déclaration provinciale sur la planification

Dossier: ACS2025-PDB-PS-0015

Rapport au Réunion conjointe du Comité de l'urbanisme et du logement

et

Comité de l'agriculture et des affaires rurales le 9 avril 2025

et au Conseil le 16 avril 2025

Soumis le 31 mars 2025 par Derrick Moodie, Directeur, Services de la planification, Direction générale des services de la planification, de l'aménagement et du bâtiment

Personne ressource : Lorraine Stevens, Urbaniste, Politiques de la planification

613-580-2400 poste 15077, Lorraine.Stevens@ottawa.ca

Quartier: À l'échelle de la ville

REPORT RECOMMENDATIONS

That Joint Planning and Housing Committee and Agriculture and Rural Affairs Committee, recommend Council:

- Direct staff to draft amendments relating to the planning matters described in this report and begin the consultation process;
- 2. Receive this report on the revisions to the Official Plan that may be required and consider written and oral submissions and discussions of the public, as per Section 26 (3) and (5) of the *Planning Act*;
- 3. Delegate, to a joint meeting of Planning and Housing Committee and Agriculture and Rural Affairs Committee, the authority for the following items, to be held in succession at a meeting preferably in June 2025:
 - a. The public meeting under Section 17 of the *Planning* Act for the purposes of considering the Official Plan amendments required to be consistent with the Provincial Planning Statement 2024; and
 - b. The special meeting required under Section 26 of the *Planning Act* for the purposes of discussing the revisions to the Official Plan that may be required as part of the growth projections update, which is separate from the contents of this report and is a separate amendment process.

RECOMMANDATIONS DU RAPPORT

Que le comité mixte formé du Comité de la planification et du logement et du Comité de l'agriculture et des affaires rurales recommande ce qui suit au Conseil :

- Enjoindre au personnel de rédiger une version provisoire de modifications aux questions d'aménagement décrites dans le présent rapport et d'entamer le processus de consultation;
- Prendre connaissance du présent rapport sur les révisions du Plan officiel susceptibles d'être requises, et tenir compte des observations orales et écrites des membres du public, ainsi que des discussions avec eux, conformément aux paragraphes 26 (3) et (5) de la Loi sur l'aménagement du territoire;
- 3. Déléguer, lors d'une réunion conjointe du Comité de la planification et du logement et du Comité de l'agriculture et des affaires rurales, le pouvoir

concernant les points suivants, abordés successivement lors d'une réunion qui se tiendra de préférence en juin 2025:

- a. La réunion publique tenue en vertu de l'article 17 de la *Loi sur l'aménagement du territoire*, aux fins d'examiner les modifications du Plan officiel requises pour assurer sa conformité à la Déclaration provinciale sur la planification de 2024; et
- b. La réunion extraordinaire requise en vertu de l'article 26 de la Loi sur l'aménagement du territoire, aux fins de discussions entourant les révisions du Plan officiel susceptibles d'être requises dans le cadre de la mise à jour des projections de croissance, qui est distincte du contenu du présent rapport et qui fait l'objet d'un processus de modification distinct.

BACKGROUND

The <u>Provincial Planning Statement (PPS), 2024</u> came into effect on October 20, 2024, replacing the Provincial Policy Statement, 2020. The PPS 2024 provides direction on matters related to land use planning in Ontario and must be implemented through municipal planning policies, such as Ottawa's Official Plan. All municipal planning decisions must be consistent with the PPS 2024; therefore, staff have initiated a review of the Official Plan to determine any amendments that may be required.

In anticipation of the PPS coming into effect, Council approved a new process for privately-initiated Official Plan amendment applications for urban and village area boundary expansion (ACS2024-PDB-PS-0102), as a result of the PPS 2024 permitting such applications. However, the policies in the Official Plan currently prohibit urban and village expansions outside of a City-initiated comprehensive review of the Official Plan, as was required in the Provincial Policy Statement, 2020. This report discusses the amendments to the Official Plan that may be required to implement the PPS 2024 policies and Council direction, including settlement area expansions.

Additionally, Council directed staff to initiate a review of the growth projections in the Official Plan to assess whether the City has sufficient land to accommodate projected growth. Recommendation 3b in this report seeks Council's endorsement of the special public meeting required under Section 26 of the *Planning Act* for the growth projections review, where the revisions to the Official Plan that may be required can be discussed with public input. Staff recommend that this report and discussion to occur following the tabling of the Official Plan amendments that are required to be consistent with the PPS 2024. The final amendments for the growth projections review will be tabled later.

In addition, direction was provided in March 2023 (<u>ACS2023-PRE-EDP-0005</u>) for staff to prepare a series of three Official Plan Amendment "omnibus" reports for the purposes of implementing the approved Official Plan. Council has since adopted the Omnibus 1 (<u>ACS2023-PRE-EDP-0043</u>) and Omnibus 2 (<u>ACS2024-PDB-PS-0087</u>) Official Plan Amendments. To streamline the consultation process, the third omnibus of minor amendments will also be included with the consultation and consideration of PPS 2024 related amendments.

DISCUSSION

The most significant changes to the PPS 2024 fall within the following five categories:

- Settlement area expansions
- Strategic growth areas
- Major transit station areas
- Employment areas
- Agriculture

The details of the major policy changes in the PPS 2024, along with more detailed comments by City staff, are attached as Document 1.

The tabling of this report constitutes the special meeting described in Section 26 (3) (b) of the *Planning Act*.

Settlement Area Expansions

Settlement areas are defined in the PPS 2024 as lands which have been designated in an official plan for development over the long term. In the City's Official Plan, settlement areas correspond to the urban area and villages. As part of the PPS 2024 consistency review, amendments may be required to the Official Plan policies that establish how the City will maintain a sufficient supply of land to accommodate projected growth. Any amendments will largely reflect the Council direction from the October 2024 report (ACS2024-PDB-PS-0102) and the relevant changes to the policies in the PPS 2024.

Strategic Growth Areas

The PPS 2024 introduces new policies on "strategic growth areas," which refer to the areas in which growth and development should be focused. These areas include major transit station areas, but can also include existing and emerging downtowns, lands close to publicly-assisted post-secondary institutions, underutilized shopping malls and

plazas, and other areas where growth or development will be focused. The PPS 2024 requires the identification of these areas within an official plan.

Ottawa's Official Plan directs growth and development to lands within the Hub, Mainstreet, and Minor Corridor designations, in addition to lands within the Neighbourhood designation that are adjacent to Hubs and Corridors. These designations generally meet the intent of the PPS 2024 policies on strategic growth areas.

While these designations are consistent with the PPS 2024 as they are identified in Volume 1 of the Official Plan, there may be inconsistencies in how these designations are identified in existing secondary plans. A review of these areas in secondary plans is therefore necessary to ensure that identified focus areas for growth and development are consistent with the PPS 2024 policies.

Major Transit Station Areas

The PPS 2024 introduced a requirement that municipalities delineate the boundaries of "major transit station areas" (MTSAs), defined as an approximately 500- to 800-metre radius of an existing or planned higher order transit station. It also requires that municipalities identify a minimum density target for each MTSA, with the PPS 2024 requiring a minimum target of 160 residents and jobs per hectare in MTSAs serviced by light rail transit (the O-Train) or bus rapid transit.

MTSAs are to be distinguished from the Protected Major Transit Station Areas (PMTSAs) that are currently identified in Ottawa's Official Plan, which correspond to provisions in the *Planning Act* that permit municipalities to identify these areas for the implementation of inclusionary zoning policies. Consequently, PMTSAs were mostly identified within the Hub designation in the Official Plan, allowing the possibility for the implementation of inclusionary zoning in those high-density areas. The *Planning Act* does not specify how PMTSA boundaries should be determined, so staff defined the boundaries based on strong opportunities for high-rise redevelopment, however, the PPS 2024 now prescribes the identification of MTSAs. MTSAs may still be identified as PMTSAs at the discretion of municipalities.

Based on the PPS 2024 definitions, the PMTSAs currently identified in the Official Plan would meet the definition of an MTSA. However, the City will need to identify new MTSAs, in addition to potentially expanding the boundaries of some of the existing PMTSAs. With a radius of approximately 500 to 800 metres, MTSAs may include areas where Hub policies would not be appropriate. As a result, the policies pertaining to Hubs and PMTSAs, in addition to any new policies for MTSAs, will need to be reviewed to

ensure they are consistent with the policies of the PPS 2024 and the intent of the Official Plan.

The PPS 2024 also contains a policy permitting municipalities to request that the Minister of Municipal Affairs and Housing approves a minimum density target that is lower than 160 people and jobs per hectare for a given MTSA, but only if development is severely restricted in the MTSA or if the MTSA contains a major trip generator, such as a shopping mall or park-and-ride.

Employment Areas

In 2023, the Province amended the "area of employment" definition in the *Planning Act* through Bill 97, and the PPS 2024 policies for "employment areas" have been adjusted accordingly. The amended definition significantly scopes down the types of uses permitted in employment areas and now explicitly prohibits retail, commercial, or institutional uses. The PPS 2024 has also introduced further protections for employment areas, such as requirements to ensure the long-term economic viability of those areas and directing sensitive land uses outside of employment areas.

In the Official Plan, the Industrial and Logistics designation is considered an employment area for the purposes of the PPS 2024. Although this designation reflects many of the new policies, the PPS 2024 now explicitly prohibits commercial, residential, institutional, or any other sensitive land uses within this designation. Therefore, a review of the employment area policies in the Official Plan is required to ensure these new requirements are met.

The PPS 2024 now permits the removal of lands from employment areas outside of a comprehensive review but also requires such removals to satisfy certain conditions. As such, the applicable Official Plan policies require a review to consider any potential removal of lands from employment areas.

Agriculture

The PPS 2024 includes a new policy requiring municipalities to use an agricultural systems approach based on provincial guidance. Provincial guidance has not yet been released, however, guidance on the agricultural systems approach was produced for the Greater Golden Horseshoe several years ago and can be referenced in the interim.

The essence of the agricultural systems approach is for municipalities to consider the impacts on the entire agricultural system in their land-use planning decisions. This includes the protection of prime agricultural land and the evaluation of how planning decisions across the entire municipality should avoid and minimize impacts on agriculture. The tools with which this is implemented are agricultural impact

assessments, which require applicants to demonstrate how their proposal avoids or minimizes impacts on the agricultural system and would be required as part of a complete application in some instances. The agricultural systems approach also encourages municipally driven initiatives to support and foster the prosperity of the agri-food sector.

Staff will review for consistency with the agricultural systems approach and the requirement of additional policies in relation to agricultural impact assessments.

Additionally, the PPS 2024 has altered the policies regarding additional residential units in prime agricultural areas permitting up to three dwellings, in addition to accommodation for full-time farm labour, subject to conditions. The PPS 2020 and the current Official Plan permit two dwellings. As such, the relevant Official Plan policies require an update for consistency with the PPS 2024.

Omnibus 3 Amendments

The Omnibus 3 amendments will include a range of changes, generally related to corrections of minor errors in text or mapping, clarifications to policy language, adjustments to address omissions, or to ensure that the relevant Secondary Plan is consistent with other planning documents and legislation.

The Omnibus 3 amendments will focus on correcting minor errors in text and schedules in secondary plans and improve their consistency with the policies in Volume 1 of the Official Plan. Staff may also consider a limited number of amendments to other Official Plan volumes that were not captured as part of the first two omnibus amendments. Many of the amendments that will be captured by Omnibus 3 will address mapping errors identified during the drafting of the new Zoning By-law, allowing their correction to be reflected in the final draft of the new Zoning By-law.

Next Steps

Staff will draft the specific amendments and begin the public consultation process in spring 2025. To align for implementation with the new Zoning By-law work plan, Council should consider these amendments by July 2025, with a public meeting held in June 2025 by joint Planning and Housing Committee and Agricultural and Rural Affairs Committee. At least one week prior to this public meeting, staff will hold a public open house to receive questions from the public and provide comments on the proposed amendments, as required under the *Planning Act*.

Following Council's adoption of the Official Plan amendments, the Minister of Municipal Affairs and Housing will have 120 days upon receipt of the amendments to provide a decision.

RURAL IMPLICATIONS

This report discusses the changes to provincial policy regarding permissions and impacts on agriculture and the Official Plan amendments that may be required as a result.

CONSULTATION

Public consultation has not been conducted for this report as the recommendations are procedural.

The tabling of this report constitutes the special meeting required by Section 26 (3) (b) of the *Planning Act*. Notice of the special meeting to consider the outlined revisions to the Official Plan was issued in the Ottawa Citizen and Le Droit on March 1 and March 8, as required by Section 26 (4) of the *Planning Act*.

Consultation on the proposed amendments to the Official Plan will be conducted prior to the amendments being tabled at a public meeting held by joint committee in June 2025. This will include a public open house that will be held at least seven days prior to that public meeting.

LEGAL IMPLICATIONS

An official plan amendment adopted as part of a Planning Act, section 26 review is subject to the approval of the Minister of Municipal Affairs and Housing but is not subject to appeal to the Ontario Land Tribunal. The Minister does however have the authority to refer all or part of the amendment to the Tribunal for a decision.

ASSET MANAGEMENT IMPLICATIONS

Planning staff will consult and collaborate with the Infrastructure and Water Services Department on available services within the newly identified strategic growth areas, including new MTSAs. For the purposes of this report, there are no asset management implications.

FINANCIAL IMPLICATIONS

There are no direct financial implications.

ACCESSIBILITY IMPACTS

Consultation with the Accessibility Advisory Committee (AAC) was not required for this report. There are no accessibility impacts associated with this report, however, public consultation prior to the tabling of the proposed amendments will be conducted in accordance with all applicable corporate and provincial accessibility requirements and

policies.

INDIGENOUS GENDER AND EQUITY IMPLICATIONS

Staff have initiated consultation with the following indigenous communities, providing them with preliminary information regarding the scope of the amendments and offering an opportunity for further discussion:

- Algonquins of Pikwakanagan First Nation (AOPFN)
- Kitigan Zibi; Algonquin Nation Secrétariat
- Anishinabeg Algonquin Nation Tribal Council
- Algonquins of Ontario
- Ottawa Aboriginal Coalition

TERM OF COUNCIL PRIORITIES

<u>2023-2026 Term of Council Priorities</u>: adoption of the recommendations in this report will advance the following 2023-2026 Term of Council Priorities:

- A city that has affordable housing and is more liveable for all;
- A city with a diversified and prosperous economy

SUPPORTING DOCUMENTATION

Document 1: Provincial Planning Statement 2024 Policy changes

DISPOSITION

Should Council adopt the recommendations of this report, Planning staff will draft the necessary amendments, begin the consultation process, and provide a report with recommended amendments for consistency with the PPS 2024 to Council by July 2025.