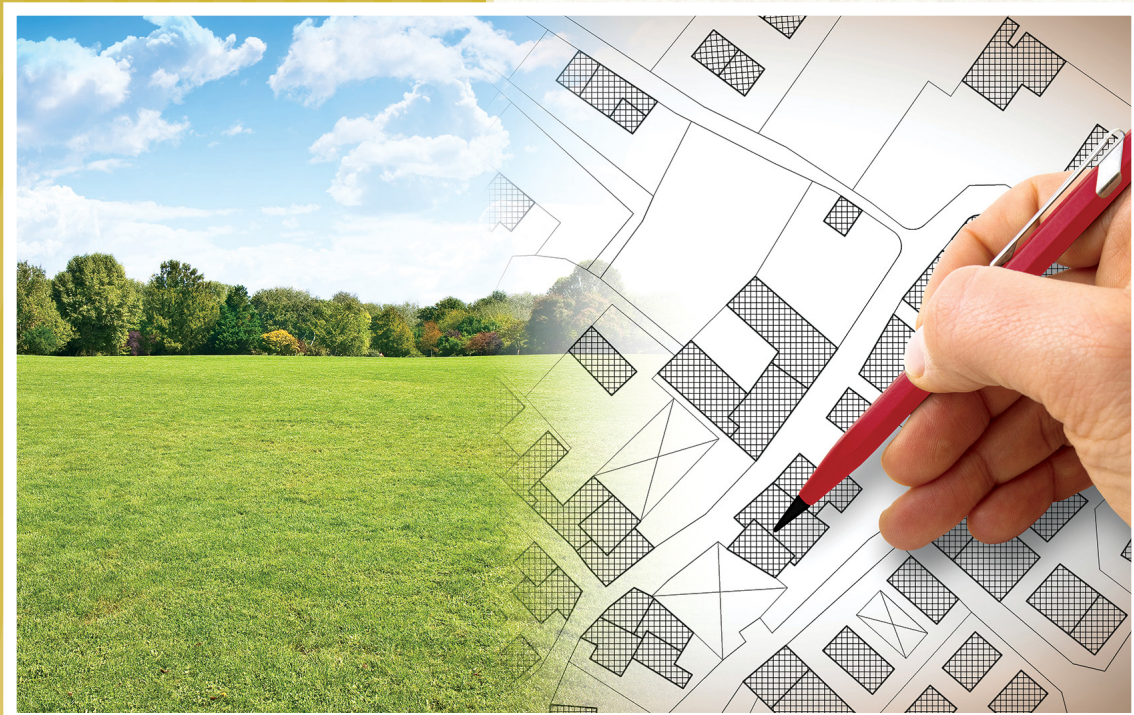




Office of the Auditor General of Ontario

Value-for-Money Audit:
Land-Use Planning
in the Greater
Golden Horseshoe



December 2021

Land-Use Planning in the Greater Golden Horseshoe

1.0 Summary

Land-use planning is the process that guides decisions about where and what type of development can occur—for example, where to build homes, factories, hospitals, schools, roads and other essential infrastructure—and where different types of development should not occur. Effective land-use planning ensures that lands, which are finite resources, are used and developed to meet the current and future needs of communities and the people who live in them, while safeguarding valuable resources such as agricultural lands, wetlands, forests, and distinctive natural features and landscapes.

Ontario covers approximately 1.076 million square kilometres of land area, about 87% of which are provincially-owned Crown lands. About 1% of lands in Ontario are managed by the federal government, and the rest (about 12%) are privately owned. The Province—primarily through the Ministry of Municipal Affairs and Housing (Ministry)—develops legislation, regulations, policies and plans that govern how land-use planning is to be conducted for private and municipal lands. These laws, policies and plans set provincial priorities and thresholds for growth and the protection of significant natural and cultural heritage features. Municipalities then decide, through their own official plans and zoning bylaws, how lands within their jurisdiction are used.

Ontario's Greater Golden Horseshoe (GGH) is the region centred around the City of Toronto that stretches north to Georgian Bay, south to

Lake Erie, west to the Wellington County and Waterloo Region, and east to the counties of Peterborough and Northumberland. It covers about 32,000 square kilometres or only 3% of Ontario's total land area, but it is home to an estimated 10.2 million Ontarians or 69% of the province's total population. It generates two-thirds of Ontario's, and one-quarter of Canada's annual gross domestic product and contains some of the highest-quality and most productive farmland in Canada. Ecologically-significant natural features like the Niagara Escarpment and the Oak Ridges Moraine, and protected lands such as the Greenbelt, can also be found in the region.

In the 25-year period from 1996 to 2021, the GGH's population increased by 57%, from 6.5 million to an estimated 10.2 million. It is forecast by the Ministry to increase by another 45% to 14.8 million by 2051. Much of the historical growth in the region occurred in the form of sprawl characterized by scattered, low-density development. This rapid growth and resulting urbanization have led to the loss of agricultural land and natural spaces, degradation in air and water quality, increased demand for major infrastructure, increased traffic congestion, increased risk of chronic diseases and unaffordable housing prices. These negative outcomes have highlighted the need for effective land-use planning to try to avoid and lessen some of these impacts. Good land-use planning, for example, can prevent or reduce traffic congestion and poor air quality that is caused by urban sprawl. (**Appendix 1** has a glossary of terms related to land-use planning.)

To avoid the negative outcomes of past unchecked growth in the region, the Province developed the Growth Plan for the Greater Golden Horseshoe (Growth Plan). The Growth Plan aims to create walkable, transit-supportive communities that offer a variety of housing options and meet the needs of the people who live in them. The Growth Plan, which first came into effect in 2006 and was last amended in 2020, contains high-level policies about where growth and development should occur in the region. To achieve the goals of the Growth Plan, municipalities must meet these targets for:

- **intensification**—initially set at 40% as part of the 2006 Growth Plan, larger municipalities must now direct at least 50% of new residential development to already-developed urban areas every year, while smaller, more rural municipalities must maintain or improve on their existing targets, ranging between 15% to 32%;
- **density**—depending on the municipality, the number of people and jobs per hectare (i.e. 2.5 acres or 10,000 square metres) in downtown areas must be between 150 and 400 by 2031;
- **transit**—starting in 2017, depending on the type of transit service, the number of people and jobs per hectare near planned major transit stations must now be between 150 to 200 by 2051; and
- **greenfield**—initially set at 50 people and jobs per hectare as part of the 2006 Growth Plan, depending on the municipality, the number of people and jobs per hectare in designated greenfield areas must now be at least 40 or 50 by 2051.

Our audit found that numerous changes to land-use planning policies, insufficient collaboration between the Ministry and other entities responsible for infrastructure planning, and the Province’s intervention in municipalities through Minister’s Zoning Orders, have undermined the goals of the Growth Plan. Below are significant findings from our audit.

Insufficient Data on Whether 2006 Growth Plan Policies Have Controlled Urban Sprawl in the GGH

- **Minimal information exists on the outcomes of Growth Plan policies.** At the time of our audit, 15 years after the province first released the Growth Plan in 2006, the Ministry did not know if the policies contained in the Growth Plan have been effective in achieving its goals. Consequently, the Ministry does not have the necessary data to inform changes to Growth Plan policies. Since 2006, the Ministry only once, in 2015, publicly reported on municipalities’ progress in implementing the Growth Plan policies. Our review of the 2015 performance report identified areas where progress was still needed to achieve the visions of the 2006 Growth Plan. For example, in 2011, there were insufficient densities (defined as the number of people and jobs per hectare) within 43% of major transit station areas to support basic transit service. At the time of our audit, the Ministry was still finalizing the updated set of performance indicators to measure outcomes following the most recent amendments to the Growth Plan in 2019 and 2020.
- **Many municipalities are falling short of 2006 Growth Plan targets.** We found, for example, that only three of the 20 single- and upper-tier municipalities in the GGH (excluding the City of Toronto) met the 40% intensification target each year from 2015 to 2019. Intensification aims to make efficient use of existing infrastructure and avoid continuously expanding urban areas. When municipalities do not meet these intensification targets, more new residential development occurs outside already-developed areas, creating further sprawl. We also found that, as of 2016 (the most recent year for which data is available), actual density rates in downtown and major transit station areas in the GGH varied widely, for example, from a low of 26 residents and jobs per hectare in the Vaughan Metropolitan Centre area (which is

15% of the target) to a high of 575 residents and jobs per hectare in the Yonge-Eglinton Centre area. Our analysis of population and employment growth rates of all downtown areas between 2011 and 2016 found that, based on current trends, only four (Downtown Hamilton, Downtown Toronto, Downtown Mississauga, and Uptown Waterloo) of the 25 urban growth centres were on pace to meet their density targets by 2031—the first year that municipalities are expected to meet their density targets for downtown areas.

- **The Ministry is unable to monitor certain Growth Plan targets because of an absence of consistent and timely data.** We found that the Ministry is not collecting the necessary information to accurately measure whether municipalities are achieving density targets in the developed portions of the designated greenfield areas, (see **Appendix 1** for a definition of this term). The Ministry also does not have information about long-term housing supply to assess whether municipalities are maintaining enough residential housing supply to support population growth for at least three years—a requirement introduced in the 2017 amendment to the Growth Plan.

Municipalities Face Challenges in Implementing Province's Growth Plan Policies

- **Numerous changes in policies have created instability in the land-use planning process.** Significant changes in provincial land-use planning policies over the last 10 years, often occurring within a year of a previous change, have made it challenging for GGH municipalities to ensure their planning documents are up-to-date and conform with such policies. For example, when the Ministry amended the Growth Plan in 2017, it gave municipalities five years, until July 2022, to update their official plans. However, the Ministry amended the Growth Plan again in 2019 and 2020. This forced many municipalities to redo studies and planning work that they had completed. One municipality

(Regional Municipality of York) had to redo the technical work that cost “several millions.”

- **Municipalities receive insufficient guidance from Ministry staff about how to implement policies in provincial plans.** In our survey of municipal planners, 70% of respondents said that, based on their experience over the last five years, they have not received sufficient guidance or direction from Ministry staff whenever they asked for help or clarification. This is consistent with the results of a 2018 Ministry survey of municipal land-use planners, in which respondents raised concerns about Ministry staff knowledge and the quality of Ministry staff responses to questions. Many respondents reported that Ministry staff were often unable to explain key provincial policies such as the Growth Plan, the Provincial Policy Statement and legislative and policy changes. Our review of Ministry staffing data found that nearly two-thirds of the 43 staff responsible for liaising with municipalities had been in their positions for two years or less. In the 2019 and 2021 Employee Engagement Surveys of all Ministry staff in the central region, only 35% of respondents in 2019 and 50% of respondents in 2021 felt that they had a clear understanding of their job and what was expected of them.

Improvements Needed in Ministry's Collaboration with Local and Provincial Partners

- **Opportunities exist to better co-ordinate infrastructure planning with land-use planning.** Our audit found examples where decisions about important public infrastructure and services appeared to be disconnected from, or inconsistent with, land-use planning policies. For example, the proposed GTA-West Highway (also known as Highway 413), which would run from the Highway 401/407 interchange near Milton to Highway 400 near Kleinburg, has been the subject of criticism from environmental groups, municipalities, and members of the public. An August 2020 report by Environmental Defence, Sustainable Vaughan

and Transport Action Ontario noted that the proposed highway would result in the loss of thousands of hectares of prime agricultural lands, including about one thousand hectares in the Greenbelt, and would have a significant impact on rivers, valleys, wetlands, conservation areas and forested areas. Despite the concerns and criticism, the Ministry of Transportation, which was developing the Transportation Plan for the GGH at the time of our audit, told us that it was including the GTA-West Highway in its proposed Transportation Plan.

- **Some provincial ministries do not have the opportunity to provide input on municipal planning policies.** We reviewed a sample of municipal submissions for official plan and official plan amendments from 2010 to 2020 to determine whether the Ministry sought feedback from other appropriate provincial ministries to ensure that their land-use planning interests were considered. In one-third of the cases we sampled, we found the provincial review could have benefitted from being circulated to other ministries, given the nature of the proposed policies and amendments. For example, in 2014 the City of Toronto proposed amendments to its official plan, which included new policies encouraging apartment building planners to improve energy and water efficiency and reduce greenhouse gas emissions. The Municipal Affairs Ministry did not circulate the proposed amendments to any other ministry even though, by its own screening criteria, submissions related to energy conservation and efficiency, and the reduction of greenhouse gas emissions are to be shown to the Environment Ministry.
- **Conservation authorities lose the independent power to exercise their mandate.** Conservation authorities perform a key land-use planning role; they ensure that development is directed away from flood- and erosion-prone areas in order to protect people and their properties. In December 2020, Bill 229, the *Protect, Support and Recover*

from COVID-19 Act, 2020 amended the *Conservation Authorities Act* and the *Planning Act* in a way that significantly reduces the oversight and appeal powers of conservation authorities, and limits their ability to make independent decisions. Once proclaimed, the changes would mean that conservation authorities will be required to approve application permits for developments resulting from a Minister's Zoning Order to rezone lands within a municipality. In addition, the Minister of Northern Development, Mines, Natural Resources and Forestry would be able to issue or reject development permits on behalf of the conservation authority. Prior to the amendment, conservation authorities had the sole authority to decide whether to issue or reject permit applications in areas within their jurisdiction.

Broad and Frequent Use of Minister's Zoning Orders Undermine the Land-Use Planning Process

- **MZOs are being used to fast track development and circumvent normal planning processes.** Planning processes that often take months or years to complete because they ensure that sufficient due diligence is conducted through technical studies and public consultation are being bypassed by MZOs. Our audit found that MZOs were originally intended to be used only in special circumstances such as in areas with no municipal governance or to quickly advance provincial initiatives. However, since 2019, the Province has publicly indicated numerous times that the reason for issuing recent MZOs is to overcome potential barriers and delays to development. This approach treats the land-use planning process as a hurdle. In the two-year period from March 2019 to March 2021, 44 MZOs were issued. Prior to this, an MZO was issued about once a year.
- **Lack of transparency in issuing MZOs opens the process to criticisms of conflict of interest and unfairness.** We found that there is no formal process that interested parties are required to

follow to request an MZO. We also found that there are no established criteria according to which the Minister assesses requests for MZOs. Therefore, we could not determine what factors the Minister considered in deciding whether to issue an MZO, or whether the Minister assessed the merits of each MZO against the same set of factors. The Ministry was able to provide us with supporting documentation for all 44 MZOs issued from March 2019 to March 2021, but the level of detail in those documents varied greatly. In our review of the supporting documentation, we noted that 17 (or 39%) of the 44 MZOs facilitated development projects by the same seven development companies or groups of companies.

- **MZOs disrupt other planning processes.** The various stakeholders we interviewed—including subject-matter experts, municipal planners, and those involved in long-term planning for schools, hospitals and transportation—informed us that MZOs disrupt other planning processes that normally require years of preparation and consultation. For example, 13 or nearly one-third of the 44 MZOs issued from March 2019 to March 2021 would permit development in areas that may not have existing or planned municipal services such as water and wastewater systems. Municipal representatives told us that these MZOs present significant challenges not only to their land-use planning but also their fiscal planning processes. This is because municipal services such as water and wastewater systems require significant upfront costs and must be planned prior to developments proceeding.
- **“Enhanced” MZOs can now trump municipal site plan control, and are no longer required to be consistent with provincial land-use policy.** Bill 197, the *COVID-19 Economic Recovery Act, 2020*, expanded the scope of the Minister’s powers, allowing the Minister to issue “enhanced” MZOs. Enhanced MZOs can override the use of site plan control, by which a municipality examines the design and technical aspects of a

proposed development to ensure it is attractive and compatible with the surrounding area. In addition, Bill 257, the *Supporting Broadband and Infrastructure Expansion Act, 2021*, amended the *Planning Act* to provide that all MZOs are not required, and are deemed to never have been required, to be consistent with the Provincial Policy Statement. This amendment goes against one of the purposes of the *Planning Act*, which provides for a land-use planning system led by provincial policy.

This report contains 12 recommendations, with 24 action items, to address our audit findings.

Overall Conclusion

Our audit concluded that the Ministry of Municipal Affairs and Housing (Ministry) does not have effective procedures and systems in place to ensure that land-use planning in the Greater Golden Horseshoe is consistent with good land-use planning practices, the purposes and objectives of the *Planning Act*, and the Growth Plan for the GGH.

Ontario’s land-use planning laws and provincial plans are, for the most part, consistent with those established elsewhere in Canada. However, numerous changes to Growth Plan policies have created instability in the planning process. They challenge municipalities’ ability to implement provincial policies in their local plans. In addition, the Province’s frequent use of MZOs creates inconsistencies and an actual or perceived unfairness concerning how policy is applied. Recently the Province expanded its power to override local authority, legislating increased powers to MZOs and is using them much more frequently. Also, importantly, our audit found that opportunities remain for land-use planning to be better integrated with planning processes for infrastructure and services, such as highways, transit, schools, and hospitals.

Since 2015 the Ministry has not measured or reported on the effectiveness of land-use planning for achieving key goals of the Growth Plan. Ontarians

need to know how well land development is meeting the current and future needs of communities and the people who live in them, while safeguarding valuable resources such as agricultural lands, wetlands, forests, and distinctive natural features and landscapes.

OVERALL MINISTRY RESPONSE

The Ministry thanks the Auditor General for her recommendations. The Ministry recognizes the critical role it holds to ensure effective land-use planning policies are in place. The Ministry continues to work with other ministries and municipalities as we improve Ontario's planning system. This includes streamlining decisions to enable development of critical projects, in particular to respond to the impacts of the COVID-19 pandemic and to increase the supply and affordability of housing.

As part of this work, on September 20, 2021, land-use planning functions across the Ministry were re-aligned into a new Planning and Growth Division (PGD) in order to integrate land-use and development-related policy functions into a single division with a clear mandate and a focus on enhanced stakeholder relationships. This new division brings together the Ministry's entire growth, land-use planning and buildings policy continuum. In addition, the work supporting municipal Growth Plan conformity in land-use planning has been integrated into the Central Region Municipal Services Office. These changes will enable the Ministry to better support municipalities as they work to implement provincial policies and plans, and as we address the Auditor's recommendations.

The Ministry looks forward to sharing our continued progress with the Auditor General in the coming years.

2.0 Background

2.1 Overview of Land-Use Planning in Ontario

Land-use planning is the process that guides decisions about where and what type of development can occur—for example, where to build homes, factories, malls, schools, hospitals, roads and other essential infrastructure—and where different types of development should not occur in order to protect the land and the important features in it. It also guides how such development should occur—that is, the physical design of communities.

Ontario covers approximately 1.076 million square kilometres of land area, about 87% of which are provincially-owned Crown lands. About 1% of lands in Ontario are managed by the federal government, and the rest (about 12%) are privately-owned. The province—through the Ministry of Municipal Affairs and Housing (Ministry)—and the 444 municipalities share the responsibility for land-use planning involving private and municipal lands:

- **Provincial policy direction:** The Ministry develops legislation, regulations, policies and regional plans that govern how land-use planning is to be conducted across the province and dictates provincial priorities for growth and protection.
- **Municipal policy and implementation:** Municipalities decide how lands within their jurisdiction are to be used, while following established provincial policies.

Although primary responsibility for land-use planning—specifically in relation to policy development and implementation—rests with the Ministry and municipalities, other provincial and local bodies are also involved in certain aspects of the land-use planning process (see **Figure 1**).

2.1.1 Why Land-Use Planning Is Important

Land-use planning decisions have far-reaching impacts on the following:

Figure 1: Key Participants in Ontario's Land-Use Planning System

Prepared by the Office of the Auditor General of Ontario

| Provincial Entities | |
|--|--|
| Ministry of Municipal Affairs and Housing | <ul style="list-style-type: none"> • Develops legislation, provincial policies and provincial plans that govern land-use planning • Reviews and approves official plans for single-tier and upper-tier municipalities (see Appendix 1 for a glossary of terms) • Co-ordinates provincial review of official plans by seeking and consolidating comments from other provincial ministries to ensure their interests are recognized • The only provincial ministry that can appeal municipal decisions to the Ontario Land Tribunal |
| Other provincial ministries | <ul style="list-style-type: none"> • Responsible for planning processes that may have implications on land-use planning (e.g., long-term planning for transportation, transit, hospitals and schools) and therefore must conform to the Growth Plan • Provide comments on land-use planning issues—for example, during municipalities' development and amendment of official plans—within their individual mandates to ensure their interests are considered |
| Ontario Land Tribunal | <ul style="list-style-type: none"> • Hears cases in relation to certain land-use, heritage conservation, and municipal finance and governance matters |
| Local Entities | |
| Municipalities | <ul style="list-style-type: none"> • Develop official plans and zoning bylaws that direct how land should be used and developed • Upper-tier municipalities review and approve official plans for lower-tier municipalities • Approve development applications |
| Conservation authorities | <ul style="list-style-type: none"> • Review and make decisions on development permit applications to ensure they are not occurring in hazardous lands (e.g., flood- and erosion-prone areas) • Provide comments on municipal official plans and development applications submitted to municipalities to direct development away from flood- and erosion-prone areas |

- **Natural environment:** As noted in our 2020 report on *Conserving the Natural Environment with Protected Areas* and our 2021 report on *Protecting and Recovering Species at Risk*, changes in land use—for example, converting land from its natural state to residential or farm use—is the biggest contributor to biodiversity loss in Ontario and around the world. Unchecked growth, and the activities associated with the developments to accommodate such growth, can also contribute to air and water quality degradation, as well as greenhouse gas emissions that contribute to climate change.

- **Human health:** The degradation in air and water quality contributes to higher risk of chronic illnesses such as asthma and pulmonary diseases. In addition, insufficient active transportation choices, such as walking and cycling, may

contribute to increased levels of obesity and other illnesses that are linked to inactivity.

- **Economy:** Increased traffic congestion, and the resulting delays in the movement of people and goods, can have financial consequences in terms of lost productivity. In addition, inadequate housing supply to accommodate population growth can negatively impact housing affordability.

Effective land-use planning helps ensure that lands—finite resources—are used and developed efficiently and sustainably to meet the current and future needs of the community while safeguarding valuable resources such as agricultural lands, wetlands, forests, and important natural features and landscapes. **Figure 2** shows generally-accepted principles of effective land-use planning. These principles are consistent with the United Nations' (UN)

Figure 2: Generally Accepted Principles of Effective Land-Use Planning Policies and Processes

Prepared by the Office of the Auditor General of Ontario based on information from subject-matter expert

| Principles | Description |
|---|--|
| Substance or content of land-use planning policies | |
| Liveability | <ul style="list-style-type: none"> • The quality of life as experienced by the community's residents. • Can be achieved by creating spaces, buildings, facilities, infrastructure and landscapes that contribute to the physical, social and mental well-being, comfort and convenience of residents and visitors. |
| Sustainability | <ul style="list-style-type: none"> • The ability to sustain the quality of life that the community values or aspires to. • Can be achieved by using lands in a way that enhances the economic, social, cultural and environmental well-being of current and future residents by, for example: <ul style="list-style-type: none"> - protecting and enhancing natural ecosystems in both urban and rural areas; - accommodating projected population and economic growth; - fostering diversity through social and cultural infrastructure such as youth centres, Indigenous centres, immigrant-serving organizations; and - giving residents economic freedoms (the ability to work, do business, or engage in trade). |
| Resiliency | <ul style="list-style-type: none"> • The ability of the community to adapt to long-term trends (such as climate change, population growth, scarcity of natural resources, technological developments and globalization) and respond to unexpected natural and social events. |
| Elements of land-use planning process | |
| Ethics and transparency | <ul style="list-style-type: none"> • Planning authorities apply high standards of personal and organization ethics and fairness when making policies and decisions. • Planning authorities are as transparent as possible about processes and decisions while protecting personal and proprietary information. |
| Pervasive public engagement | <ul style="list-style-type: none"> • Planning authorities widely involve the public in their own preferred ways (including the hard to reach) in making and implementing policies, plans and decisions. • Planning authorities consistently consult with Indigenous peoples and make corresponding accommodations and reconciliation. |
| Utilizing facts and data | <ul style="list-style-type: none"> • Policies, plans and decisions are based on facts and recent, reliable data. |
| Interdisciplinary design process | <ul style="list-style-type: none"> • Planning authorities integrate the perspectives and principles of all the environmental disciplines in making and implementing policies, plans and decisions. |
| Deliberate design | <ul style="list-style-type: none"> • Planning authorities apply creative urban design methods and processes in designing communities. • Planning authorities apply creative environmental design methods and science in managing and repairing natural systems. |
| Applying/ managing technology | <ul style="list-style-type: none"> • Planning authorities embrace technological innovation and applications in designing and managing communities while applying highest standards for personal privacy and minimizing harmful impacts on people. |

vision for sustainable cities and human settlements—one of the 17 sustainable development goals that the UN established in 2015 to serve as a “blueprint to achieve a better and more sustainable future.” The

principles are broken down into those that relate to (1) the substance or content of the land-use planning policies; and (2) the elements of the planning process.

2.2 Ontario's Greater Golden Horseshoe Region

The Greater Golden Horseshoe (GGH) region, named for its economic wealth and horseshoe shape, spans the coast of Lake Erie in the west to Lake Ontario in the east and Georgian Bay in the north (see **Appendix 2** for a map showing municipalities in the GGH). It covers about 32,000 square kilometres, or 3% of Ontario's total land area, but is home to 10.2 million Ontarians or 69% of the province's total population (and 27% of Canada's total population).

According to the Ministry, as of 2018 (the most recent year for which data is available), about 40% of the lands in the GGH were designated as farmlands, 24% were rural areas and 15% were settlement areas. The region has natural heritage systems—networks of interconnected natural features and areas such as wetlands, woodlands, valleys, lakes and rivers.

Of the 444 municipalities in Ontario, 110 are located in the GGH. These 110 municipalities are broken down by governance structure in **Figure 3**, and are listed in **Appendix 3**. Municipalities in the GGH are divided into the inner ring and the outer ring. The inner ring, which includes the cities of Toronto and Hamilton and the regions of Peel, York, Durham and Halton, is the heavily urbanized area adjacent to Lake Ontario. The outer

ring, which is farther inland and lies on the northwest side of the Greenbelt, comprises mid-sized cities as well as small towns and rural townships.

Importance of the GGH Region

The GGH is an important region for Ontario and Canada for the following reasons:

- Between 2013 and 2017, it generated two-thirds of Ontario's and one-quarter of Canada's annual gross domestic product (the monetary value of all goods and services produced).
- It contains some of the highest quality, most productive farmland in Canada. In 2019, the agriculture industry in this region contributed \$11 billion and 38,000 jobs to Ontario's economy. Farmland makes up about 40% of the GGH's land area, and about one-third of Ontario's agri-food industry is based in the GGH.
- One in three new immigrants to Canada from 2011 to 2016 settled in the GGH.
- It has one of the highest rates of biodiversity among regions in Canada and contains ecologically-significant natural features like the Niagara Escarpment, and the Oak Ridges Moraine as well as the protected countryside of the Greenbelt. **Appendix 1** describes these natural features and **Appendix 2** shows their location).

Figure 3: Municipalities in the Greater Golden Horseshoe by Type of Municipal Governance Structure

Prepared by the Office of the Auditor General of Ontario

| | Description | # of municipalities |
|--------------------|---|---------------------|
| Single-tier | Municipal services are delivered by one level of government | 10 |
| Two-tier | Upper-tier municipalities are generally responsible for region-wide land-use planning, sewer and water systems, transit, waste management, and social, public health, housing and policing services. | 11 |
| | Lower-tier municipalities are generally responsible for providing certain local services that are not provided by the upper-tier municipality such as library services, recreation services, local zoning bylaws, street maintenance and parking enforcement. | 89 |
| Total | | 110 |

Need for Effective Land-Use Planning in the GGH Region

In the 25-year period from 1996 to 2021, the GGH's population increased by 57% from 6.5 million to an estimated 10.2 million, and is forecast by the Ministry to increase by another 45% to 14.8 million by 2051. This growth and resulting increased urbanization have put pressures on the natural environment and built infrastructure in the GGH, which, in turn, has negatively impacted the quality of life for residents in the region. Examples include:

- **Loss of agricultural land and natural spaces:** Statistics Canada's 2013 report, titled *Human Activity and the Environment*, found that from 2001 to 2011 the settled area in the GGH increased from 2,972 square kilometres to 3,807 square kilometres—an increase of 835 square kilometres or 28%. Almost 300 square kilometres of these lands were once farmlands inside the Greenbelt. In addition, the Neptis Foundation's 2002 report, *Toronto-Related Region Futures Study: Implications of Business-As-Usual Development*, projected that approximately 1,070 square kilometres will be urbanized by 2031 under existing development trends. This is almost double the area of the City of Toronto. As noted in our 2020 report, *Conserving the Natural Environment with Protected Areas*, biodiversity is most at risk in southern Ontario, where only 0.6% of lands are protected areas.
- **Degradation in air and water quality:** According to a 2014 report by the medical officers of health of Hamilton, Peel, Simcoe Muskoka and Toronto—the most recent report available—traffic-related emissions in the Greater Toronto and Hamilton Area were estimated to be responsible for 712 to 997 premature deaths and 2,812 to 3,939 hospitalizations per year. With respect to water quality, in 2018, the 14 conservation authorities with jurisdiction over GGH municipalities reported that the surface water quality in their watersheds was poor enough (due to nutrient and bacteria contamination) that it required enhancement. According to the Toronto and Region Conservation Authority 2018 analysis, water quality conditions were directly linked to urbanization.
- **Increased traffic congestion and commute times:** In 2002, the Ministry estimated that, at that time, gridlock on the 400-series highways was already costing Ontario over \$2 billion per year in lost productivity. In 2004, the Neptis Foundation estimated that commute times in the Greater Toronto Area would increase by 45% over the next 30 years. By 2011, 74% of residents in inner ring municipalities, and 94% of residents in outer ring municipalities commuted to work by car. The average commute distance was 11 kilometres in the inner ring and 8.7 kilometres in the outer ring. According to a 2019 report by the Centre for Urban Research and Land Development, the average one-way commute time in the GGH in 2016 was 31.5 minutes, compared to 26 minutes in other Canadian metropolitan areas.
- **Increased risk of chronic diseases:** In 2014, the medical officers of health of Hamilton, Peel, Simcoe Muskoka, and Toronto released a report, called *Improving Health By Design in the Greater Toronto-Hamilton Area*, on the health impacts of designing communities that require the use of cars. The report stated that the annual costs of physical inactivity and obesity in the Greater Toronto and Hamilton Area stood at \$4 billion, including \$1.4 billion in direct medical costs. Diabetes-related medical costs attributable to inactivity exceeded \$500 million each year at the time.
- **Increased demand for major infrastructure:** A March 2018 report by the Ontario Sewer and Watermain Construction Association on *The State of Ontario's Water and Wastewater Infrastructure* stated that population growth is one of three major pressure points (along with climate change and deterioration due to aging) for Ontario's water, wastewater and stormwater infrastructure.
- **Unaffordable housing prices:** A July 2021 report on housing affordability in Canada, commissioned by RE/MAX (an international

real estate company), found that major cities in the GGH were among the least affordable. For example, residential properties in Toronto sold for an average of about \$931,000 in 2020 and \$1.09 million in the first six months of 2021. With a median household income of \$97,640, the report calculated that mortgage payments comprised 47% of Toronto residents' monthly income. This percentage is known as the gross debt service ratio. Similarly, residential properties in Mississauga and Brampton sold for an average of about \$1.08 million and \$1.07 million, respectively, in the first six months of 2021. Mortgage payments comprised 46% and 42%, respectively, of residents' monthly income in those municipalities. The recommended maximum gross debt service ratio according to financial institutions is between 30-32%.

2.3 Key Land-Use Planning Legislation, Plans and Policies

Figure 4 illustrates the key land-use planning legislation, plans and policies in Ontario and which level of government (provincial or municipal) is responsible for each.

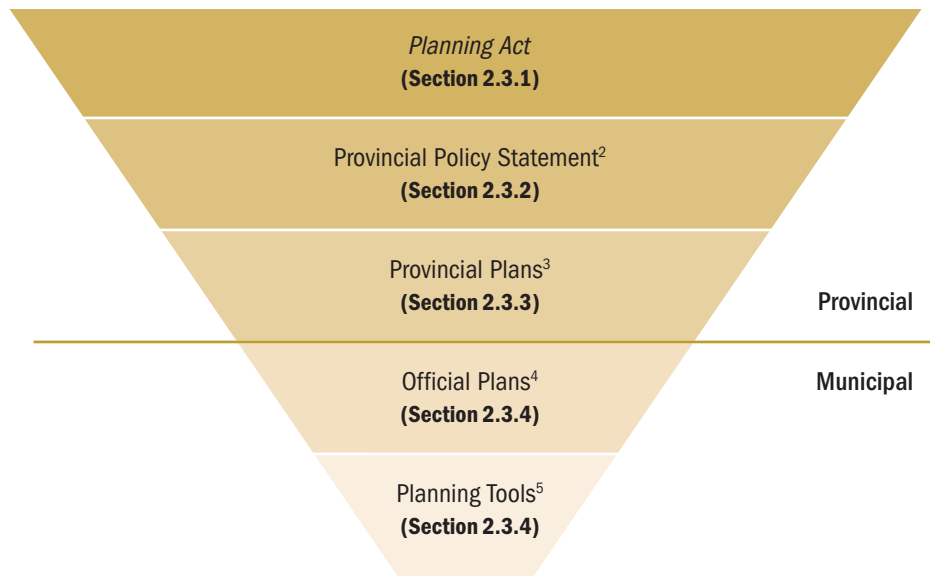
2.3.1 The *Planning Act*, *Places to Grow Act*, 2005, and Other Key Legislation

Planning Act

Enacted in 1946, the *Planning Act* (Act) establishes the legislative framework for land-use planning in Ontario. It establishes decision-making roles, sets out requirements for public participation, and provides tools for municipalities to implement local land-use policies. The purposes of the Act are to:

Figure 4: Key Land-Use Planning Instruments in Ontario

Prepared by the Office of the Auditor General of Ontario



1. The *Planning Act* provides the authority and planning tools to province and municipalities to regulate land-use.
2. The Provincial Policy Statement (PPS) provides policy direction on provincial priorities such as growth, environmental protection and public safety. Planning decisions must be consistent with the PPS.
3. Provincial plans provide specific land-use priorities, policies and targets for certain geographic areas. Examples include the Growth Plan for the Greater Golden Horseshoe, Greenbelt Plan, Niagara Escarpment Plan and Oak Ridges Moraine Conservation Plan.
4. Municipal official plans implement the *Planning Act*, the PPS, provincial plans, and other planning-related laws at the local/municipal level. They also describe municipal priorities and policies on the how and where development occurs.
5. Municipal planning tools include zoning bylaws, minor variances, site plan control, and plans of subdivision (see **Figure 7** for a glossary of terms) that are used to implement the policies in the municipal official plan.

Figure 5: Matters of Provincial Interest in Land-Use Planning

Source: Planning Act, Part I, Section 2

- (a) protection of ecological systems, including natural areas, features and functions;
- (b) protection of the agricultural resources of the Province;
- (c) conservation and management of natural resources and the mineral resource base;
- (d) conservation of features of significant architectural, cultural, historical, archaeological or scientific interest;
- (e) supply, efficient use and conservation of energy and water;
- (f) adequate provision and efficient use of communication, transportation, sewage and water services, and waste management systems;
- (g) minimization of waste;
- (h) orderly development of safe and healthy communities;
- (h1) accessibility for persons with disabilities to all facilities, services and matters to which this Act applies;
- (i) adequate provision and distribution of educational, health, social, cultural and recreational facilities;
- (j) adequate provision of a full range of housing, including affordable housing;
- (k) adequate provision of employment opportunities;
- (l) protection of the financial and economic well-being of the Province and its municipalities;
- (m) co-ordination of planning activities of public bodies;
- (n) resolution of planning conflicts involving public and private interest;
- (o) protection of public health and safety;
- (p) appropriate location of growth and development;
- (q) promotion of development that is designed to be sustainable, to support public transit and to be oriented to pedestrians;
- (r) promotion of built form that (i) is well designed, (ii) encourages a sense of place, and (iii) provides for public spaces that are of high quality, safe, accessible, attractive and vibrant; [and]
- (s) mitigation of greenhouse gas emissions and adaptation to a changing climate.

- promote sustainable economic development in a healthy natural environment;
- provide for a land-use planning system led by provincial policy;
- integrate matters of provincial interest (see **Figure 5**) in provincial and municipal planning decisions;
- provide for planning processes that are fair, open, accessible, timely and efficient;
- encourage co-operation and co-ordination among various interests; and
- recognize the decision-making authority and accountability of municipal councils in planning.

The Act gives the Minister of Municipal Affairs and Housing the authority to:

- issue policy statements, which are to be reviewed at least once every 10 years;

- approve municipal official plans, exempt an official plan from the approval process, or delegate to upper-tier municipalities the Minister's authority to approve official plans for lower-tier municipalities; and
- order a municipality to amend its official plan if the Minister is of the opinion that the official plan is affecting a matter of provincial interest.

With respect to municipalities' powers and responsibilities, the Act requires most municipalities to develop an official plan and review it 10 years after it first comes into effect, and every five years thereafter. Municipal official plans are discussed in **Section 2.3.4**.

Places to Grow Act, 2005

The *Places to Grow Act, 2005* provides the province the authority to create growth plans for certain

geographical regions of the province. The purposes of this act are to:

- enable decisions about growth to be made in ways that sustain a robust economy, build strong communities and promote a healthy environment and a culture of conservation;
- promote a rational and balanced approach to decisions about growth that makes efficient use of infrastructure;
- enable planning for growth in a manner that is integrated across natural and municipal boundaries; and
- ensure that a long-term vision and long-term goals guide decision-making about growth and provide for the co-ordination of growth policies among all levels of government.

The Growth Plan for the Greater Golden Horseshoe, first released in 2006 and is discussed in **Section 2.3.3**, was created under the authority of the *Places to Grow Act, 2005*.

Other Key Legislation

Other laws also contain policies that impact where development occurs. In addition, Indigenous peoples have governance structures that impact how lands in their territories are managed. Below is a list of key legislation for land-use planning in the GGH:

- Four laws—the *Lake Simcoe Protection Act, 2008*, the *Niagara Escarpment Planning and Development Act*; the *Oak Ridges Moraine Conservation Act, 2001*; and the *Greenbelt Act, 2005*—provide the authority for the creation of provincial plans to protect the three significant environmental features in the GGH and the protected countryside of the Greenbelt. The provincial plans that have been developed under the authority of these laws are discussed in **Section 2.3.3**.
- The *Conservation Authorities Act* establishes the statutory framework for the activities of conservation authorities in Ontario. It gives conservation authorities the power to prohibit, restrict, or give permission for development in or close to floodplains, shorelines, wetlands and any lands that

would be hazardous to people and property. The role of conservation authorities is discussed in **Section 2.5.2**.

- The *Development Charges Act, 1997* enables municipalities to enact by-laws to impose fees (called development charges) against lands to be developed in order to pay for the costs of new infrastructure needed to provide services to the new development.

2.3.2 Provincial Policy Statement

The Provincial Policy Statement, issued under **Section 3** of the *Planning Act*, provides policy direction on matters of provincial interest related to land-use planning. It is divided into three priority areas: building strong, healthy communities, the wise use and management of resources, and protecting public health and safety (see **Appendix 4**). The Provincial Policy Statement integrates all provincial ministries' land-use interests.

The Act requires that most land-use planning decisions be “consistent with” the Provincial Policy Statement. The Act also requires the Provincial Policy Statement be reviewed at least every 10 years from the date of issuance, and also allows for early review to ensure the policies reflect the current government's priorities and interests. The current version of the Provincial Policy Statement came into effect on May 1, 2020, replacing the previous version, which came into effect in April 2014. This earlier review, initiated prior to the 10-year timeframe for regular review of the policies, was undertaken as part of the Province's Housing Supply Action Plan released in May 2019 to support government priorities related to increasing the supply and mix of housing.

2.3.3 The Growth Plan for the Greater Golden Horseshoe and Other Provincial Plans

Provincial plans provide direction on environmental, growth management and economic issues for specific geographic areas in the province.

In the GGH, the Growth Plan for the Greater Golden Horseshoe (Growth Plan) aims to focus growth toward settlement areas, including urban growth centres and major transit station areas, as well as brownfields and greyfields (see **Appendix 1** for definitions of these terms). First released in 2006 and most recently amended in 2020, the Growth Plan sets out policies and targets that municipalities are expected to conform with in their official plans. See **Appendix 5** for select key Growth Plan policies and targets.

While the Growth Plan outlines where growth should occur, the following provincial plans restrict development in order to protect significant environmental and other features (see **Appendix 2** for a map of the plans' coverage):

- The Greenbelt Plan, which applies to 43 of the 110 municipalities in the GGH, together with the Oak Ridges Moraine Conservation Plan and the Niagara Escarpment Plan, identifies where urbanization should not occur in order to provide permanent protection to the agricultural land base and the ecological and hydrological features, areas and functions occurring on this landscape.
- The Oak Ridges Moraine Conservation Plan, which applies to 32 of the 110 municipalities in the GGH, is an ecologically-based plan that provides land use and resource management protection for the 190,000 hectares of land and water within the Moraine.
- The Lake Simcoe Protection Plan, which applies to 20 of the 110 municipalities in the GGH, describes actions to protect and restore the ecological health of Lake Simcoe and its watershed.
- The Niagara Escarpment Plan, which applies to 18 of the 110 municipalities in the GGH, ensures that only development that is compatible with the natural environment is permitted.

Not all geographic areas of Ontario are covered by a provincial plan; in those areas, the Provincial Policy Statement directs land-use planning decisions.

2.3.4 Municipal Official Plans, Zoning Bylaws and Other Planning Tools

The *Planning Act* (Act) requires most municipalities to develop official plans, which set out a long-term vision, up to 25 years, for how the municipality wants to evolve and how land should be used. Official plans include general policies regarding, for example:

- where new housing, industrial and commercial establishments will be located;
- directing development away from floodplains and erosion-prone areas;
- what natural, agricultural and cultural features are to be protected (such as wetlands, woodlands, and species at risk); and
- where services (such as libraries, schools) and infrastructure (such as roads, water mains, sewers, parks and schools) will be needed.

The *Planning Act* requires each municipality:

- to also include in its official plan, goals, objectives and policies related to affordable housing, and mitigating and adapting to climate change; and
- to update its official plan—at least once within 10 years of a new official plan, and every five years thereafter—to ensure the plan is consistent with the Provincial Policy Statement and that it conforms to provincial plans.

Figure 6 illustrates how municipalities develop and review their official plans.

In order to implement the policies in their official plans, the Act provides municipalities with planning tools to give more specific direction regarding where and what type of development can occur (see **Figure 7**).

2.4 Provincial Role in Land-Use Planning

2.4.1 Ministry of Municipal Affairs and Housing

The *Planning Act* establishes the Ministry of Municipal Affairs and Housing (Ministry) as the lead ministry for land-use planning by authorizing it as the only provincial ministry with decision-making powers

Figure 6: Municipalities' Development and Review of Official Plans

Prepared by the Office of the Auditor General of Ontario

| Steps | Approximate duration |
|---|---|
| 1. Municipal council directs municipal staff to start development or review of the official plan. | 1-3 months |
| 2. Municipal staff review provincial policies in effect, including changes since developing last official plan, and prepare background studies ¹ to support development of the official plan. | 6-30 months ³ |
| 3. Upon request by municipality, Ministry of Municipal Affairs and Housing (Ministry) and provincial ministries conduct early consultation with municipal staff, often on technical matters. | Concurrently with step 2 above ³ |
| 4. Municipal staff submit initial draft of the official plan to Ministry. Ministry co-ordinates review with other provincial ministries, through the One Window Protocol, ² and provides comments back to municipal staff. | 2 months (60 days) minimum |
| 5. Municipal staff host public meeting to seek comments and discuss next steps. | 3-7 months ³ |
| 6. Municipal staff submit the official plan to municipal council for adoption. The official plan incorporates comments from the provincial review and public consultation. Municipal council adopts the official plan. | 2-5 months ³ |
| 7. Municipal staff submit the official plan to Ministry for final review and approval. Ministry posts the official plan on the Environmental Registry of Ontario for public review. | 1-month (30-day) minimum |
| 8. Ministry reviews official plan, circulates to other provincial ministries and the Minister approves, modifies and approves as modified or refuses to approve the plan. | 1-month minimum required |
| 9. Ministry notifies municipality of its decision and posts notice of decision on the Environmental Registry. | 1-month minimum required |
| 10. Municipal staff post the official plan on municipality's website. | 1 week to 45 days ³ |
| Total | 17 – 51 months |

 Steps with provincial involvement

1. Municipalities undertake background studies on specific planning-related topics to ensure that policies in the official plans respond appropriately to current and emerging challenges and opportunities. Examples include calculation of land budget (i.e., amount of land needed to accommodate projected growth), mineral aggregate resources, agricultural systems and natural heritage.
2. The One Window Protocol is the process through which the Ministry seeks comments from other provincial ministries on municipal planning documents. The Ministry uses screening criteria to determine which ministries to circulate submissions to and seek comments from, based on areas that affect their interests.
3. Time frame is based on discussions with municipalities.

regarding municipal planning legislation. In addition to developing legislation, policy statements and provincial plans, the Ministry's other key responsibilities include:

- reviewing and approving new and amendments to existing official plans for single- and upper-tier municipalities;
- reviewing and approving applications from land-owners/developers in unincorporated areas of Northern Ontario where municipalities have not yet been delegated land-use planning authorities; and
- providing technical advice to and supporting municipalities' implementation of provincial policies and objectives.

See **Appendix 6** for key divisions and branches within the Ministry that are primarily responsible for land-use planning activities.

Minister's Zoning Orders

In addition to the powers described in **Section 2.3.1**, the *Planning Act* gives the Minister of Municipal Affairs and Housing the power to issue Minister's Zoning Orders (MZOs) to regulate the use of land in any part of Ontario. MZOs can permit, prohibit and/or place requirements on development (such as location, use, height, size, and space for buildings and structures) in the areas covered by the MZO.

MZOs are issued at the Minister's sole discretion. While the *Planning Act* requires the Minister to

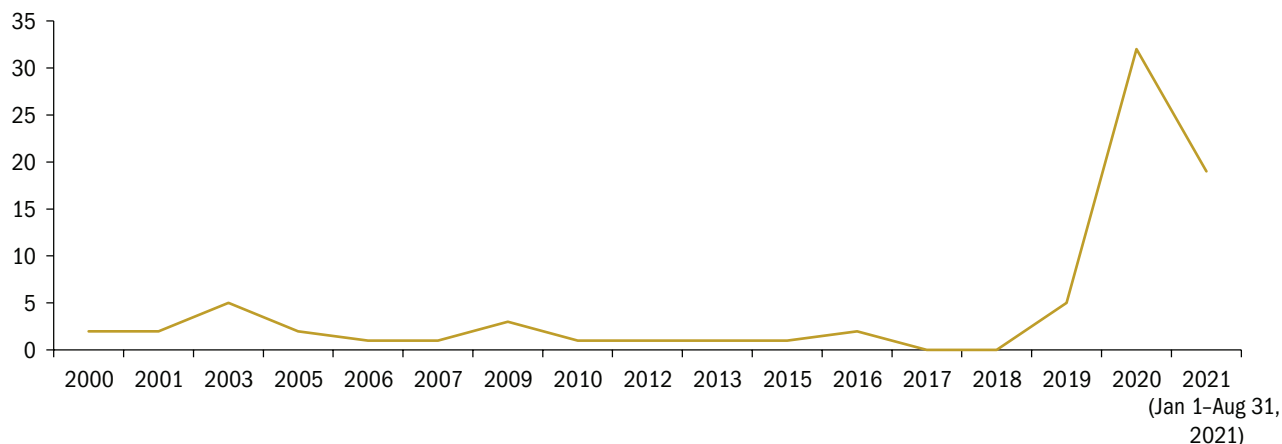
Figure 7: Key Municipal Planning Tools

Prepared by the Office of the Auditor General of Ontario

| Tool | Description |
|--|--|
| Official Plan | Sets out general policies on how land should be used. |
| Secondary plan | Contains more detailed policies for a particular area of a municipality; for example, a downtown area. |
| Zoning bylaw | <p>Dictates how lands may be used (including the types of buildings permitted and how they may be used, where buildings and other structures can be located) and sets out detailed requirements such as setback distance from the street, minimum lot areas, maximum building height and the number of parking spaces that need to be provided.</p> <p>Anyone who wants to use or develop their lands in a way that is not allowed by the zoning bylaw may submit a zoning bylaw amendment application to the municipality. Alternatively, if the proposed changes to land-use do not conform exactly to the zoning bylaw but follow its general intent, the landowner may apply for a minor variance.</p> |
| Site plan control | Dictates specific features on the site of a development to ensure that, for example, the development meets certain standards of quality and appearance, there is safe access for pedestrians and vehicles, and there is adequate landscaping and drainage. Features can range from external building and site design matters to more specific details such as parking areas, elevations and grades, landscaping and building plans and services. |
| Inclusionary Zoning | A land-use planning tool that allows municipalities to require that new residential developments in specific geographic areas include a prescribed number of affordable housing units, helping to create mixed-income developments. |
| Additional requirements if development involves land being divided into two or more parcels | |
| Plan of subdivision | A legal document that shows the exact surveyed boundaries and dimensions of lots on which houses or buildings are to be built, the width, location and names of streets, and sites of future schools or parks. |
| Consent | An alternative to a plan of subdivision for less complex projects such as creating a limited number of new lots, adding land to a neighbouring lot, creating one or more rights-of-way/easements (giving one party the right to use land that is owned by another party). Also called land severance. |
| Plan of Condominium | Similar to a plan of subdivision in that it creates new parcels called units, including exact survey boundaries and dimensions of lots or units, and the location and type of common elements. |

Figure 8: New Minister's Zoning Orders Issued January 2000–August 31, 2021

Prepared by the Office of the Auditor General of Ontario



have regard to matters of provincial interest, there is no formal application or review process, nor are there specific criteria that the Minister must consider or meet when issuing MZOs. MZOs override local zoning bylaws in the event of a conflict and cannot be appealed to the Ontario Land Tribunal or rescinded except at the Minister's discretion. We were told that the informal process is that the public can request that the Minister change or remove all or part of a zoning order by sending correspondence to the Minister. The Minister's decision to make an MZO can be subject to judicial review under the *Judicial Review Procedure Act*.

MZOs are issued as regulations under the Act. The Minister is required to notify the public, for example, through a local newspaper, within 30 days of an MZO being issued.

From January 2000 to August 2021, 78 MZOs were issued (see **Figure 8**).

2.4.2 Other Provincial Ministries

Other provincial ministries review and provide comments on municipal official plans, zoning bylaws and planning applications within their areas of interest based on their individual mandates. Some ministries

also have other responsibilities in land-use planning in addition to their commenting role (see **Appendix 7**).

2.4.3 Ontario Land Tribunal

Any person or public body can appeal a planning decision to the Ontario Land Tribunal (formerly called the Local Planning Appeal Tribunal from 2017 to June 2021, and the Ontario Municipal Board prior to 2017). The Ontario Land Tribunal (Tribunal) is an adjudicative tribunal under the Ministry of the Attorney General that hears cases related to land use, heritage conservation and municipal governance, among other things.

With regard to land-use matters, the Tribunal hears appeals related to the following:

- some municipal council decisions to adopt or amend an official plan, adopt or amend a zoning bylaw, or refuse an official plan or zoning bylaw amendment;
- non-decisions by municipal council regarding a private amendment to an official plan or zoning bylaw;
- decisions by the Minister of Municipal Affairs and Housing on a council's decision adopting or amending an official plan (except for new official

Figure 9: Appeals to Ontario Land Tribunal,¹ 2015/16–2019/20

Source of data: Tribunals Ontario (formerly Environment and Land Tribunals Ontario) annual reports

| | 2015/16 | 2016/17 | 2017/18 | 2018/19 ² | 2019/20 ³ |
|---|--------------|--------------|--------------|----------------------|----------------------|
| Minor variances | 651 | 652 | 340 | 217 | 215 |
| Consents | 189 | 164 | 166 | 138 | 151 |
| Zoning bylaws | 229 | 655 | 319 | 189 | 171 |
| Official plans and amendments | 231 | 519 | 434 | 171 | 148 |
| Zoning refusal or inaction | 160 | 166 | 380 | 120 | 110 |
| Plans of subdivision/condominium | 57 | 58 | 135 | 62 | 30 |
| Municipal and miscellaneous (includes site plans) | 150 | 152 | 277 | 66 | 52 |
| Development charges | 28 | 22 | 24 | 26 | 81 |
| Total | 1,695 | 2,388 | 2,075 | 989 | 958 |

1. The Ontario Land Tribunal was formerly known as the Local Planning Appeal Tribunal and the Ontario Municipal Board.

2. The Ontario Municipal Board transitioned into the Local Planning Appeal Tribunal beginning in 2018, which also limited the type of decisions that could be appealed.

3. 2019/20 is the most recent data available.

plans and official plan updates under section 26 of the *Planning Act*); and

- non-decisions by the Minister of Municipal Affairs and Housing on a council's decision adopting or amending an official plan.

See **Figure 9** for the number of appeals heard by the Tribunal from 2015/16 to 2019/20. The Tribunal's decisions on matters appealed to it under the *Planning Act* are final, except when:

- the Minister of Municipal Affairs and Housing has declared a matter to adversely affect a provincial interest (see **Figure 5**);
- a party requests that the Tribunal review its decision; and
- the Divisional Court gives permission to appeal the Tribunal's decision.

2.5 Local Role in Land-Use Planning

2.5.1 Municipalities

Each of the 110 municipalities in the Greater Golden Horseshoe is under a single- or two-tier government system (see **Figure 3**). See **Appendix 8** for an illustration of municipal government in Ontario.

Municipalities are responsible for the following aspects of land-use planning:

- developing, reviewing and updating their official plans to conform with provincial plans and be consistent with the Provincial Policy Statement; in a two-tier system, the upper-tier municipality is the approval authority in charge of reviewing the lower-tier's official plans and amendments; these official plans must conform with the upper-tier's official plan, which is reviewed and approved by the province;
- developing, reviewing and updating other municipal planning tools such as zoning bylaws and site plan control bylaws, as appropriate; and
- reviewing and approving/denying development applications from landowners.

Figure 10 illustrates the typical application process for a proposed development.

2.5.2 Conservation Authorities

Conservation authorities are local agencies created under the authority of the *Conservation Authorities Act* that undertake activities related to flood protection, erosion control, water quality and quantity management, and protecting the natural environment. These activities include maintaining dams to control water levels, monitoring water levels in local water bodies, issuing flood alerts, operating conservation areas, developing floodplain maps, advising municipalities on where development is allowed, and approving or denying applications for work permits on hazardous lands.

Conservation authorities support the land-use planning process through the following activities:

- developing floodplain maps that municipalities use to determine which areas of the municipalities are at risk of flooding;
- advising municipalities on where development is allowed by reviewing and providing comments on official plans, zoning bylaws, and development applications to ensure that development is directed away from flood- and erosion-prone areas; and
- reviewing and making decisions on applications for development in or close to watercourses, shorelines, flood- and erosion-prone lands, wetlands and other areas where development could interfere with a wetland's ability to store water and mitigate flooding.

Conservation authorities are organized according to watershed boundaries instead of political or municipal borders. A watershed is an area of land that drains or "sheds" the rain or snow it collects into a body of water such as a marsh, stream, river or lake. There are 36 conservation authorities in Ontario, 14 of which have jurisdiction in GGH municipalities.

Figure 10: Typical Application Process for a Proposed Development

Prepared by the Office of the Auditor General of Ontario

| | |
|--|--|
| 1. Pre-application consultation | Developer provides basic proposal information to municipal staff. Consultation helps identify key issues. |
| 2. Application submission | Developer submits development application and pays corresponding fees. |
| 3. Application deemed complete/incomplete | Within 30 days of receiving an application, municipal staff advise the developer if the application meets the requirements. |
| 4. Circulation to internal departments, external agencies and councillors | The application is circulated to relevant internal departments, external agencies. |
| 5. Public notice | A sign with details of proposed development is put in place and must remain on the site until a decision is rendered on the application. |
| 6. Public informal open house | Depending on the response to the public notice, an informal open house may be held in order to hear comments and concerns from the public. |
| 7. Public meeting | Municipal staff hold public meeting (notice must be given at least 12 days prior to the date of the meeting). |
| 8. Planning and Development Committee issues report | The report summarizes all comments received from the public, the Committee's position on the application (approve or refuse), and conditions that must be satisfied if application is approved. |
| 9. Decision on Official Plan Amendment and/or Zoning Bylaw Amendment | If an application receives approval by City Council, all of the conditions required in the previous step must be satisfied. If an application is refused, an applicant has the opportunity to appeal if Council refuses or neglects to decide within the required time frame. |
| 10. Notice of decision by Planning and Development Committee or Council | People who have requested to be notified of the adoption will be notified within 15 days of the Council passage of the Official Plan Amendment/Zoning Bylaw Amendment/Plan of Subdivision. |
| 11. Post application | <ul style="list-style-type: none"> • If no appeals are received after notification of decision, the Official Plan or Zoning Bylaw Amendment comes into effect. • If no appeals are received after the Notice of Decision of Draft Approval of the Plan of Subdivision has been sent, the owner must satisfy all of the conditions of the draft approval. |

3.0 Audit Objective and Scope

Our audit objective was to assess whether the Ministry of Municipal Affairs and Housing (Ministry) in collaboration with other provincial ministries and Ontario's municipalities, has efficient and effective procedures and systems in place to:

- plan for growth in the Greater Golden Horseshoe in accordance with relevant legislation, regulations, provincial plans, policies, and best land-use planning practices such that the lands are used and developed to create healthy, safe and liveable communities, sustain economic growth, and conserve Ontario's environment and cultural heritage; and
- measure and publicly report on the effectiveness of growth planning in the Greater Golden Horseshoe in meeting the province's land-use planning objectives.

In planning for our work, we identified the audit criteria (see **Appendix 9**) we would use to address our audit objective. These criteria were established based on a review of applicable legislation, policies and procedures, internal and external studies, and best practices. Senior management of the Ministry reviewed and agreed with the suitability of our objectives and associated criteria.

We conducted our audit between January 2021 and September 2021. We obtained written representation from Ministry management that, effective November 22, 2021, they had provided us with all the information they were aware of that could significantly affect the findings or the conclusion of this report.

The audit looked at the Ministry's oversight and administration of land-use planning in the Greater Golden Horseshoe (GGH) area—which is governed by the Growth Plan for the Greater Golden Horseshoe, the Greenbelt Plan, the Niagara Escarpment Plan and the Oak Ridges Moraine Conservation Plan. The audit also looked at how the municipalities within the GGH have implemented the policies in the Provincial Policy Statement and various provincial land-use plans.

We engaged the Ministry, municipalities and other stakeholders through video-conferencing and other forms of electronic communication. We also:

- Reviewed relevant laws, the Provincial Policy Statement, provincial plans, and policies.
- Reviewed official plan amendment submissions from municipalities and comments provided by relevant provincial ministries on those submissions.
- Reviewed documentation related to the 44 MZO's issued from March 2019 to March 2021.
- Reviewed documentation related to facilitation cases by the Provincial Land and Development Facilitator, where documentation was available.
- Analyzed development information to calculate Growth Plan target performance for all municipalities in the GGH.
- Interviewed senior management and staff at the Ministry of Municipal Affairs and Housing's Local Government and Planning Policy Division, Municipal Services Division, Ontario Growth Secretariat, and the Office of the Provincial Land and Development Facilitator.
- Interviewed staff at the Ministry of Education, Ministry of the Environment, Conservation and Parks, Ministry of Health, and Ministry of Transportation, as well as the Ontario Association of School Business Officials and Southlake Regional Health Centre, to understand how long-term transportation, transit, hospital and school board planning processes are conducted.
- Interviewed Chief Administrative Officers and Chief Planners at the City of Toronto and the regional municipalities of Durham, Halton, Peel and York to understand their planning processes and obtain their perspectives on land-use planning in the GGH. Combined, these five municipalities were home to 68% of the total population in the GGH.
- Surveyed the Chief Planners in single- and upper-tier municipalities in the GGH through the Regional Planning Commissioners of Ontario.
- Interviewed representatives from the Ontario Professional Planners Institute, the regulatory

body that governs registered professional planners in Ontario.

- Interviewed staff at Conservation Ontario (which represents the 36 conservation authorities in Ontario), and the Toronto and Region Conservation Authority (which has jurisdiction over nine watersheds in the City of Durham, the regional municipalities of Durham, Peel and York, the Township of Adjala-Tosorontio, and the Town of Mono).
- Interviewed representatives from the Ontario Federation of Agriculture—the largest farm organization in Ontario, representing 38,000 family farm businesses.
- Interviewed subject-matter experts and two of the six former members of the Greenbelt Council.
- Researched land-use planning processes in other jurisdictions to identify best practices.

To assist us with our audit, we engaged a subject-matter expert to advise us on land-use planning principles, evaluate Ontario’s legislative and policy framework, and review key planning documents such as municipal official plans.

4.0 Detailed Audit Observations

4.1 Insufficient Data on Whether 2006 Growth Plan Policies Have Controlled Urban Sprawl in the Greater Golden Horseshoe

4.1.1 No Information on Outcomes of Growth Plan Policies for Six Years

Our audit found that in the 15 years following the initial release of the Growth Plan in 2006, the Ministry of Municipal Affairs and Housing (Ministry) has only once, in 2015, publicly reported on municipalities’ progress and effectiveness in implementing the Growth Plan policies. Such policies, including the targets that municipalities are expected to achieve (see **Appendix 5**), are intended to focus new development in already-developed areas with available municipal services and infrastructure, where capacity

exists to best accommodate population and employment growth. The policies and targets are also aimed at reducing reliance on automobiles by designing communities that are transit-friendly and have active transportation options such as walking and cycling.

Without up-to-date information on the outcomes and results, neither the Ministry nor the public can determine whether the Growth Plan policies have been effective in achieving its vision to create communities that allow people to comfortably live, work and play while protecting the region’s natural heritage. And, without knowing whether the policies were effective, the Ministry does not have the necessary data to inform changes to the Growth Plan.

Our review of the results in the Ministry’s 2015 performance report identified areas where progress is needed to achieve one of the primary visions of the 2006 Growth Plan to create communities that, among other things, offer transportation choices, accommodate people at all stages of life and have the right mix of housing. For example:

- **Transit-supportive densities:** In 2011, there were insufficient people and jobs per hectare within 144 or 43% of the 333 major transit station areas to support basic transit service (defined as service every 20 to 30 minutes). The Ministry of Transportation’s Transit Supportive Guidelines—intended to promote development patterns that make transit less expensive and more convenient in order to make it an attractive option for potential users—recommend that at least 50 people and jobs per hectare is needed to support basic transit service. In 2011, automobiles were the predominant mode of transportation in both the inner (78%) and outer (90%) rings.
- **Housing mix:** Outside of Toronto, single detached dwellings remained the dominant housing type, comprising 58.5% of the housing stock in the inner ring municipalities and 69.2% in the outer ring municipalities in 2011. Having a mix of various types of housing (single-detached, semi-detached, row and town houses, and apartments) helps to meet the needs of people in various stages of life.

Figure 11: Indicators in Ministry of Municipal Affairs and Housing’s 2015 *Performance Indicators for the Growth Plan for the Greater Golden Horseshoe, 2006*

Source of data: Performance Indicators for the Growth Plan for the Greater Golden Horseshoe, 2006

| Target based (4)* |
|--|
| 1. Percentage of all new residential development that is within the built-up area |
| 2. Number of people and jobs combined per hectare in urban growth centres |
| 3. Number of people and jobs combined per hectare in a major transit station area |
| 4. Planned number of people and jobs combined per hectare in designated greenfield areas |
| Non-target based (11) |
| 1. Characteristics of developing designated greenfield areas based on lot sizes and housing mix |
| 2. Range and mix of housing types completed each year (single-detached dwellings, semi-detached dwellings, row and town houses, and apartments) |
| 3. Variety of land uses found within urban growth centres and developing designated greenfield areas |
| 4. Percentage of dwelling units in urban growth centres and developing designated greenfield areas that are within walking distance of a community centre, park, school and shopping opportunities |
| 5. Street connectivity, measured by the number of intersections per hectare and the ratio of connections to intersections |
| 6. Percentage of all trips and morning commute trips made by car, transit, bicycle or walking |
| 7. Median distance of all trips and morning commute trips |
| 8. Percentage of major office space that has been developed within urban growth centres and major transit station areas |
| 9. Ratio of percentage change in size of settlement area to percentage change in planned population and employment (to measure land consumption and urban sprawl) |
| 10. Percentage of hardened/impervious surfaces, natural cover, wetland features and woodland features |
| 11. Estimated total and per capita greenhouse gas emissions for transportation sector |

* See Appendix 5 for targets.

In addition, we found that the results for various indicators (see **Figure 11**) in the 2015 performance report were based on data from 2007 to 2011—the first five years after the 2006 Growth Plan came into effect. Because development projects often take years from approval to completion, a certain portion of the developments in the 2015 report would have been approved before the 2006 Growth Plan came into effect. In addition, the former Environmental Commissioner of Ontario’s 2019 report, *A Healthy, Happy, Prosperous Ontario - why we need more energy conservation*, 2019 Energy Conservation Progress Report, noted that in 2015, 13 or 62% of the 21 upper- and single-tier municipalities in the GGH had still not updated their official plans to implement Growth Plan policies. Therefore, the results reported in 2015 were not necessarily indicators of the outcomes or the effectiveness of the policies in the

2006 Growth Plan. In the report, the Ministry indicated for many of the indicators that the data would be used as baseline information against which to compare progress over time.

Performance Indicators Not Yet Finalized

In its 2015 performance report, the Ministry proposed to report on the results for the performance indicators every five years, following the release of Statistics Canada’s Census of Population. At the time of our audit—six years after the 2015 performance report for the original (2006) version of the Growth Plan—the Ministry was still finalizing the updated set of performance indicators for the current version of the Growth Plan. The Ministry did not have an estimated time for completion.

The current version of the Growth Plan, last amended in 2020, calls for the Minister to develop a

set of performance indicators, and monitor the implementation of the Plan to measure the effectiveness of Growth Plan policies. However, it does not prescribe a timeframe or frequency for the Minister to report on those indicators. We noted that the indicators for the 2015 performance report were developed in 2014—eight years after the Growth Plan was first released in 2006.

Our research into performance reporting on land-use planning in other Canadian jurisdictions found that performance reports are produced every year in Vancouver and Edmonton, and the reports contain similar target-based metrics as the Ministry's 2015 performance reported on. While Vancouver's report is publicly available, Edmonton's report is provided to Alberta's Minister of Municipal Affairs and is not made public.

Outside Canada, we found that in New Zealand, annual reports are publicly released in addition to progress reports that are also publicly released every three years. These progress reports include detailed information about and analysis of trends of the six outcomes that the plan monitors such as housing, transportation, environmental protection and labour productivity and employment.

RECOMMENDATION 1

So that the Ministry of Municipal Affairs and Housing (Ministry) can assess and publicly report on whether the policies in the A Place to Grow: Growth Plan for the Greater Golden Horseshoe (Growth Plan) are effective in meeting the objectives of the plan, we recommend that the Ministry:

- establish and publicly communicate a deadline for the Ministry to finalize the performance indicators for the Growth Plan;
- develop and publicly communicate the performance indicators by the established deadline, including the date by which the Ministry will begin reporting on the indicators and the frequency of ongoing reporting; and
- publicly report on the results for each performance indicator, including what the results mean

in terms of achieving the vision of the Growth Plan, by the dates communicated in the second action item in this recommendation.

MINISTRY RESPONSE

The Ministry agrees that meaningful, regular publicly-reported performance indicators are important to understanding growth in the Greater Golden Horseshoe and has been working towards this in accordance with the policies of the Growth Plan.

Data accessibility has traditionally been a challenge and the Ministry is actively engaged in efforts to revise performance indicators and develop the internal processes to enable ongoing and regular reporting. There is a necessary dependence on third parties such as Statistics Canada and the Municipal Property Assessment Corporation, as well as municipalities for data to inform growth management performance indicators and deliver those indicators in a regular, predictable cycle.

The Ministry will explore the feasibility of establishing a public deadline and will work with municipalities and other data providers to explore and engage in long-term data sharing arrangements to finalize a suite of performance indicators and determine an appropriate public reporting cycle.

4.1.2 Many Municipalities Falling Short of Growth Plan Targets Intended to Curb Urban Sprawl

Our audit found that many municipalities have not been meeting the targets set out in the 2006 Growth Plan (see **Appendix 5**). When municipalities do not meet the targets, it means that much of new residential development is occurring outside already-developed areas, therefore creating sprawl and in a way that does not support transit. As discussed in **Section 2.3.3**, the Growth Plan was developed primarily to prevent sprawl and its negative impacts such

Figure 12: Percentage of New Residential Developments In Built-Up Areas,¹ 2015–2019

Source of data: Ministry of Municipal Affairs and Housing

| | Target ² | 2015 | 2016 | 2017 ³ | 2018 | 2019 ⁴ |
|-----------------------------------|---------------------|------|------|-------------------|------|-------------------|
| Inner Ring | | | | | | |
| City of Toronto | 100 ⁵ | 100 | 100 | 100 | 100 | 100 |
| City of Hamilton | 40 | 17 | 36 | 16 | 17 | 19 |
| Regional Municipality of Durham | 40 | 29 | 37 | 37 | 42 | 46 |
| Regional Municipality of Halton | 40 | 52 | 39 | 51 | 20 | 11 |
| Regional Municipality of Peel | 40 | 28 | 31 | 36 | 30 | 46 |
| Regional Municipality of York | 40 | 54 | 42 | 43 | 45 | 46 |
| Outer Ring | | | | | | |
| City of Barrie | 40 | 68 | 84 | 54 | 96 | 78 |
| City of Brantford | 40 | 19 | 17 | 52 | 6 | 29 |
| City of Guelph | 40 | 47 | 41 | 57 | 44 | 53 |
| City of Kawartha Lakes | 30 ⁶ | 19 | 20 | 3 | 23 | 12 |
| City of Orillia | 40 | 49 | 41 | 43 | 45 | 25 |
| City of Peterborough | 40 | 19 | 17 | 26 | 34 | 57 |
| County of Brant | 15 ⁶ | 42 | 55 | 31 | 10 | 20 |
| County of Dufferin | 40 | 25 | 7 | 18 | 4 | 10 |
| County of Northumberland | 40 | 27 | 19 | 27 | 29 | 21 |
| County of Peterborough | 40 | 3 | 6 | 2 | 1 | 3 |
| County of Simcoe | 32 ⁶ | 15 | 7 | 16 | 18 | 15 |
| County of Wellington | 20 ⁶ | 10 | 19 | 20 | 16 | 23 |
| Haldimand County | 32 ⁶ | 31 | 34 | 17 | 13 | 19 |
| Regional Municipality of Niagara | 40 | 35 | 39 | 53 | 36 | 47 |
| Regional Municipality of Waterloo | 40 | 35 | 51 | 41 | 50 | 34 |

Grey shading indicates targets were not met.

1. Already developed areas.
2. The 2006 Growth Plan required municipalities to meet the established target every year beginning in 2015.
3. The calculation of intensification rate changed slightly in 2017. Up until 2017, growth in settlement areas without delineated built boundaries (rural hamlets) was included in the intensification calculation. In the 2017 Growth Plan, all lands in these settlement areas were considered part of the designated greenfield area and subject to the minimum density target. In 2019, the new Growth Plan introduced the definition of rural settlements. Small settlement areas which meet the definition are excluded from being included as part of the designated greenfield area, but where they do not have delineated built boundaries they are not subject to any targets. Small settlement areas which do not meet the definition remain as part of the designated greenfield area.
4. 2019 is the most recent data available.
5. The intensification rate in the City of Toronto is set at 100% because the entire municipality is within the built-up area.
6. During the review of their Official Plans, the City of Kawartha Lakes, County of Brant, County of Simcoe, County of Wellington, and Haldimand County had requested and been approved lower alternative targets.

as the loss of farmlands and natural spaces, poor air and water quality, increased traffic congestion and commute times, increased risk of chronic diseases, and costly infrastructure and services.

Intensification Targets

By 2015, municipalities' intensification targets required them to focus 40% of new residential developments per year into already-developed areas.

Our analysis of development data from 2015 to 2019 (the most recent year for which the Ministry has development data) found that only three of the 20 single- and upper-tier municipalities in the GGH (excluding the City of Toronto) met their intensification targets every year during that period (see **Figure 12**). (The City of Toronto has a default intensification target of 100% because there are no more undeveloped lands left to be developed.)

Figure 13: Number of Residents and Jobs Per Hectare in Urban Growth Centres,¹ 2016

Prepared by the Office of the Auditor General of Ontario

| Urban Growth Centre | # of Residents and Jobs per Hectare | | Difference between Actual and Target | Actual, as % of Target |
|---------------------------------|-------------------------------------|---------------------|--------------------------------------|------------------------|
| | Actual | Target ² | | |
| City of Toronto | | | | |
| Downtown Toronto | 357 | 400 | (43) | 89 |
| Etobicoke Centre | 166 | 400 | (234) | 42 |
| North York Centre | 485 | 400 | 85 | 121 |
| Scarborough Centre | 163 | 400 | (237) | 41 |
| Yonge-Eglinton Centre | 575 | 400 | 175 | 144 |
| | | | | |
| Downtown Brampton | 63 | 200 | (137) | 32 |
| Downtown Burlington | 114 | 200 | (86) | 57 |
| Downtown Hamilton | 185 | 200 | (15) | 93 |
| Downtown Kitchener | 161 | 200 | (39) | 81 |
| Downtown Milton | 40 | 200 | (160) | 20 |
| Downtown Mississauga | 179 | 200 | (21) | 90 |
| Downtown Oshawa | 96 | 200 | (104) | 48 |
| Downtown Pickering | 57 | 200 | (143) | 29 |
| Markham Centre | 60 | 200 | (140) | 30 |
| Midtown Oakville | 31 | 200 | (169) | 16 |
| Newmarket Centre | 57 | 200 | (143) | 29 |
| Richmond Hill-Langstaff Gateway | 43 | 200 | (157) | 22 |
| Uptown Waterloo | 131 | 200 | (69) | 66 |
| Vaughan Metropolitan Centre | 26 | 200 | (174) | 13 |
| | | | | |
| Downtown Barrie | 51 | 150 | (99) | 34 |
| Downtown Brantford | 53 | 150 | (97) | 35 |
| Downtown Cambridge | 70 | 150 | (80) | 47 |
| Downtown Guelph | 92 | 150 | (58) | 61 |
| Downtown Peterborough | 99 | 150 | (51) | 66 |
| Downtown St. Catharines | 93 | 150 | (57) | 62 |

 Grey shading indicates targets were not met.

Note: 2016 is the most recent Statistics Canada census data available.

1. Defined as existing or emerging downtown areas identified in Schedule 4 of the Growth Plan.
2. Municipalities are expected to meet the established targets by 2031 or earlier.

- Among the five municipalities in the GGH's inner ring (excluding the City of Toronto), only the Regional Municipality of York met the intensification targets every year from 2015 to 2019.
- Among the 15 municipalities in the GGH's outer ring, only two (Barrie and Guelph) met their intensification targets every year from 2015 to 2019. Five of the 13 municipalities that did not

meet their targets had already requested lower targets ranging from 15% to 32% because they did not believe they could meet the original target of 40%.

Density Targets for Downtown Areas and Major Transit Station Areas

We noted that, as of 2016 (the most recent year for which data is available), actual density rates (i.e.,

Figure 14: Comparison of Actual and Target Density for Major Transit Station Areas, 2016¹

Prepared by the Office of the Auditor General of Ontario

| Major Transit Station Area (MTSA) ² | # of Stations | # of Residents and Jobs per Hectare | | Difference between Actual and Target | Actual, as % of Target |
|--|---------------|-------------------------------------|---------------------|--------------------------------------|------------------------|
| | | Actual | Target ³ | | |
| Subways | | | | | |
| Yonge-University Spadina Subway | 32 | 456 | 200 | 256 | 228 |
| Bloor-Danforth Scarborough Subway Extension | 1 | 107 | 200 | (93) | 54 |
| Bloor-Danforth Subway | 31 | 164 | 200 | (36) | 82 |
| Toronto-York Spadina Subway Extension | 6 | 29 | 200 | (171) | 15 |
| Sheppard Subway | 5 | 182 | 200 | (18) | 91 |
| Light Rail Transit (LRT) | | | | | |
| Hamilton LRT | 14 | 94 | 160 | (66) | 59 |
| Sheppard East LRT Phase 1 | 26 | 78 | 160 | (82) | 49 |
| Eglinton LRT Phase 1 | 25 | 102 | 160 | (58) | 64 |
| Finch West LRT Phase 1 | 19 | 73 | 160 | (87) | 46 |
| Hurontario LRT | 22 | 109 | 160 | (51) | 68 |
| ION LRT Phase 2 | 7 | 35 | 160 | (125) | 22 |
| Waterloo ION LRT | 19 | 75 | 160 | (85) | 47 |
| GO Transit Rail Stations | | | | | |
| GO Barrie | 10 | 185 | 150 | 35 | 123 |
| GO Kitchener | 8 | 263 | 150 | 113 | 175 |
| GO Lakeshore East | 10 | 196 | 150 | 46 | 131 |
| GO Lakeshore West | 11 | 189 | 150 | 39 | 126 |
| GO Stouffville | 5 | 365 | 150 | 215 | 243 |
| Bus Rapid Transit (BRT) | | | | | |
| Mississauga Transitway | 11 | 29 | 160 | (131) | 18 |
| VIVA Blue | 17 | 52 | 160 | (108) | 33 |
| VIVA Orange | 12 | 46 | 160 | (114) | 29 |
| VIVA Purple | 20 | 49 | 160 | (111) | 31 |

Grey shading indicates targets were not met.

1. Most recent Statistics Canada data is from 2016.
2. The Growth Plan that was in effect in 2016 did not require municipalities to plan for a minimum density target in MTSA's. The 2017 amendments to the Growth Plan introduced minimum density targets that apply to subways, LRT, BRT and GO Transit Rail Stations.
3. Calculated as the sum of the number of residents and the number of jobs divided by the area covered by the line. Additionally, some municipalities have proposed alternative density targets for some MTSA's (subject to Minister's approval) that have not yet been approved.

the number of residents and jobs per hectare) in downtown and major transit station areas in the GGH varied widely:

- **Downtown areas:** From a low of 26 residents and jobs per hectare in the Vaughan Metropolitan Centre area (which represents 13% of the established target) to a high of 575 residents and jobs per hectare in the Yonge-Eglinton Centre area (see **Figure 13**). Our analysis of population

and employment growth rates of all downtown areas between 2011 and 2016 found that based on current trends, only four (Downtown Hamilton, Downtown Toronto, Downtown Mississauga, and Uptown Waterloo) of the 25 urban growth centres were on pace to meet their density target by 2031—the first year that municipalities are expected to meet their density targets for downtown areas.

- **Major transit station areas:** From a low of 29 residents and jobs per hectare in the Toronto-York Spadina Subway Extension (which represents 15% of the target) to a high of 456 residents and jobs per hectare in the Yonge-University Spadina Subway (see **Figure 14**). The targets related to major transit station areas were introduced in the 2017 changes to the Growth Plan. The Growth Plan requires that municipalities plan for the specified targets by 2051, but allows municipalities to plan beyond 2051 to account for factors like the integrated planning of infrastructure and public service facilities.

According to the Ministry, the objective of focusing growth in these existing or emerging downtown and major transit station areas is to create more compact, mixed-use, transit-supportive communities.

Ministry Has Not Determined Reasons for Municipalities Not Meeting Targets

There are a number of reasons why municipalities are not meeting, or cannot meet, Growth Plan targets. For example, actual population and employment growth may be lower than what the Ministry forecast in the Growth Plan (discussed further in **Section 4.2.3**). The gap between actual and forecast growth can be due to a number of factors that are beyond municipalities' control, such as an erroneous methodology or assumptions in calculating growth forecasts, a prolonged economic downturn, restrictive immigration policies and people's preferences about where to live. These factors highlight the importance of regularly monitoring the results and outcomes of municipalities' implementation of Growth Plan policies to inform future policy changes. However, as noted in **Section 4.1.1** above, the Ministry does not regularly monitor and publish results.

RECOMMENDATION 2

So that the Ministry of Municipal Affairs and Housing (Ministry) can assess whether the policies in the A Place to Grow: Growth Plan for the Greater Golden Horseshoe are effective in meeting

the objectives of the plan, we recommend that when municipalities are not making progress towards meeting Growth Plan targets, the Ministry work with municipalities to determine, understand and address the reasons for not making progress.

MINISTRY RESPONSE

The Ministry acknowledges the Auditor General's recommendation and the need for continued engagement with municipalities to help ensure that reasonable progress is being made towards meeting Growth Plan targets within the planning horizon of 2051, including all applicable targets permitted under the Plan.

The municipal comprehensive review (MCR) is the mechanism under the Growth Plan to assess progress towards, identify challenges, evaluate and recalibrate official plan policies and targets with A Place to Grow: Growth Plan for the Greater Golden Horseshoe. The MCR process is currently underway for all upper- and single-tier municipalities within the Greater Golden Horseshoe and the Ministry is in the process of working with municipalities to collect evidence of progress against Growth Plan targets. With respect to intensification targets, the only targets that are to be assessed annually, the Ministry will continue to engage municipalities through the MCR process to assess progress and support implementation. The Ministry will also explore opportunities for assessing and reporting on progress through work on publicly-reported performance indicators as suggested in **Recommendation 1**.

Recognizing that the Growth Plan provides flexibility to municipalities to plan for and achieve targets by the end of the planning horizon that suit local circumstances and infrastructure, the Ministry will improve its collaboration with municipalities to ensure reasonable progress is being made towards achieving Growth Plan targets and encourage municipalities to engage early and frequently as they work through their respective

Official Plan/Official Plan Amendment review and update processes, including assessing alternative area-specific targets (and re-evaluating the suitability of any alternative targets approved through the previous MCR). The Ministry will strengthen those relationships to enhance understanding of and support for municipal-specific challenges in meeting Growth Plan targets.

4.1.3 Ministry Unable to Monitor Certain Growth Plan Targets Because of Absence of Consistent and Timely Data

Our audit found that the absence of consistent, reliable and timely data limits the Ministry's ability to accurately measure municipalities' performance against the targets and assess the effectiveness of the policies in achieving the objectives of the Growth Plan. For example, the Ministry did not have the necessary information to accurately measure whether municipalities were meeting the following:

- **Density targets for designated greenfield areas.** In its 2015 performance report, the Ministry used information from municipal official plans to report on this target, which represented planned densities and not actual results. According to the Ministry, the density target for greenfield areas (40 or 50 people and jobs per hectare) is intended to ensure that when development occurs outside already-developed areas, such development is still occurring in a manner that supports walking, cycling and transit, a diverse mix of land uses, high-quality public open space and reduced greenhouse gas emissions. The Ministry told us that information about the location and characteristics of new developments in greenfield areas would also be useful in measuring progress against Growth Plan policies.
- **Maintain enough residential housing to support population growth for at least three years.** The Ministry told us that it would need to look into how to obtain information about long-term housing supply information in order to measure progress against this requirement. At

the time of our audit, the Ministry could only obtain information about housing developments under construction or recently built. This target, introduced in the 2017 amendment to the Growth Plan, is intended to ensure there is sufficient housing supply to support population growth.

Our audit also found that the Ministry and municipalities use different data when calculating intensification rates. The Ministry uses property assessment data from the Municipal Property Assessment Corporation (MPAC) to calculate intensification, while municipalities use the number of building permits issued. Building permits are counted at the time a development is approved, while MPAC property assessments are based on built structures. The difference in data sources can mean the difference between municipalities meeting or not meeting their targets. For example, the Region of Waterloo calculated an average of 43% intensification rate from 2007 to 2010 based on building permit information, exceeding the target of 40%. Over the same period, the Ministry calculated Waterloo's average intensification rate as 36%, which was below the 40% target. The difference had grown more pronounced in recent years, with Waterloo calculating a 49% intensification rate in 2015 and the Ministry calculating a 35% intensification rate in the same year.

RECOMMENDATION 3

So that the Ministry of Municipal Affairs and Housing (Ministry) can assess whether the policies in the A Place to Grow: Growth Plan for the Greater Golden Horseshoe (Growth Plan) are effective in meeting the objectives of the plan, we recommend that the Ministry:

- determine how it will collect the information necessary to report on established performance indicators such as density targets for designated greenfield areas and long-term housing supply information;
- obtain and analyze this information on an ongoing basis; and

- work with municipalities to establish a consistent basis for calculating municipalities' progress toward targets set out in the Growth Plan.

MINISTRY RESPONSE

The Ministry accepts the Auditor General's recommendation and acknowledges that data accessibility has traditionally been a challenge, and is currently engaged in efforts to improve data holdings and capacity for data analysis.

Information and data relevant to informing Growth Plan performance indicators is generated and held by a number of partners, collected at different points in time, and in disparate methodologies and formats.

The Ministry will continue to work with data providers to explore and engage in long-term data sharing arrangements, including opportunities to standardize methodologies and formats to effectively monitor growth targets in the GGH.

The Ministry will make better use of tools at its disposal, such as the authority in the Growth Plan to collect data from municipalities to support implementation and monitoring to demonstrate progress.

4.2 Municipalities Face Challenges Implementing Growth Plan Policies

4.2.1 Numerous Changes in Policies Have Created Instability in Land-Use Planning Processes

Our audit found that the significant changes in land-use planning policies over the last 10 years (see **Appendix 10**) have created instability in the land-use planning process in the GGH. Often, more changes are made within a year of a previous change. This instability has made it challenging for municipalities to ensure their planning documents, such as official plans, are up-to-date and conform with these policies.

For example, in July 2017, the province amended the Growth Plan to require municipalities to update

their official plans to designate prime employment areas, meet new intensification and density targets, and direct growth towards major transit station areas. At the time, the Ministry gave municipalities five years, until July 1, 2022, to update their official plans to conform to the new Growth Plan.

While many municipalities were still updating their official plans to conform to the 2017 Growth Plan, the province made significant amendments to the Growth Plan in May 2019, and then again in August 2020. Specifically, municipalities were required to use new population and employment growth forecasts in their official plans. The Ministry also extended the horizon for growth forecasts from 2041 (used in the 2017 Growth Plan) to 2051 (used in the 2019 Growth Plan). The Ministry further permitted upper-or single-tier municipalities to establish higher forecasts. Most significantly, the 2020 changes included a new methodology that municipalities were required to use to calculate how much land would be needed to accommodate future growth (known as land needs assessments). Despite these significant changes, the Ministry did not revise the July 1, 2022 deadline for official plans to conform, which meant that municipalities have two years to update their official plans. As illustrated in **Figure 6**, municipalities must take a number of steps when reviewing and updating their official plans. According to the municipal planners we interviewed, this process typically takes from 17 to 51 months.

Although only one of the five municipalities we interviewed told us that it would not meet the two-year deadline, the other four agreed that it would be challenging. According to the municipal representatives we spoke with, the 2020 changes forced many of them to redo studies and planning work that they had completed in response to the 2017 changes. For example:

- The Regional Municipality of Durham told us that the 2020 changes to the land needs assessment methodology were introduced while they were conducting studies using the old methodology (introduced in May 2018) and the change resulted in an 18-month delay.

- The Regional Municipality of York told us that technical work had to be either fully or partially redone, and the additional work had cost the Region “several millions.”

The Region of Durham and other municipalities had asked the Ministry to consider extending the conformity deadline by an additional year to give municipalities sufficient time to complete the necessary studies and planning work. Other municipalities (like Halton) noted that additional time to prepare technical analyses and engage with the public in a meaningful way would be beneficial. The Ministry did not grant any extensions. Instead, the Ministry sent formal correspondence reiterating the deadline, and informing the municipalities that the Minister has powers to intervene in the event of non-conformity. No additional information on penalties was provided.

4.2.2 Municipalities Receive Insufficient Guidance from Ministry Staff

Our audit found that municipal staff, who are responsible for implementing the policies dictated by the Ministry, receive little guidance from the Ministry about how to implement land-use planning policies such as those in the Growth Plan. In our survey of municipal planners, 70% of respondents said that, based on their experience over the last five years, they have not received sufficient guidance or direction from Ministry staff whenever they asked for help or clarification. This is consistent with the results of a 2018 Ministry survey of municipal land use planners where respondents raised concerns about Ministry staff knowledge and the quality of Ministry staff responses to their questions. Many respondents reported that Ministry staff were often unable to explain key provincial policies such as the Growth Plan, Provincial Policy Statement, and recent legislative changes. Instead, municipal planners were typically told by Ministry staff to seek legal advice from a lawyer for interpretations of provincial legislation and policies.

The municipal planning authorities we interviewed and surveyed during our audit provided the following examples of areas where they did not receive sufficient guidance from the province:

- **Land needs assessment:** Several municipalities told us that they found some of the wording in the new land needs assessment methodology (discussed in **Section 4.2.1**) difficult to interpret. In addition, the City of Toronto staff expressed their concerns in a July 2020 report to City Council that was also provided to the Ministry. Toronto staff told us that they did not receive a response from the Ministry regarding the concerns they raised. In our survey of municipal planners, 70% of respondents, including Durham’s planners, raised concerns about the new land needs assessment methodology. The new methodology requires municipalities to incorporate studies on “market demand” into their calculation of settlement lands. Municipal planners stated that differing interpretations of “market demand” analysis may lead to challenges as municipalities must plan for an increased amount of low-density housing units to match historical trends, which can be inconsistent with the main Growth Plan objectives of increased density and transit supportive and walkable communities.
- **Indigenous engagement:** The Growth Plan requires municipalities to engage Indigenous communities in their implementation of the Growth Plan. The Region of York told us that they had asked the Ministry for guidance about such policies, but was told that a technical document is not currently available.

Our review of Ministry staffing data found that, at the time of our audit, nearly two-thirds of the 43 staff responsible for liaising with municipalities had been in their positions for only two years or less. The average length of time that Ministry staff had been in their position was four years. The Ministry acknowledged to us that there has been turnover in Ministry staff since 2019. Our review of the 2019 and 2021 Employee Engagement Survey results for all Ministry staff in the central region, including those involved in the planning function, noted that:

- only 35% of respondents in 2019 and 50% of respondents in 2021 stated that they had a clear understanding of their job and what was expected of them;
- only 15% of respondents in 2019 stated that their directors and senior managers provided clear direction; and
- only 23% of respondents in 2019 stated that they had access to the information they need to do their job well and 36% stated that they had support at work to provide a high level of service.

RECOMMENDATION 4

So that municipalities have the necessary information and sufficient time to update their official plans to conform with provincial plans, we recommend that the Ministry of Municipal Affairs and Housing work with municipalities on an ongoing basis to:

- determine what information and supports are needed by municipalities to help them conform, including meeting conformity deadlines; and
- provide such information and supports to municipalities in a timely manner that will enable municipalities to meet conformity deadlines.

MINISTRY RESPONSE

The Ministry acknowledges the Auditor General's recommendation. The Ministry already works closely with GGH municipalities to provide timely support, appropriate guidance, and direction throughout the conformity process.

Official Plan Conformity refers to the requirement under the *Planning Act* for municipalities to update their official plans to, among other matters, conform with provincial plans. The *Places to Grow Act, 2005* requires that upper- and single-tier municipalities must update their official plans to conform with A Place to Grow: the Growth Plan for the Greater Golden Horseshoe within three (3) years or an alternative date set by the Minister.

Municipalities are aware of the current conformity deadline of July 1, 2022, for upper-tier municipalities where the Province is the approval authority, and of the associated expectations, requirements, and processes.

RECOMMENDATION 5

So that municipalities have the information they need to effectively implement the policies in the Provincial Policy Statement and various provincial plans, we recommend that the Ministry of Municipal Affairs and Housing work with municipalities to:

- determine what areas existing and new Ministry staff can benefit from training in; and
- provide such training on a regular ongoing basis.

MINISTRY RESPONSE

The Ministry recognizes the importance of technical training and capacity building for its staff, in particular when there are changes to policies, provincial plans and legislation, and related processes. The Ministry will determine where such training can be enhanced.

The Ministry's organizational re-alignment (implemented on September 20, 2021) will result in better integration of provincial policies and plans and official plan conformity expertise, helping to streamline implementation and support effective decision-making and service delivery to municipalities. The re-alignment will create a continuum from regional level to site specific planning and development policy to support a better built environment.

4.2.3 Unrealized Growth Has Financial Implications for Municipalities

Our audit found that Statistics Canada's estimated actual population in individual municipalities as of the second quarter of 2021 was closely aligned with

Figure 15: Forecast and Actual Population, 2021

Prepared by the Office of the Auditor General of Ontario

| Census Division or Region | Forecast Population ¹ (000) | Estimated Actual Population ² (000) | % Difference from Forecast |
|--|--|--|----------------------------|
| Durham | 770 | 717 | (7.39) |
| Halton | 645 | 616 | (4.71) |
| Hamilton | 601 | 585 | (2.74) |
| Peel | 1,559 | 1,584 | 1.58 |
| Toronto | 2,975 | 3,009 | 1.13 |
| York | 1,330 | 1,210 | (9.92) |
| Greater Toronto and Hamilton Area Total | 7,880 | 7,721 | (2.07) |
| Brant ³ | 156 | 147 | (6.12) |
| Dufferin | 67 | 68 | 1.47 |
| Haldimand | 50 | 50 | 0 |
| Kawartha Lakes | 83 | 81 | (2.47) |
| Niagara | 483 | 484 | 0.21 |
| Northumberland | 91 | 91 | 0 |
| Peterborough ⁴ | 154 | 147 | (4.76) |
| Simcoe ⁵ | 555 | 540 | (2.78) |
| Waterloo | 624 | 612 | (1.96) |
| Wellington ⁶ | 254 | 245 | (3.67) |
| Outer Ring⁷ Total | 2,517 | 2,465 | (2.07) |
| Greater Golden Horseshoe Total | 10,397 | 10,186 | (2.07) |

1. Per Hemson Consulting's Technical Report Addendum for Amendment 2 (2013) to the 2006 Growth Plan for the Greater Golden Horseshoe.

2. Per Statistics Canada's 2021 Q2 Population Estimate.

3. The value for Brant is a sum of Brant County and City of Brantford.

4. The value for Peterborough is a sum of the County and City of Peterborough.

5. The value for Simcoe is a sum of Simcoe County, the City of Barrie and the City of Orillia.

6. The value for Wellington is a sum of the City of Guelph and Wellington County.

7. The Outer Ring refers to the geographic area consisting of the cities of Barrie, Brantford, Guelph, Kawartha Lakes, Orillia, and Peterborough; the Counties of Brant, Dufferin, Haldimand, Northumberland, Peterborough, Simcoe, and Wellington; and the Regions of Niagara and Waterloo.

forecasts. However, in some cases actual growth was lower than what the Ministry had forecast in 2013 (see **Figure 15**). Such gaps, of 120,000 fewer people in York Region for example, create challenges for municipalities who use the growth forecasts assigned to them by the Ministry to determine where and how much development will be necessary to accommodate such growth. In calculating its population forecast, the Ministry makes assumptions about the effects of Growth Plan policies such as density targets for urban growth centres, or downtown areas, and infrastructure investments to support growth.

Gaps between actual and projected populations have financial implications for municipalities. For example, 62% of municipal planners who responded

to our survey reported that their municipality experienced shortfall in revenues from development charges. Municipalities calculate the amount of development charges that developers will be required to pay based on population growth in the municipality (as projected in the Growth Plan), and the requirements for new services and infrastructure resulting from that growth such as community centres, roads, transit, and water and sewer systems. Developers then pay the development charge along with building permit fees for a particular development. According to survey respondents, the revenue shortfall is due to the gap between actual and forecast growth; because the forecast growth (on which the development charges were based)

did not materialize, the municipality did not collect as much revenue as anticipated. Municipalities are required to set their development charges for up to five years through bylaws under the *Development Charges Act, 1997*. However, municipalities can amend or replace these development charges by passing a bylaw again.

4.3 Improvements Needed in Ministry's Collaboration with Local and Provincial Partners

Given the various local and provincial entities that undertake activities that affect or are affected by land-use planning policies and decisions (see **Figure 1**), the effectiveness of the Ministry's Growth Plan policies depend not just on municipalities' implementation of the policies, but also on how effectively the Ministry integrates these various activities. However, our audit found examples where:

- planning for critical infrastructure appeared to be inconsistent with land-use planning policies;
- impacts of land-use policy change potentially undermined planning by other provincial ministries;
- some provincial ministries were not given the opportunity to review and comment on municipal plans; and
- conservation authorities have lost the independent power to exercise their mandate.

4.3.1 Opportunities Exist to Better Co-ordinate Infrastructure Planning with Land-Use Planning

Land use planning decisions about where and how much development will occur affect other planning decisions, for example, about where and how many schools and hospitals are needed to accommodate the growth. See **Appendix 11** for an illustration of how key public infrastructure planning relates to land-use planning.

Through our discussions with various stakeholders and our own research, we found examples where planning and decisions on important public

infrastructure and services appeared to be disconnected from, or inconsistent with, land-use planning policies, including focusing growth on already built-up areas, and prohibiting development on prime agricultural lands and the Greenbelt.

Transportation planning

The proposed GTA-West Highway (also known as Highway 413), which would run from the Highway 401/407 interchange near Milton to Highway 400 near Kleinburg, has been the subject of criticism from environmental groups as well as municipalities. The 59-kilometre highway was first proposed in 2007, but was suspended in 2018 after the province's expert advisory panel found that the highway would save commuters only about 30 to 60 seconds of travel time per trip, and therefore, could not be justified. An August 2020 report by Environmental Defence, Sustainable Vaughan and Transport Action Ontario noted that the proposed highway—which would extend across the Whitebelt in Caledon and Brampton, and across the Greenbelt in Vaughan—would result in the loss of thousands of hectares of prime agricultural lands including about 1,000 hectares in the Greenbelt. It would also have significant impacts on rivers, valleys, wetlands, conservation areas, and forested areas. In addition, according to the Toronto Region Conservation Authority, 10 federal and/or provincial species at risk have been found in the preferred route of the highway.

Despite the concerns and criticism, the Ministry of Transportation, which was developing the Transportation Plan for the GGH at the time of our audit, told us that it was including the GTA-West Highway in its proposed Plan. Our review of the Ministry of Transportation's June 2021 discussion paper on the Transportation Plan confirmed the inclusion of the GTA-West Highway. Municipalities in Peel and Halton regions, as well as the City of Vaughan have expressed their opposition to the proposed highway, while York Region has expressed its support for it. At the time of our audit, the proposed project was undergoing an environmental assessment at both the provincial and federal levels.

Transit Planning

The Gormley and Bloomington GO stations on the Richmond Hill line, which opened in December 2016 and June 2021, respectively, are located on the Oak Ridges Moraine within the Greenbelt. In order to promote transit-supportive communities, the Growth Plan for the GGH directs municipalities to focus development around major transit station areas such as GO stations. However, the Greenbelt Plan prohibits expansion of settlement areas around the two stations, which then limits the municipalities' ability to develop these areas. Currently, the settlement near Gormley Station comprises fewer than 50 houses and a few small businesses.

Planning for Schools

The Ontario Association of School Business Officials (Association)—a non-profit organization that facilitates information sharing and provides support to school board officials—told us that collecting the necessary data to inform enrolment projections, which are then used to determine the number, size and location of schools, is challenging. In order to determine where and how many schools may be needed to accommodate future growth, school boards require detailed population projections and building permit data from municipalities. However, Association representatives told us that municipal data is inconsistent and insufficiently detailed for school boards to determine which areas within the municipality are expected to grow.

Planning System Implementation Committee

We found that the Planning System Implementation Committee (Committee) was established in the 1990s to promote a co-ordinated planning system that addresses provincial interests and provides inter-ministry perspective on planning-related initiatives. As of March 2021, the Committee's members included nine staff from the Ministry of Municipal Affairs and Housing and 21 staff from seven other provincial ministries (e.g., Agriculture, Economic Development, Environment, Natural Resources, Transportation, Tourism, and Northern Development). We noted,

however, that there were no representatives from the Ministry of Education or Ministry of Health—the ministries that oversee long-term planning for schools and hospitals.

In addition, the Committee's Terms of Reference states that the Committee is to meet every month. However, the Ministry could only provide us with minutes for five meetings between January 2019 and June 2021. According to the Ministry, meetings are cancelled or rescheduled if there are insufficient items for a monthly agenda. Our review of the minutes for the five meetings—held in October 2019, September to November 2020, and February 2021—found that the Committee discussed mainly administrative items such as clarifying when municipal official plans and amendments require provincial review, and sharing best practices for reviewing municipal official plans and amendments. In each meeting, time was set aside for other provincial ministries to provide updates, but, based on the minutes, ministries provided either brief updates or none at all.

In the period between January 2019 and June 2021, significant changes to land-use planning policies occurred. However, based on our review of meeting minutes, these changes were only briefly discussed by the Committee. For example, in the September 2020 meeting, the minutes indicate that the Ministry provided an update on the new land needs assessment methodology.

RECOMMENDATION 6

So that land-use planning is well integrated with other related planning processes in the province, consistent with the policies of the Growth Plan for the Greater Golden Horseshoe, we recommend that the Ministry of Municipal Affairs and Housing proactively engage with other provincial ministries and entities responsible for planning processes related to land-use planning on an ongoing basis, for example through the Planning System Implementation Committee.

MINISTRY RESPONSE

The Ministry recognizes the need and value of proactive engagement with other provincial ministries and entities responsible for processes related to land-use planning through its existing regular engagements at its many partner ministry land-use planning tables including, for example:

- Planning Policy Directors Committee (PPDC);
- Planning, Environment, Resources and Land Use (PERL) Committees at the Deputy Minister, Assistant Deputy Minister and Director levels; and
- provincial and regional One Window Core Team meetings at the manager and staff levels.

The Ministry will continue its proactive engagement with other provincial ministries through its multiple collaborative relationships (e.g., working groups and collaborations related to specific initiatives and projects that are both Ministry-led and led by partner ministries) and will consider where these relationships could be enhanced.

4.3.2 Ministry Ignored Concerns from Other Provincial Ministries When Changing Policies

The most recent Growth Plan amendment in August 2020 considers the population and employment forecasts as minimum targets and allows municipalities to establish their own higher growth forecasts if approved by the Ministry. However, these revised forecasts are not communicated back to the provincial ministries that are responsible for related planning processes. This can create disconnects where provincial planning for services such as transit, healthcare and education can be based on different population estimates compared to what the municipalities are using. For example, a region could be planning with different population estimates for the same geographic area: the original Growth Plan forecast, and the revised municipal forecast.

Our audit found that the Ministry ignored concerns from other provincial ministries on this policy change. For example, the Ministry of

Agriculture, Food, and Rural Affairs' main concern was that the policy would lead to continued loss of agricultural land. Meanwhile, the Ministry of Natural Resources and Forestry and the Ministry of Environment, Conservation and Parks each had concerns regarding the potential consequences on natural heritage features and water resource management.

The Ministry stated that the criteria used to review alternate growth scenarios and higher forecasts require municipalities to demonstrate conformity with the growth plan, be justifiable considering general trends and local conditions, and must be able to meet market demand and projected needs for current and future residents.

However, we noted that 70% of municipalities that we surveyed voiced concerns regarding how subjective the land needs assessment is (see **Section 4.2.2**), for the criteria can be interpreted very differently depending on the definition of "market demand." In addition, the Ministry has no specific documentation requirements for municipalities who are submitting a higher forecast. It stated that it relies on their planning staff to use professional judgement to determine what constitutes sufficient evidence to support a revised forecast. The lack of specific criteria for review can increase the risk that municipalities will incorporate inaccurate forecasts into their planning. Another consequence is that the Ministry may not be able to assess whether the submitted forecasts are based on sound methodology or explain why they are more accurate than the already prescribed and approved Growth Plan forecasts.

4.3.3 Some Provincial Ministries Not Given Opportunity to Provide Input on Municipal Planning Policies

Our audit found that opportunities exist to improve the Ministry's One Window Protocol (Protocol), specifically the process through which it seeks comments from other provincial ministries on municipal planning submissions. The Ministry uses screening criteria to determine which ministries to circulate

submissions to and seek comments from based on areas that affect their interests (see **Appendix 7**).

We reviewed a sample of municipal submissions for official plan and official plan amendments from 2010 to 2020 to determine whether the Ministry of Municipal Affairs and Housing (Municipal Affairs Ministry) sought feedback from the appropriate ministries to ensure their land-use planning interests were considered in the municipal official plans and official plan amendments. We identified the following cases, representing one-third of the sample we reviewed, where the provincial review could have benefitted from being circulated to other ministries given the nature of the proposed amendments:

- In 2014, the City of Toronto proposed amendments to its official plan, which included new policies encouraging existing and new apartment buildings to implement changes, either to the physical structure or management practices, to improve energy and water efficiency and reduce greenhouse gas emissions. The Municipal Affairs Ministry did not circulate the proposed amendments to any other ministry. We noted that the screening criteria calls for submissions to be circulated to the Environment Ministry if the proposed policies relate to energy conservation and efficiency, and the reduction of greenhouse gas emissions.
- In 2016, the Region of Peel proposed amendments to its official plan which included policies to make communities age-friendly, such as encouraging universally accessible design in the built environment, and assessing support services and the built environment in areas with a high senior population to identify gaps in accessibility. The Health and Long-Term Care ministries were not officially included in the Protocol at the time of the submission and did not receive the submission for comments. At the time of our audit, the Health and Long-Term Care ministries were still not included in the One Window Protocol screening criteria. We also noted that the Ministry for Seniors and Accessibility, which is responsible for developing and facilitating access to public services to improve the quality of life for seniors, was also not included.
- In 2018, the Regional Municipality of Niagara proposed amendments to its Transportation Master Plan to align it with the Growth Plan. In the Master Plan, the region stated that it “will encourage the implementation of a comprehensive transportation system through the co-ordination of land-use planning and strategic investments in infrastructure.” The screening criteria for the Infrastructure Ministry, which was not yet finalized at the time of our audit, called for the submission to be circulated to that ministry if the official plan or amendments contained or changed policies that required co-ordination of infrastructure with land-use planning. The Infrastructure Ministry became a party to the Protocol in 2018 but did not receive the submission for comments because the screening criteria was not yet finalized at the time.

The former Environmental Commissioner of Ontario’s 2011 report on Land Use Planning in Ontario noted that the introduction of the One Window Planning System greatly diminished the roles of other provincial ministries in land-use planning. For example, the Natural Resources Ministry’s role had been limited to identifying significant wetlands. Under previous provincial wetland policies, the Natural Resources Ministry reviewed all proposed development applications affecting wetlands.

In addition to the Health and Long-Term Care ministries, we also noted that the Education Ministry was not a party to the Protocol at the time of our audit. According to the Municipal Affairs Ministry, it had previously engaged the Education Ministry to take part but the Education Ministry had opted not to participate.

The Municipal Affairs Ministry told us that the next review of the One Window Protocol is scheduled for 2023.

RECOMMENDATION 7

So that land-use planning interests of other provincial ministries are appropriately considered and reflected in municipal planning policies, we recommend that the Ministry of Municipal Affairs and Housing:

- finalize the screening criteria for circulating municipal planning submissions to the Ministry of Infrastructure;
- formalize the participation of the Ministry of Health and the Ministry of Long-Term Care in the One Window Protocol (Protocol); and
- assess, during the next review of the Protocol in 2023, whether other provincial ministries should be included in the Protocol in light of their mandates.

MINISTRY RESPONSE

The Ministry accepts the Auditor General's recommendation and will meet with the Ministry of Infrastructure, the Ministry of Health, and the Ministry of Long-Term Care to discuss the status of, and considerations for, their participation in the One Window Protocol. This will include whether the Protocol is the best mechanism for addressing their planning interests, or whether alternative options should be considered. The Ministry notes that the Ministry of Indigenous Affairs has also expressed interest in participating in the One Window Protocol and has initiated those conversations.

At the time of the five-year review of the Protocol in 2023, the Ministry will re-assess which ministries are included in the Protocol.

4.3.4 Conservation Authorities Lose Independent Power to Exercise Their Mandate

In December 2020, Bill 229, the *Protect, Support and Recover from COVID-19 Act, 2020* amended the *Conservation Authorities Act* and the *Planning Act* in a way that would significantly reduce the oversight

and appeal powers of conservation authorities, and limit their ability to make independent decisions. According to the subject-matter expert we engaged, these amendments undermine the consistency, predictability and strength of the approval process for developments proposed in areas with natural hazards. Conservation authorities perform a key land-use planning role; they ensure that development is directed away from flood- and erosion-prone areas in order to protect people and their properties.

At the time of our audit, the amendments in Bill 229 were not yet proclaimed. Once proclaimed, the changes would result in the following:

- Conservation authorities would be required to approve application permits for developments resulting from an MZO as long as they are not located in the Greenbelt. Prior to the amendment, conservation authorities had the power to restrict developments in flood- and erosion-prone areas.
- The Minister of Northern Development, Mines, Natural Resources and Forestry would be able to issue or reject development permits on behalf of the conservation authority. Prior to the amendment, conservation authorities had the sole authority to decide whether to issue or reject permit applications in areas within their jurisdiction.
- Developers would be able to appeal conservation authority decisions directly to the Natural Resources Minister or to the Ontario Land Tribunal. Prior to the amendment developers would appeal to the then Mining and Lands Tribunal only.
- Conservation authorities would no longer be able to appeal municipal council decisions to the Ontario Land Tribunal.

These amendments generated significant criticisms from municipalities, conservation authorities and the general public. For example, in its December 2020 Bill 229 submission to the Standing Committee on Finance and Economic Affairs, Conservation Ontario stated that authorizing the Minister of Natural Resources to issue an order to prohibit a conservation authority from issuing a permit, and then issuing a permit in its place potentially politicizes

a decision that should be based on the best watershed science. Conservation Ontario also added that limiting conservation authorities' involvement in identifying constraints up front would result in misdirected development investments and delays in approval processes for future construction.

Other stakeholder groups, such as the Association of Municipalities of Ontario (AMO) and the Canadian Environmental Law Association (CELA), raised similar concerns about the proposed changes in Bill 229:

- AMO raised concerns that the amendments had the potential to circumvent decision-making based on good local science, stating that “in times when people need to abide by the limitations on a property’s use due to erosion or flooding hazards, we must do all we can to rely on science and ensure we are not facilitating losses or damages to properties.”
- CELA stated that the proposed changes to conservation authorities would not help build climate resilience. On the contrary, “removing conservation authorities’ status as independent public bodies in land-use planning will set integrated watershed management back decades.”

Similar to Bill 197, our Office raised concerns about the province’s lack of public consultation on environmentally significant amendments in Bill 229 in our *2021 Report on the Operation of the Environmental Bill of Rights*.

RECOMMENDATION 8

So that conservation authorities continue to effectively exercise independent authority to direct development away from flood- and erosion-prone areas, we recommend that the Ministry, in collaboration with Ministry of Northern Development, Mines, Natural Resources and Forestry:

- review the impacts of the amendments contained in Schedule 6 of Bill 229 considering comments received from municipalities, conservation authorities and the public; and
- based on the results of this review, address the concerns identified.

MINISTRY RESPONSE

The Ministry does not have responsibility for implementing this recommendation.

Amendments made to the *Planning Act* were consequential to changes made to the *Conservation Authorities Act* to streamline conservation authority permitting and land-use planning reviews. The Ministry of Northern Development, Mines, Natural Resources and Forestry was responsible for Schedule 6 of Bill 229, which received royal assent on December 8, 2020.

4.4 Broad and Frequent Use of Minister’s Zoning Orders Undermine the Land-Use Planning Process

Our audit found that the recent rise in the use of and lack of transparency in issuing Minister’s Zoning Orders (MZOs) is inconsistent with good land-use planning principles and the purposes of the *Planning Act* and *Places to Grow Act, 2005*, which are to provide for planning processes that are fair; encourage co-operation and co-ordination among various interests; and recognize the decision-making authority and accountability of municipal councils in planning.

4.4.1 MZOs Were Originally Intended to Be Used in Special Circumstances Only

MZOs override local zoning and thereby change how land can be used or developed from what was originally determined by municipalities through zoning bylaws. The 1979 White Paper on the *Planning Act* sets out the Province’s proposals for changes in the land-use planning process, and states that MZOs are to be used:

- in special circumstances where a provincial interest must be protected until municipal zoning bylaws can be amended to provide adequate safeguards;
- in parts of Northern Ontario without municipal government where new growth must be controlled; and

- to impose controls in areas where lack of adequate municipal regulations could cause problems owing to pressure for growth.

British Columbia, Alberta and Saskatchewan’s planning laws contained similar provisions that authorize the Minister or the provincial authority to override local zoning policies. However, staff in the planning ministries of these provinces told us that such authority had not been exercised to date. Manitoba’s planning legislation does not contain a similar provision.

4.4.2 Province Issued 44 Minister’s Zoning Orders From March 2019 to March 2021—Double the Total Number Issued In Previous 18 Years

From 2000 to February 2019, MZO’s were issued about once per year. Sometimes, as in 2017 and 2018, no MZO’s were issued at all. The most issued in any given year during this period was five. Then, in the two-year timeframe from March 2019 to March 2021, 44 new MZO’s were issued, a significant increase in frequency (see **Appendix 12**). In 2020 alone, during the first year of the COVID-19 pandemic, 32 MZO’s were issued.

However, we noted that only five of the 32 MZO’s were issued to help with the immediate response to the COVID-19 pandemic. These five MZO’s permitted outdoor patios for restaurants and modular housing units (prefabricated housing that is built off-site in a factory and transported to the site for assembly) in the City of Toronto, and facilitated the expansion of hospital capacity and the construction of a personal protective equipment manufacturing facility.

During the period from 2000 to February 2019 (see **Appendix 13**) our analysis of the 22 MZO’s issued revealed that:

- nine MZO’s were issued to conserve natural heritage or agricultural lands; and
- 13 MZO’s were issued to permit residential, commercial, industrial, and other uses.

In comparison, our review of information provided to us by the Ministry for the 44 MZO’s

issued from March 2019 to March 2021 found that all 44 MZO’s were issued to permit residential, commercial, industrial, and other uses, and none were issued to conserve natural heritage or agricultural land. In addition, we noted that:

- 18 of these MZO’s were issued on lands that were previously zoned for agricultural use and/or natural heritage protection (see **Appendix 12** for the list of the 18 MZO’s and **Figure 16** for more detailed description of three examples). A May 2021 internal analysis by the Ontario Federation of Agriculture estimated that about 2,000 acres of farmland will be lost because of the MZO’s issued since 2019.
- Of the 18 MZO’s issued on lands previously zoned for agricultural use and/or natural heritage protection, 13 would also permit development on lands outside municipal settlement boundaries where municipal services may not yet be planned (see **Appendix 12** for the list and **Figure 17** for detailed description of three examples). Permitting development outside settlement boundaries is inconsistent with the policies of the Growth Plan, which states that the vast majority of growth should be directed to settlement areas that have existing or planned municipal water and wastewater systems, and can support the achievement of complete communities.

We also noted that 23 MZO’s were related to provincial priorities to increase the supply of long-term-care beds and affordable housing in the province. Specifically:

- In the 2019 Ontario Budget, the province committed to constructing 15,000 new long-term care beds by 2024. Our review of supporting documentation for the 13 MZO’s related to long-term-care facilities noted that the development would add about 4,000 long-term-care beds once completed.
- In 2019, the province’s *More Homes, More Choice: Ontario’s Housing Supply Action Plan*, committed to increasing the housing supply by, among other things “making the development approvals process faster” and making it easier to build different types of housing. Our review of supporting

Figure 16: Examples of Minister's Zoning Orders Issued on Lands Previously Zoned for Agricultural Use and/or Natural Heritage Protection

Prepared by the Office of the Auditor General of Ontario

Vaughan Walmart

On April 24, 2020, the Minister issued an MZO (O. Reg. 173/20) to permit the construction of a Walmart distribution facility north of Teston Road between Jane Street and Highway 400. The site contains three Provincially Significant Wetlands (PSW), endangered species habitat and 10 acres of farmland. It is also near where the proposed Highway 413 would connect with Highway 400.

According to the request letter from the developer to the municipal council, the development would create 2,000 jobs. However, Ministry staff noted that issuing the MZO would set a precedent and result in requests to allow developments in PSWs in the future. The MZO is not consistent with the Provincial Policy Statement, nor does it conform with provincial plans because it allows development on PSWs.

Durham Live

On October 30, 2020, the Minister issued an MZO (O. Reg. 607/20) to permit the establishment of a mixed-use tourism and entertainment complex, with an Amazon warehouse distribution centre and a film studio, on a site in Pickering, adjacent to the Ajax boundary, south of Highway 401, east of Squires Beach Road, and north of Bayly Street. The site contains a Provincially Significant Wetland (PSW), and endangered species habitat.

The MZO is not consistent with the Provincial Policy Statement, nor does it conform with provincial plans because it converts an employment zone to a non-employment use outside of the normal municipal planning process, and also allows development on a PSW.

In November 2020, Ecojustice, Environmental Defence and Ontario Nature filed a lawsuit against the provincial government for issuing the MZO, stating that it “unlawfully contradicted the Provincial Policy Statement and its prohibition against development on PSWs.” On March 4, 2021, the province tabled Bill 257, which included a schedule that would retroactively allow the Minister to override the Provincial Policy Statement when issuing an MZO.

The City of Ajax opposes the MZO, citing the environmental and traffic impacts. The City of Pickering initially requested the MZO, with the support of the Regional Municipality of Durham. However, on March 21, 2021, the City of Pickering requested that the Minister revoke the MZO for the portion of the lands that contain the PSW.

On July 9, 2021, the Minister amended the MZO to remove reference to the warehouse distribution centre, which would have been built on the site of the PSW.

Clarington Home Hardware

On March 5, 2021, the Minister issued an MZO (O. Reg. 167/21) to permit a Home Hardware store on 2423 Rundle Road on the southeast corner of Regional Highway 2 and Rundle Road in the Municipality of Clarington. The land was designated in Clarington's Official Plan as environmental protection areas, which include natural heritage features. It was also designated in Durham's Official Plan as major open space and a key natural heritage feature.

The MZO is not consistent with the Provincial Policy Statement, nor does it conform with the Growth Plan because the site is located on rural lands outside of settlement areas. The site is also not serviced by municipal sewer and water services.

On October 26, 2020, the Clarington municipal council endorsed the MZO request despite a municipal staff report noting that the proposal did not comply with provincial policies, the Durham Region Official Plan, the Clarington Official Plan and zoning bylaw, and that “no application or technical information has been submitted with the request for Council support of the Minister's Zoning Order.”

Figure 17: Examples of Minister's Zoning Orders Outside Settlement Boundaries

Prepared by the Office of the Auditor General of Ontario

Innisfil

On July 30, 2019, the Minister issued an MZO (O. Reg. 251/19) to permit a seven-building residential development comprising five apartment buildings, a retirement home, and long-term-care facility on a 14-hectare site outside the City of Barrie's settlement area boundary. The site was previously designated as greenlands and rural in the County of Simcoe's Official Plan, and as a "key natural heritage features and key hydrological features" and rural area in the Town of Innisfil's Official Plan.

According to Ministry supporting documentation for the MZO, Ministry staff recommended that the Minister not issue an MZO for the development, noting that planning staff at both the County and Town had provided reports against the proposal. The staff reports stated that the developers had not demonstrated why the development could not be built within the designated settlement area.

Against municipal staff's recommendation, the Council for the Town of Innisfil passed Official Plan and zoning bylaw amendments to permit the development. The Council for the County of Simcoe subsequently approved the Official Plan amendment. These amendments would have rendered the MZO unnecessary because the development is now permitted under the amended Official Plan and zoning bylaw. Nonetheless, the municipal councils for both the Town and the County, as well as the local MPP, still requested that the Minister issue an MZO in order to prevent any appeals. Official plan and zoning bylaw amendments may be appealed to the Ontario Land Tribunal, but MZOs cannot. The Minister issued the MZO against Ministry staff recommendations.

Whitchurch-Stouffville

On October 30, 2020, the Minister issued an MZO (O. Reg. 610/20) to permit a mixed-use residential community on 67 hectares of land in the whitebelt just west of the settlement area of Stouffville and north of the municipal boundary of Markham. The development includes 1,964 dwelling units and commercial spaces and is adjacent to another development that received an earlier MZO (O. Reg. 172/20). The site, which includes Greenbelt and Oak Ridges Moraine lands, was previously designated as agricultural and significant environmental area in local official plans, and is outside the Town of Whitchurch-Stouffville's settlement area boundary.

In a letter to the Minister dated April 24, 2020, the Mayor of Whitchurch-Stouffville had stated that it would take a long time for the proposal to be considered through the normal municipal approval process with no guarantee of approval. The MZO is one of four issued to the same development company.

New Tecumseth

On March 5, 2021, the Minister issued an MZO (O. Reg. 166/21) to permit a mixed-use residential community on 67 hectares of land just west of the settlement area of Beeton in New Tecumseth. The site comprises primarily prime agricultural lands and was previously designated for agricultural and environmental protection in local official plans.

The development comprises 995 units of housing, including five rental apartment buildings, 173 townhouses, 40 semi-detached homes, 297 single detached homes, and a neighbourhood commercial area. Ministry documentation supporting the MZO notes that the land is not currently serviced (i.e., no municipal water and sewer systems), and therefore the Town will need to do infrastructure planning and servicing for the site.

documentation for the 10 MZOs related to residential development that included affordable housing noted that the development would add about 2,200 affordable housing units once completed.

The 23 MZOs related to provincial priorities may seem consistent with the original use of MZOs to safeguard provincial interest, as outlined in the 1979 White Paper. However, the ad hoc manner in which the developments are approved through MZOs undermines the prudent planning envisioned in the *Planning Act*. The technical studies and public consultation that municipalities undertake to support the development of their official plans is intended to ensure that decisions about where development will occur are informed by data and balances the various matters of provincial interest under the *Planning Act* (see **Figure 5**), including protecting natural areas and agricultural resources.

From April 1, 2021 to August 31, 2021, the province issued another 12 MZOs, including one permitting a residential development on farmland in Innisfil in the Lake Simcoe watershed. As of August 31, 2021, the province was considering an additional 11 MZOs, eight of which were requested by the municipalities that had previously been granted MZOs.

4.4.3 MZOs Used to Circumvent Normal Planning Processes, Fast Track Development

Our audit found that the recent extensive use of MZOs underscores an underlying issue about the efficiency of the land-use planning process. It takes time to review and update important planning documents, such as municipal official plans and zoning bylaws, that govern decisions about individual development applications.

The province has indicated that the primary reason for issuing MZOs is to help overcome potential barriers and development delays for projects that align with government priorities. MZOs bypass planning processes that often take months to years to complete, thereby avoiding potential delays to development projects. For example, the supporting

documentation for the October 2020 MZO to allow a mixed-use development on a site currently zoned for commercial use indicated that the developer requested the municipality's support in requesting the MZO. The MZO was requested so that the first phase of the development could proceed in 2021 "without having to proceed through the normal planning application and public consultation process, and not have the resulting zoning regulations subject to potential appeals."

Without an MZO, landowners who wish to develop lands in a way that is not permitted under the applicable zoning bylaw would have to submit an application to the municipality for a zoning bylaw amendment. The time it takes to complete the amendment process depends on the complexity of the requested amendment, as well as the volume of applications received at the municipality. For example, at the time of our audit, the City of Vaughan's website indicated that the process would take four to six months, while the City of Toronto's website indicated the process would take nine months. It takes time for municipal planners and other stakeholders to fully review and consider the impact of the proposed development on the community.

In addition, in some cases, the proposed development would not be allowed under both the zoning bylaw and the municipal official plan. Changes to both the official plan and the zoning bylaw would be required, which could take two to five years. And, because official plan and zoning bylaw amendments may be appealed to the Ontario Land Tribunal, the development project could be further delayed if the municipality's decision to approve the amendment is appealed. For example, as of June 2020, eight years after the Ministry approved the City of Kawartha Lakes' Official Plan in 2012, five appeals had yet to be decided.

At the time of our audit, the official plans of 22 municipalities did not yet fully conform with the 2006 Growth Plan because they were under appeal and were still being heard at the Ontario Land Tribunal. A September 2020 report by the Building Industry and Land Development Association (BILD)

found that the average time to obtain approval for a development application in the Greater Toronto Area ranged from nine months to two years. Obtaining approval through the then Local Planning Appeal Tribunal took about twice as long on average. MZOs, by contrast, cannot be appealed to the Tribunal.

Seventeen of 44 MZOs Requested By The Same Seven Development Companies

During our review of the 44 MZOs issued from March 2019 to March 2021, we noted that 17 (or 39%) of the 44 MZOs facilitated development projects by the same seven development companies or group of companies (see **Figure 18**).

Such a pattern opens the MZO process to criticisms of conflict of interest and unfairness given the lack of transparency in the decision-making process to ensure, and demonstrate to the public, that decisions are made objectively and consistent with the purposes of the *Planning Act*, the Growth Plan and other provincial plans.

RECOMMENDATION 9

So that Minister's Zoning Orders (MZOs) are not used as a way to circumvent the normal planning process in order to speed up development projects, we recommend that the Ministry of Municipal Affairs and Housing work with municipalities to identify and implement ways to make the land-use planning process more streamlined and efficient while still complying with due diligence and public consultation requirements under the *Planning Act*.

MINISTRY RESPONSE

MZOs form part of the land-use planning system in Ontario as established in the *Planning Act* and are a part of the planning process.

The Ministry recognizes the importance of continuing to look for ways to further streamline the land-use planning system and will continue to work with municipalities and other stakeholders to identify opportunities to do so. Bill 108, the *More*

Homes, More Choice Act, 2019 made amendments to the *Planning Act* to streamline development approvals processes and facilitate faster decisions by reducing decision timelines for local planning decisions and making the appeals process more efficient.

The Ministry will continue to work in partnership with municipalities to identify and implement ways to make the land-use planning process more streamlined and efficient. For example, Ontario is providing up to \$350 million through to fiscal year 2022/23 to help municipalities lower costs and improve services for local residents over the long term, through the Audit and Accountability Fund (AAF) for larger municipalities and the Municipal Modernization Program for smaller municipalities. Both programs offer funding to municipalities to undertake reviews to find efficiencies, including streamlining development and planning approvals.

4.4.4 Process for Issuing MZOs Not Transparent

Our audit found that the application and decision-making process for issuing MZOs, as well as public communications about them, is not transparent. In addition, MZOs bypass public consultation and cannot be appealed to the Ontario Land Tribunal. This lack of transparency is contrary to the purposes of the *Planning Act* and good land-use planning principles (see **Figure 2**). As well, as discussed in **Section 4.4.3**, this opens the MZO process to criticisms of conflict of interest and unfairness.

No Formal Process or Criteria for Issuing MZOs

We found that there is no formal or standard process that interested parties are required to follow to request an MZO. Ministry staff told us that anyone may request an MZO through any means, either verbally or in writing. Our review of documentation related to the 44 MZOs issued from March 2019 to March 2021 found the following:

- In 12 or 27% of cases, the MZOs were initiated by the province in order to fast-track provincial

Figure 18: Development Companies with More than One Minister's Zoning Order (MZO)

Prepared by the Office of the Auditor General of Ontario

| Municipality | Date Issued | Description |
|---|--------------|---|
| Flato Developments (4 MZOs) | | |
| Markham | Apr 24, 2020 | Permits a housing development (townhouses, apartments and retirement units) along with associated commercial development |
| Whitchurch-Stouffville | Oct 30, 2020 | Permits residential (single detached dwellings, semi-detached dwellings, apartments, townhouses), retail, office, institutional, commercial uses |
| New Tecumseth | Mar 5, 2021 | Permits a 995-unit development consisting of five rental apartment buildings, 173 townhouses, 40 semi-detached homes, 297 single detached homes, a neighbourhood commercial area, a central park, trails and open space |
| Markham | Mar 5, 2021 | Permits approximately 219 single-detached dwellings, 197 townhouses, 200 purpose built rental apartment units, and two parks |
| TACC Construction (3 MZOs) | | |
| Brampton | Apr 24, 2020 | Permits a housing development (townhouses, apartments and retirement units) along with associated commercial development |
| Vaughan ¹ | Nov 6, 2020 | Permits residential (single detached dwellings, semi-detached dwellings, apartments, townhouses), retail, office, institutional and commercial development |
| Caledon ¹ | Mar 5, 2021 | Permits development of single detached homes, townhouse blocks, a high-density mixed-use residential/commercial block, an employment/office block, and preserves open space and natural heritage system areas |
| Conmar Developments, Fenlands Vaughan, DG Group, Lorwood Holdings (2 MZOs) | | |
| Vaughan | Apr 24, 2020 | Permits construction of a Walmart distribution facility and outdoor storage |
| Toronto | Oct 22, 2020 | Permits a maximum of three buildings, one of which must be an apartment building |
| Cortel Group, Bracor Ltd, Crinklewood Development (Allegedly connected²) (2 MZOs) | | |
| Vaughan | Nov 6, 2020 | Permits residential (apartments, townhouses), retail, office, institutional and commercial development |
| Vaughan | Mar 5, 2021 | Permits a large mixed-use development on lands near the potential GO station |
| Oakleigh Developments (2 MZOs) | | |
| Oro-Medonte | Nov 1, 2019 | Permits construction of an automotive research and development facility |
| Oro-Medonte | Oct 30, 2020 | Permits developing an industrial park focused on manufacturing medical products and personal protective equipment |
| SmartCentres (2 MZOs) | | |
| Vaughan | Apr 29, 2019 | Permits relocating a Walmart for a proposed mixed-use development |
| Cambridge | Oct 30, 2020 | Permits a mixed-use development consisting of a variety of residential (townhomes, mid-rise apartments, high-rise towers, approx. 10,000 residential units), retail, office, institutional, and commercial land uses |
| WDL Consortium: Dream Unlimited, Kilmer Group, Tricon Capital (2 MZOs) | | |
| Toronto | Oct 22, 2020 | Permits two mixed-use buildings containing 661 residential rental units (198 of which are affordable) |
| Toronto | Oct 22, 2020 | Permits three mixed-use buildings containing retail space and 839 residential rental units (252 of which are affordable) |

1. As part of a consortium.

2. Based on an NDP investigation.

initiatives such as building additional long-term-care homes (nine MZOs) and affordable housing units (three MZOs).

- In 26 or 59% of cases, municipal councils requested the MZOs. In 14 of the 26 cases, our review of the letters sent by municipal councils to the Minister found that the councils made the request on behalf of the development companies who owned the lands.
- In six or 14% of cases, the development companies who owned the lands requested the Minister directly for the MZO, which were also supported by municipal council resolutions.

We also found that there are no established criteria against which the Minister assesses requests for MZOs. Therefore, we could not determine what factors the Minister considered in deciding whether to issue the MZOs, or whether the Minister assessed the merits of each MZO against the same set of factors. In particular, as discussed above in **Section 4.4.2**, we could not determine how the Minister balanced matters of provincial interest such as protecting natural areas and agricultural land with provincial priorities such as housing supply and stimulating the economy.

When we asked for a list of MZOs that were denied by the Minister, we noted there were only six denied MZO requests. In the absence of formal assessment criteria, we noted that 88% (44 out of 50) of MZO requests were approved during the period March 2019 to March 2021. The Ministry had supporting documents for only one of the six denied MZOs, which was a request from Simcoe County for a waste management infrastructure facility that had been appealed to the then-Local Planning Appeal Tribunal. The Ministry received 69 letters of concern from the public opposing the use of an MZO in an ongoing appeal case. While this MZO denial is reasonable, we noted that four of the 44 MZOs issued were for similar cases on land that had been appealed, three of which were to the seven development companies that were granted more than one MZO noted in **Figure 18** above.

We asked for all supporting documents for each of the 44 MZOs to determine whether they included sufficient information to justify issuing the MZO—for example, why the development could not be facilitated on another site that did not require an MZO, or why the development could not follow the normal planning application process.

According to the Ministry, municipalities are expected to have completed their own due diligence, including any consultations with communities and stakeholders, before requesting an MZO. The Ministry further clarified to us that it has purposefully not been prescriptive about the level of due diligence that is required because it is not a legislative requirement to issuing an MZO. The Ministry provided us with supporting documentation for all MZOs, but the level of detail in those documents varied greatly. For example, while all documents included background information and high-level analyses for the Minister's consideration, only 26 or 59% included detailed discussions of reasons for and against issuing the MZO. None of the documentations stated the final reason for issuing the MZO.

Limited Information Provided to Public about MZOs

We also noted that there is no legislative requirement for the Minister to inform the public about an MZO prior to issuing it. As a result, members of the public only become aware of an MZO after it has been issued. They may become aware of it in one three ways:

- **Regulations under the *Planning Act*:** Each MZO is issued as a regulation under the *Planning Act*. The regulations, published on the e-laws website, describe what uses will now be permitted under the MZO.
- **Bulletins (formerly called information notices) on the Environmental Registry:** The Environmental Registry is a website that provides the public with access to information about environmentally significant proposals put forward by certain provincial ministries. The Ministry posts bulletins on the Environmental Registry about each MZO, not to solicit public feedback, but to inform the public that the MZO

was issued. Similar to the MZO regulations, they describe the newly permitted uses for the lands.

- **Newspaper advertisement or news release:** The *Planning Act* requires the Minister to give notice of an MZO, in a manner the Minister considers proper, within 30 days of issuing it. In general, the Ministry gives this notice through advertisements in local newspapers and, at times, may notify the public through a news release on the Ontario Newsroom website. The newspaper advertisements and news releases inform the public that the MZO has been issued and what the new permitted uses are for the land.

Our review of publicly available information for issued MZOs found that none of these types of publications describe what uses were previously permitted on the lands. The Ministry does not identify what was lost to the development (e.g. agricultural land, parks and open space, employment use), nor does it provide the reasons why an MZO was issued.

In December 2020, the Ontario Professional Planners Institute (OPPI), which represents over 4,000 Registered Professional Planners in Ontario, wrote a letter to the Minister expressing concern that the recent increase in the Province's use of MZOs undermines public trust in the planning process. Citing the lack of transparency in public communications about the rationale for selecting one project over another for an MZO, the OPPI stated that, "public allegations of arbitrariness and favouritism will continue to be challenging issues for the government to manage."

RECOMMENDATION 10

To improve transparency and accountability for Minister's Zoning Orders (MZOs), we recommend that the Ministry of Municipal Affairs and Housing:

- establish and publicly communicate a formal application and review process, which clearly sets out the following:
 - the types of matters for which interested parties may request an MZO;

- the criteria that the Minister will use to determine whether to issue an MZO; and
- the required studies, analyses or due diligence that the requester of the MZO must submit to support its request; and
- when issuing MZOs, publicly and clearly communicate the following:
 - the parties who requested the MZO;
 - the factors that the Minister considered in deciding whether to issue the MZO; and
 - the reasons why the development cannot proceed through the normal planning application process.

MINISTRY RESPONSE

The *Planning Act* authorizes the Minister to make an MZO to regulate the use of land. MZOs form part of the land-use planning system in Ontario as established in the *Planning Act*. In partnership with municipalities, MZOs are a tool the government uses to accelerate the development of critical projects located outside of the Greenbelt, such as affordable housing, health-care facilities, and long-term-care homes. MZOs are helping to ensure that priority projects do not face unnecessary delays and barriers.

The Minister has publicly stated that he expects that municipal requests for a zoning order include a supporting Council resolution on non-provincially owned lands, which is a public document. As Council meetings are generally open to the public, this adds to public awareness of a request being made, often with supporting materials and background reports, for the Minister to consider when granting a zoning order.

The Minister has publicly stated that he expects that before a municipality requests an MZO it does its due diligence, which includes consultation in their communities, connecting with conservation authorities and engaging with potentially-affected Indigenous communities.

The Minister has publicly stated that MZO grants on non-provincially owned land are made at the request of the local municipality.

Under the *Planning Act*, the Minister is required to have regard to matters of provincial interests when exercising his authority to grant Minister's Zoning Orders.

AUDITOR GENERAL RESPONSE

The Ministry's response does not address the Recommendation. The Ministry did not agree to establish and publicly communicate a formal application and review process for MZOs.

4.4.5 MZOs Disrupt Other Planning Processes

The various stakeholders we interviewed—including subject-matter experts, municipal planners, and those involved in long-term planning for schools, hospitals and transportation—informed us that MZOs disrupt other planning processes that often require years of preparation and consultation. For example:

- Planning for municipal services:** As discussed in **Section 4.4.2**, 13 or nearly one-third of the 44 MZOs issued from March 2019 to March 2021, would permit development on lands that are outside the municipality's settlement area boundaries (see **Figure 17** for examples). These areas may not have existing or planned municipal services such as water and wastewater systems. The municipal representatives we interviewed told us that these MZOs present significant challenges, not only in land-use planning but also in fiscal planning processes because municipal services such as water and wastewater systems require significant upfront costs and must be planned prior to development. When MZOs are issued in areas where municipalities have not planned for development, municipalities must then re-evaluate their financial plans to determine how the upfront costs will be funded. Municipal representatives told us that this may require them to

re-allocate capital funding in order to put these systems in place.

- Planning for schools:** School boards undertake long-term and annual planning to determine where new schools may be needed based on 10-year enrolment projections. The Ontario Association of School Business Officials told us that when MZOs are issued for residential developments, school board officials have to quickly adapt to the new zoning, revisit their enrolment projections, and determine if and where new schools would be needed to accommodate the resulting growth.

Municipalities Often Not Informed or Consulted About MZOs

Of the 44 MZOs issued from March 2019 to March 2021, 38 were issued in municipalities with a two-tier system. Representatives from the upper-tier municipalities who we interviewed told us that although many of the MZOs are requested by lower-tier municipalities in their jurisdiction, the province often does not inform or consult upper-tier municipalities prior to issuing the MZOs. Based on our review of available documentation, there was no evidence that the upper-tier municipalities were informed or consulted about the MZO in 26 of the 38 cases. This is particularly significant given that in a two-tier system, the upper-tier municipality is the approval authority in charge of reviewing the lower-tier's official plans and amendments. In addition, as discussed in the preceding section, upper-tier municipalities are responsible for planning and delivering many of the public services that would be needed as a result of an MZO.

The province's lack of, or inconsistent consultation with municipalities is not limited to upper-tier municipalities. Planning staff from the City of Toronto, a single-tier municipality, also raised concerns about the lack of municipal consultation on MZOs during our discussion with them, and in their report to City Council dated April 8, 2021. In the report, City of Toronto planning staff recommended that the Minister consult with, engage, and reach agreement

with affected municipalities in advance of deciding to issue an MZO, with the goal of ensuring that any proposed development can be implemented at the local level and that it is compatible with the surrounding area. City of Toronto planning staff further stated that consultation with municipalities would help identify technical concerns or issues with the development proposal.

In our survey of municipal planners, respondents from five upper-tier municipalities where 30 of the 38 MZOs were issued stated that they had not been informed or consulted ahead of time about MZOs issued in their jurisdictions. They also indicated that seven MZOs had been issued for lands in their jurisdictions that had no planned municipal services.

RECOMMENDATION 11

To prevent or minimize disruption in other long-term planning processes that are impacted by Minister's Zoning Orders (MZOs), we recommend that the Ministry of Municipal Affairs and Housing incorporate and document consultation with impacted municipalities (including both upper- and lower-tier municipalities) in the MZO review process to be established in response to Recommendation 10.

MINISTRY RESPONSE

MZOs form part of the land-use planning system in Ontario as established in the *Planning Act* and are a constituent element of long-term planning processes.

The Ministry continues to consult with municipalities as part of its due diligence to inform the Minister's consideration of granting an MZO under the *Planning Act*.

AUDITOR GENERAL RESPONSE

The Ministry's response does not address the Recommendation. The Ministry did not agree to establish a formal review process for MZOs in response to Recommendation 10 and

to incorporate and document consultation with impacted municipalities with respect to the process.

4.4.6 Ministry Expands Provincial Involvement in Local Decision-Making with More Powerful MZOs

Our audit found that changes to the *Planning Act* that started in 2017 have reduced the transparency and accountability requirements for issuing MZOs.

In 2017, Bill 139, the *Building Better Communities and Conserving Watersheds Act, 2017*, removed the ability for individuals to appeal an MZO to the then Ontario Municipal Board (now the Ontario Land Tribunal). As discussed in **Section 4.4.4**, MZOs already bypass public consultation requirements. In addition, as discussed in **Section 4.4.5**, the Minister does not always consult affected stakeholders such as municipalities and conservation authorities. Therefore, removing the ability for anyone to appeal MZO decisions in Bill 139 eliminated the last remaining opportunity for stakeholders and the general public to comment on MZOs outside of judicial reviews.

The April 2021 City of Toronto report discussed in **Section 4.4.5** highlighted the importance of, and the need for, public engagement in the MZO process, stating that “public engagement not only results in more informed residents, but also can generate more support for the final decisions.” A Ministry internal document noted that the reason for this change was because “requests to amend or revoke MZOs could undermine the strength and intention of this tool,” and that “the change will increase certainty regarding the implementation of provincial matters.”

In 2020, Bill 197, the *COVID-19 Economic Recovery Act, 2020*, expanded the scope of the Minister's powers, allowing the Minister to issue “enhanced MZOs” that allow the overriding of municipal site plan control. During site plan control, the municipality examines the design and technical aspects of a proposed development to ensure it is attractive and compatible with the surrounding

area. The examination may involve features such as the design of the building, parking, access to the site, servicing, waste storage and landscaping. According to the subject-matter expert we engaged, site plan control is the one tool that municipalities have at their disposal to control the physical and aesthetic aspects of the community, a key component of liveable communities (as shown in **Figure 2**).

The April 2021 City of Toronto report raised concerns that the MZO amendment was contrary to previous provincial initiatives to delegate responsibilities to municipalities to ensure that local requirements and standards are addressed. An internal Ministry document noted that “the enhanced MZO can help to overcome potential barriers and development delays as the MZO authority, without enhancements, could be frustrated by local site plan control requirements.” At the time of our audit, three enhanced MZOs had been issued since the amendment came into effect. All three were issued on provincially-owned land in order to permit the construction of long-term-care homes.

Most recently in April 2021, Bill 257, the *Supporting Broadband and Infrastructure Expansion Act, 2021* was proclaimed. It amended the *Planning Act* to eliminate the requirement for MZOs to be consistent with the Provincial Policy Statement, and retroactively deemed MZOs to never have been required to be consistent with the Provincial Policy Statement. This amendment is contrary to the one of the purposes of the *Planning Act*, which is to provide for a land-use planning system that is led by provincial policy. The amendments were posted on the Environment Registry for 30 days for feedback from March 4 to April 3, 2021, where 550 out of 559, or 98%, of unique submissions received were not supportive of these amendments. In addition, the Ministry received 9,916 submissions opposing these changes as a result of write-in campaigns, and a separate petition against the amendments with 9,423 signatures. In its April 2021 letter to the Minister raising concerns about the proposed changes in Bill 257, the Ontario Professional Planners Institute

stated that, “the planning community relies on the [Provincial Policy Statement] as the guiding provincial policy in the public interest and considers it an ethical obligation to comply with its intent when making decisions related to land-use planning.”

Past Similar Attempt to Fast Track Development Received Significant Public Criticism

In December 2018, the province introduced *Bill 66, the Restoring Ontario’s Competitiveness Act, 2018*. Schedule 10 of the bill proposed an amendment to the *Planning Act* that would have given municipalities a new tool—called the open-for-business bylaw—that would have allowed them to exempt certain development projects from having to conform with the Provincial Policy Statement, provincial plans, municipal official plans and zoning bylaws. Similar to MZOs, these exemptions would not have been appealable to the Ontario Land Tribunal.

In February 2019, following significant public criticism about the proposed amendment, the province withdrew Schedule 10 from the bill. In the decision notice posted on the Environmental Registry, the Ministry of Economic Development, Job Creation and Trade (the Ministry that authored the bill) stated that a large number of the over 26,000 comments it received about Bill 66 identified concerns about the impact of the amendment on provincial and municipal plans and policies, minimum requirements for consultation, public health and safety, the environment and the Greenbelt.

Inadequate Public Consultation About Changes to Planning Laws

In our *2020 Report on the Operation of the Environmental Bill of Rights (EBR)*, we raised concerns about the Ministry not consulting the public through the Environmental Registry about proposed changes in Bill 197 that were environmentally significant. The Ministry is required under the EBR to notify and consult the public about changes to legislation and policies that are environmentally significant.

In our *2021 Report on the Operation of the EBR*, we noted that, on December 16, 2020—five months after Bill 197 received Royal Assent—the Ministry

consulted the public through the Environmental Registry on changes already made in Bill 197. Many commenters, including municipalities, recommended that the enhanced MZO provisions be repealed or adjusted. They cited the need for increased transparency and public consultation, and to ensure that MZOs conform to local official plans, as well as provincial plans and policies. Despite these concerns, the Ministry stated in its decision notice on March 4, 2021 that it would not make any changes to the *Planning Act* as a result of the consultation. However, on that same day, the Ministry proposed an amendment to the *Planning Act* through Bill 257 that enhanced the powers of MZOs even more.

In a decision released on September 3, 2021, the Ontario Divisional Court ruled that the Minister acted “unreasonably and unlawfully” in not consulting the public on changes to the *Planning Act* regarding MZOs. The decision was regarding a lawsuit that was filed by stakeholder groups and members of the public, alleging that the province failed to comply with the public notice and consultation requirements of the EBR on the Bill 197 amendments to the MZOs. The court agreed that the Minister should have consulted the public on these amendments because of their potentially significant environmental impact. At the time of our audit, the amendments remain as is.

RECOMMENDATION 12

So that when Minister’s Zoning Orders (MZOs) are issued they are consistent with the purposes of the *Planning Act* which recognizes the decision-making authority and accountability of municipal councils, and provides for a land-use planning system led by provincial policy, we recommend that the Ministry of Municipal Affairs and Housing:

- incorporate public consultation in the MZO review process to be established in response to Recommendation 10;
- work with municipalities when issuing enhanced MZOs so that local considerations

are sufficiently addressed in Minister overrides of site plan controls; and

- publicly communicate, for each MZO, whether the issuance of the MZO is consistent with the Provincial Policy Statement and where it is not consistent, describe why the MZO is being issued and steps taken to minimize or avoid the negative impact of issuing the MZO.

MINISTRY RESPONSE

The *Planning Act* authorizes the Minister to grant an MZO to regulate the use of land and municipalities continue to be the approval authority for any downstream approvals, including other local planning applications (e.g. plan of subdivision).

The Ministry will continue to consult with municipalities as part of its due diligence to inform the Minister’s consideration of granting an MZO under the *Planning Act*, including enhanced MZOs.

The Minister has publicly stated that he expects that before municipalities request an MZO, they do their due diligence, which includes consultation in their communities, connecting with conservation authorities and engaging with potentially affected Indigenous communities.

Under the *Planning Act*, the Minister is required to have regard to matters of provincial interests when exercising his authority to grant MZOs.

AUDITOR GENERAL RESPONSE

The Ministry’s response does not address the Recommendation.

The Ministry did not agree to establish a formal review process for MZOs in response to Recommendation 10 and to incorporate public consultation with respect to the process. The Ministry also did not agree to publicly communicate whether the issuance of the MZO is consistent with the Provincial Policy Statement and, where it is not consistent, to describe why the MZO is being issued and steps taken to minimize or avoid the negative impact of issuing the MZO.

Appendix 1: Glossary of Terms

Prepared by the Office of the Auditor General of Ontario

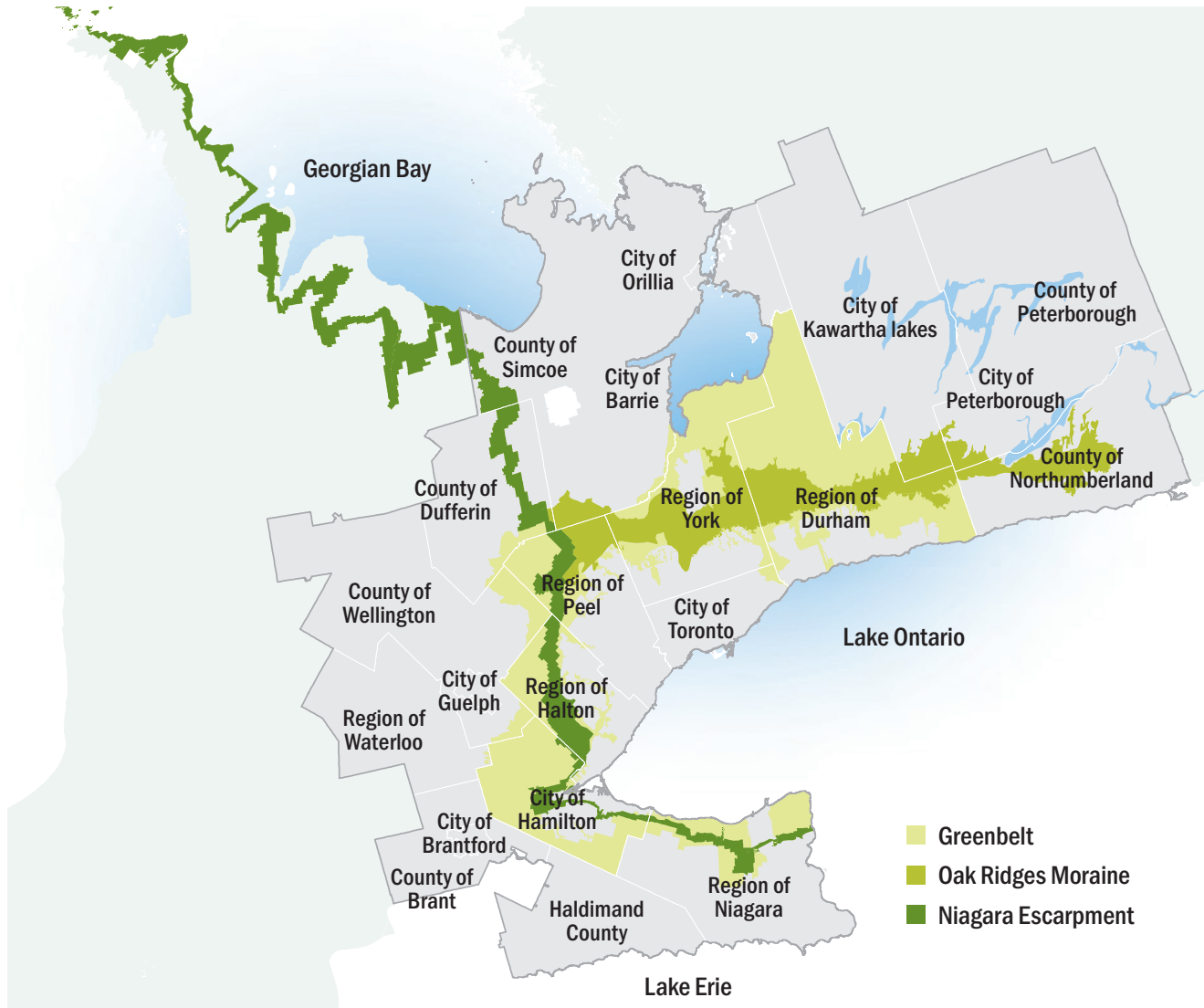
| Term | Definition |
|---|--|
| Brownfield sites | Undeveloped or previously developed properties that may be contaminated. Usually, but not exclusively, former industrial or commercial properties that may be underutilized, derelict or vacant |
| Built-up area | Refers to lands within the limits of the developed urban area as defined by the Minister through the 2006 Growth Plan |
| Complete communities | Places that offer and support opportunities for people of all ages and abilities to conveniently access most of the necessities for daily living, including an appropriate mix of jobs, local stores and services, a full range of housing, transportation options and public service facilities |
| Conservation authorities | Local watershed management agencies that deliver services and programs to protect and manage impacts on water and other natural resources while balancing human, environmental and economic needs |
| Cultural heritage landscape | Historic places that blend the built and natural environment, and provide society with insight into the events, people and activities that have shaped the area |
| Density | The number of people and/or jobs per hectare of land |
| Designated greenfield area | Lands within settlement areas (not including rural settlements) but outside the delineated built-up areas that have been designated for development and are required to accommodate forecast growth |
| Development | The creation of a new lot, a change in land-use, or the construction of buildings and structures requiring approval under the <i>Planning Act</i> |
| Development charges | Fees collected by municipalities from developers at the time a building permit is issued. They help pay for the cost of infrastructure required to provide municipal services to new development such as roads, transit, water and sewer infrastructure, community centres, and fire and police facilities |
| Development plans | Plans developed under the authority of the <i>Ontario Planning and Development Act, 1994</i> , which contain policies for the economic, social and physical development of a specific geographic area |
| Employment area | Areas designated in municipal official plans for clusters of business and economic activities including, but not limited to, manufacturing, warehousing, offices, and associated retail and ancillary facilities |
| Floodplain | The area, usually low lands, adjoining a watercourse that has been or may be subject to flooding hazards |
| Greater Golden Horseshoe (GGH) | The urban region centered around the City of Toronto that stretches north to Georgian Bay, south to Lake Erie, west to Wellington County and Waterloo Region, and east to the counties of Peterborough and Northumberland |
| Greenbelt | An area of green space including over 800,000 hectares of land, extending 325 kilometres from the eastern end of the Oak Ridges Moraine to the Niagara River. It includes areas covered by the Oak Ridges Moraine Conservation Plan and Niagara Escarpment Plan |
| Greenfields | An undeveloped area, typically on agricultural land |
| Greyfields | Previously developed properties that are not contaminated. Usually, but not exclusively, former commercial properties that may be underutilized, derelict or vacant |
| Hydrologic features or functions | Pertaining to the movement, distribution and management of water |
| Inner Ring | The geographic area consisting of the cities of Hamilton and Toronto and the Regions of Durham, Halton, Peel, and York |

| Term | Definition |
|---|--|
| Intensification | The development of a property, site or area at a higher density than currently exists |
| Lower-tier municipality | Municipalities within the geographical boundaries of a region or county (e.g., 12 lower-tier municipalities comprise Niagara Region) |
| Major transit station area | The area within an approximate 500 to 800 metre radius of a transit station, representing about a 10-minute walk |
| Minister's zoning order (MZO) | An order issued by the Minister of Municipal Affairs and Housing under section 47 of the <i>Planning Act</i> to make a ruling on how a piece of land is to be used in the province |
| Mixed use development | A type of urban development that blends residential, commercial, cultural, institutional or entertainment uses into one space |
| Municipal comprehensive review | A new official plan, or an official plan amendment, initiated by an upper-tier or single-tier municipality under the <i>Planning Act</i> that comprehensively applies the policies and schedules of A Place to Grow: Growth Plan for the Greater Golden Horseshoe |
| Municipality | Defined in Section 1 of the <i>Municipal Act, 2001</i> as a "geographic area whose inhabitants are incorporated." There are 444 municipalities in Ontario |
| Municipal plan review | The process where the municipality or planning board is responsible for making decisions on land-use planning applications |
| Natural heritage system or features | A network of interconnected natural features and areas such as wetlands, woodlands, valley lands, lakes and rivers |
| Niagara Escarpment | A cliff that stretches 725 kilometres from Queenston, New York, to the islands off Tobermory on the Bruce Peninsula in Ontario. Niagara Falls plunges over part of the escarpment. It has been recognized as a World Biosphere Reserve by the United Nations Educational, Scientific and Cultural Organization (UNESCO) due to its diverse ecosystems and unique geology |
| Oak Ridges Moraine | An environmentally sensitive geological landform in south central Ontario that stretches 160 kilometres from the Trent River to the Niagara Escarpment, covering approximately 470,000 acres. The moraine comprises rolling hills, river valleys and wetlands. It was formed 12,000 years ago by glaciers |
| Ontario Land Tribunal | An independent administrative tribunal that resolves disputes related to land-use planning applications and planning documents such as official plans |
| Outer Ring | The geographic area consisting of the cities of Barrie, Brantford, Guelph, Kawartha Lakes, Orillia, and Peterborough; the Counties of Brant, Dufferin, Haldimand, Northumberland, Peterborough, Simcoe, and Wellington; and the Regions of Niagara and Waterloo |
| Provincial Policy Statement (PPS) | Issued under Section 3(1) of the <i>Planning Act</i> , it provides policy direction on matters of provincial interest related to land-use planning and development |
| Provincially Significant Wetland (PSW) | Wetlands designated by the Ministry of Northern Development, Mines, Natural Resources and Forestry as being particularly valuable, based on their internal evaluation system. The Provincial Policy Statement generally prohibits development on Provincially Significant Wetlands, unless no negative impacts can be demonstrated |
| Provincial plans | Provide policy direction to address specific needs or objectives in geographies where they apply, such as environmental, growth management and economic issues. Provincial plans build upon the policy foundation provided by the Provincial Policy Statement |
| Settlement areas | Urban areas and rural settlements within municipalities that are: a) built-up areas where development is concentrated and that have a mix of land uses; and b) lands that have been designated in an official plan for development over the long-term |

| Term | Definition |
|---------------------------------|--|
| Single-tier municipality | A municipality that comprises one level of government that is responsible for delivering all services within their geographical boundaries |
| Smart growth | An urban planning principle that focuses growth in compact, walkable urban centres to avoid sprawl |
| Sprawl (or urban sprawl) | Generally unplanned, scattered development characterized by low density, haphazard, and disorganized settlement patterns and by being inefficient to service |
| Unincorporated territory | Also referred to as an unorganized community, area or territory. A geographic region, usually in the northern part of Ontario, that does not form part of a municipality or Indigenous reserve |
| Upper-tier municipality | Regional governments in urban areas and counties in rural areas, that deliver services to its lower-tier municipalities (e.g., Niagara Region) |
| Urban growth centres | Existing or emerging downtown areas identified in Schedule 4 of the Growth Plan |
| Wetlands | Lands that are seasonally or permanently covered by shallow water, as well as lands where the water table is close to or at the surface |
| Whitebelt | Lands between the outer edge of the approved urban settlement areas surrounding the Greater Toronto and Hamilton Area and the Greenbelt Plan area. These lands are currently undeveloped, but are not protected from urban development in the future |
| Woodlands | Forested areas that provide environmental and economic benefits, such as erosion prevention, to both the landowner and the general public |

Appendix 2: Map of the Greater Golden Horseshoe

Source: Ministry of Municipal Affairs and Housing



Note: See Appendix 1 for descriptions of the Greenbelt, Oak Ridges Moraine, and the Niagara Escarpment.

Appendix 3: Municipalities in the Greater Golden Horseshoe

Prepared by the Office of the Auditor General of Ontario

| Municipality | Population ¹ | | Area (sq. kms) | | Population Density (Population/ sq. kms) |
|--|-------------------------|------------|----------------|------------|--|
| | # | % of Total | # | % of Total | |
| Single-tier municipalities² | | | | | |
| City of Barrie | 141,434 | 2 | 99 | <1 | 1,429 |
| City of Brantford | 97,496 | 1 | 72 | <1 | 1,354 |
| City of Guelph | 131,794 | 1 | 87 | <1 | 1,515 |
| City of Hamilton | 536,917 | 6 | 1,117 | 4 | 481 |
| City of Kawartha Lakes | 75,423 | 1 | 3,084 | 10 | 24 |
| City of Orillia | 31,166 | <1 | 29 | <1 | 1,075 |
| City of Peterborough | 81,032 | 1 | 64 | <1 | 1,266 |
| City of Toronto | 2,731,571 | 30 | 630 | 2 | 4,336 |
| County of Brant | 36,707 | <1 | 843 | 3 | 44 |
| Haldimand County | 45,608 | <1 | 1,252 | 4 | 36 |
| Two-tier municipalities³ | | | | | |
| County of Dufferin , including eight lower-tier municipalities: Amaranth, East Garafraxa, Grand Valley, Orangeville, Melancthon, Mono, Mulmur, Shelburne | 61,735 | 1 | 1,486 | 5 | 42 |
| County of Northumberland , including seven lower-tier municipalities: Alnwick-Haldimand, Brighton, Cobourg, Cramahe, Port Hope, Township of Hamilton, Trent Hills | 85,598 | 1 | 1,905 | 6 | 45 |
| County of Peterborough , including eight lower-tier municipalities: Asphodel-Norwood, Cavan Monaghan, Douro-Dummer, Havelock-Belmont-Methuen, North Kawartha, Otonabee-South Monaghan, Selwyn, Trent Lakes | 57,204 | 1 | 3,784 | 12 | 15 |
| County of Simcoe , including 16 lower-tier municipalities: Adjala-Tosorontio, Bradford West Gwillimbury, Clearview, Collingwood, Essa, Innisfil, Midland, New Tecumseth, Oro-Medonte, Penetanguishene, Ramara, Severn, Springwater, Tay, Tiny, Wasaga Beach | 307,050 | 3 | 4,732 | 15 | 65 |
| County of Wellington , including seven lower-tier municipalities: Centre Wellington, Erin, Guelph-Eramosa, Mapleton, Minto, Puslinch, Wellington North | 90,932 | 1 | 2,574 | 8 | 35 |
| Regional Municipality of Durham , including eight lower-tier municipalities: Ajax, Brock, Clarington, Oshawa, Pickering, Scugog, Uxbridge, Whitby | 645,862 | 7 | 2,524 | 8 | 256 |

| Municipality | Population ¹ | | Area (sq. kms) | | Population Density (Population/ sq. kms) |
|---|-------------------------|------------|----------------|------------|--|
| | # | % of Total | # | % of Total | |
| Regional Municipality of Halton , including four lower-tier municipalities: Burlington, Halton Hills, Milton, Oakville | 548,435 | 6 | 964 | 3 | 569 |
| Regional Municipality of Niagara , including 12 lower-tier municipalities: Fort Erie, Grimsby, Lincoln, Niagara Falls, Niagara-on-the-Lake, Pelham, Port Colborne, St. Catharines, Thorold, Wainfleet, Welland, West Lincoln | 447,888 | 5 | 1,854 | 6 | 242 |
| Regional Municipality of Peel , including three lower-tier municipalities: Brampton, Caledon, Mississauga | 1,381,739 | 15 | 1,247 | 4 | 1,108 |
| Regional Municipality of Waterloo , including seven lower-tier municipalities: Cambridge, Kitchener, North Dumfries, Waterloo, Wellesley, Wilmot, Woolwich | 535,154 | 6 | 1,369 | 4 | 391 |
| Regional Municipality of York , including nine lower-tier municipalities: Aurora, East Gwillimbury, Georgina, King, Markham, Newmarket, Richmond Hill, Vaughan, Whitchurch-Stouffville | 1,109,909 | 12 | 1,762 | 6 | 630 |
| Total | 9,180,654 | 100 | 31,478 | 100 | 292 |

1. Based on Statistics Canada's 2016 Census of Population.

2. Single-tier municipalities comprise one level of government that is responsible for delivering all services within their geographical boundaries.

3. Two-tier municipalities comprise two levels of government—the upper-tier and lower-tier municipality—each responsible for delivering certain services. The division of responsibilities varies. Upper-tier municipalities are generally responsible for region-wide land-use planning, sewer and water systems, transit, waste management, and social, public health, housing and policing services. Lower-tier municipalities are generally responsible for providing certain local services that are not provided by the upper-tier municipality such as library services, recreation services, street maintenance, and parking enforcement.

Appendix 4: Key Elements of Provincial Policy Statement, 2020

Prepared by the Office of the Auditor General of Ontario

Section 1. Building Strong Healthy Communities

1.1 Managing and directing land use to achieve efficient and resilient development and land use patterns: Settlement areas shall be the focus of growth and development. Planning authorities shall establish minimum targets for intensification within built-up area. New development in growth areas should occur next to existing built-up areas, and should have a compact form and mix of uses and densities that allow for efficient use of land.

1.2 Co-ordination: A co-ordinated, integrated and comprehensive approach should be used when dealing with planning matters within municipalities, across lower, single and/or upper-tier municipal boundaries, and with other orders of government, agencies and boards including: managing growth and development that is integrated with infrastructure planning; managing natural heritage, water, agricultural, mineral, and cultural heritage and archaeological resources; and population, housing and employment projections, based on regional market areas.

1.3 Employment: Planning authorities shall protect and preserve employment areas for current and future uses, and ensure that the necessary infrastructure is provided to support current and projected needs.

1.4 Housing: Planning authorities shall maintain the ability to accommodate residential growth for at least 15 years through residential intensification, redevelopment and designated greenfield lands. Where new development is to occur, planning authorities shall also maintain land with servicing capacity sufficient to provide at least a three-year supply of residential units with the ability for upper and single-tier municipalities to set a higher five-year supply target.

1.5 Public spaces, recreation, parks, trails and open space: Healthy, active communities should be promoted by planning and providing for a full range and equitable distribution of publicly-accessible built and natural settings for recreation, including facilities, parklands, public spaces, open space areas, and trails and linkages; and minimizing negative impacts on provincial parks, conservation reserves, and other protected areas.

1.6 Infrastructure and public service facilities: Planning authorities should promote green infrastructure to complement infrastructure. Transportation systems should be provided which are safe, energy efficient, facilitate the movement of people and goods, and are appropriate to address projected needs.

1.7 Long-term economic prosperity: Long-term economic prosperity should be supported by providing necessary housing supply and range of housing options for a diverse workforce.

1.8 Energy conservation, air quality and climate change: Planning authorities shall focus major development, commercial and other travel-intensive land uses on sites that are well served by transit, or designing these to facilitate transit establishment in the future, and promote design and orientation that maximizes energy efficiency and conservation, and considers the mitigating effects of vegetation and green infrastructure, and maximize vegetation within settlement areas.

Section 2. Wise Use and Management of Resources

2.1 Natural heritage: Development and site alteration shall not be permitted in certain significant wetlands and coastal wetlands, unless it has been demonstrated that there will be no negative impacts on the natural features or their ecological functions.

2.2 Water: Planning authorities shall protect, improve or restore the quality and quantity of water by planning for efficient and sustainable use of water resources, minimizing potential negative impacts to watersheds, and by implementing necessary restrictions on development and site alteration to protect all municipal drinking water supplies and designated vulnerable areas.

2.3 Agriculture: Prime agricultural areas shall be protected for long-term use for agriculture. In prime agricultural areas, permitted uses and activities are agricultural uses, agriculture-related uses and on-farm diversified uses.

2.4 Minerals and petroleum: Mineral mining operations and petroleum resource operations shall be protected from activities that would preclude or hinder their expansion or continued use, or which would be incompatible for reasons of public health, public safety or environmental impact. Rehabilitation to accommodate subsequent land uses shall be required after extraction and other related activities have ceased.

2.5 Mineral aggregate resources: Extraction shall be undertaken in a manner which minimizes social, economic and environmental impacts. Progressive and final rehabilitation shall be required to accommodate subsequent land uses and to mitigate negative impacts to the extent possible.

2.6 Cultural heritage and archaeology: Development shall not be permitted on lands containing archaeological resources or archaeological potential, and on lands adjacent to protected heritage property except where it has been demonstrated that the heritage attributes will be conserved.

Section 3. Protecting Public Health and Safety

3.1 Natural hazards: Development shall generally be directed to areas outside of hazardous lands adjacent to the shorelines of the Great Lakes-St. Lawrence River System, and those adjacent to water bodies that are impacted by flooding and erosion. Development shall generally be directed to areas outside of forests that may be impacted by wildland fire. Development may be permitted in these areas where the risk is mitigated.

3.2 Human-made hazards: Development on, abutting or adjacent to lands affected by mine hazards; oil, gas and salt hazards; or former mineral mining operations, mineral aggregate operations or petroleum resource operations may be permitted only if measures to address and mitigate known or suspected hazards are under way or have been completed. Sites with contaminants in land or water shall be assessed and remediated as necessary prior to any activity on the site.

Appendix 5: Key Policies and Targets in the Growth Plan for the Greater Golden Horseshoe

Prepared by the Office of the Auditor General of Ontario

Allocation of forecast growth¹

- The vast majority of growth will be directed to settlement areas that are within the developed urban boundaries, have existing or planned municipal water and wastewater systems, and can support the achievement of complete communities. The establishment of new settlement areas is prohibited.
- Growth will be limited in settlement areas that are rural settlements, are not serviced by existing or planned municipal water and wastewater systems, or are in the Greenbelt Area.
- Within settlement areas, growth will be focused in developed urban areas, strategic growth areas, locations with existing or planned transit, and areas with existing or planned public service facilities.
- Development will be generally directed away from hazardous lands.

| Year of Growth Plan target was set or amended ² | 2006 | 2017 | 2019 |
|--|------|---|------|
| Intensification targets | | | |
| Percentage of all annual residential development within the delineated built-up area | | | |
| Municipalities in Group 1 ³ | 40% | 50%, 60% by 2031 | 50% |
| Municipalities in Group 2 ⁴ | | Maintain or improve on previous target | |
| Density targets for urban growth centres (or downtown areas) | | | |
| Number of residents and jobs per hectare | | | |
| Urban growth centres in the City of Toronto | 400 | 400 | 400 |
| Downtown areas in Brampton, Burlington, Hamilton, Milton, Markham, Mississauga, Newmarket, Oakville, Oshawa, Pickering, Richmond Hill, Vaughan, Kitchener and Waterloo | 200 | 200 | 200 |
| Downtown areas in Barrie, Brantford, Cambridge, Guelph, Peterborough and St. Catharines | 150 | 150 | 150 |
| Density targets for major transit station areas⁵ | | | |
| Number of residents and jobs per hectare in major transit station areas served by | | | |
| Subways | n/a | 200 | 200 |
| Light rail transit or bus rapid transit | n/a | 160 | 160 |
| GO Transit rail station | n/a | 150 | 150 |
| Density targets for designated greenfield areas⁶ | | | |
| Number of residents and jobs per hectare | | | |
| Municipalities in Group 1 ³ | 50 | 60-80 | 50 |
| Municipalities in Group 2 ⁴ | 50 | 80 | 40 |

1. The province has allocated the total forecasted growth in the region to each of the 21 single- and upper-tier municipalities in the GGH.

2. The Growth Plan for the Greater Golden Horseshoe was first developed in 2006, and has been amended five times, most recently in 2020, under the authority of the *Places to Grow Act, 2005*. Targets were established originally in 2006, then amended in 2017 and 2019.

3. Group 1 includes the Cities of Barrie, Brantford, Guelph, Hamilton, Orillia and Peterborough, and the Regions of Durham, Halton, Niagara, Peel, Waterloo and York.

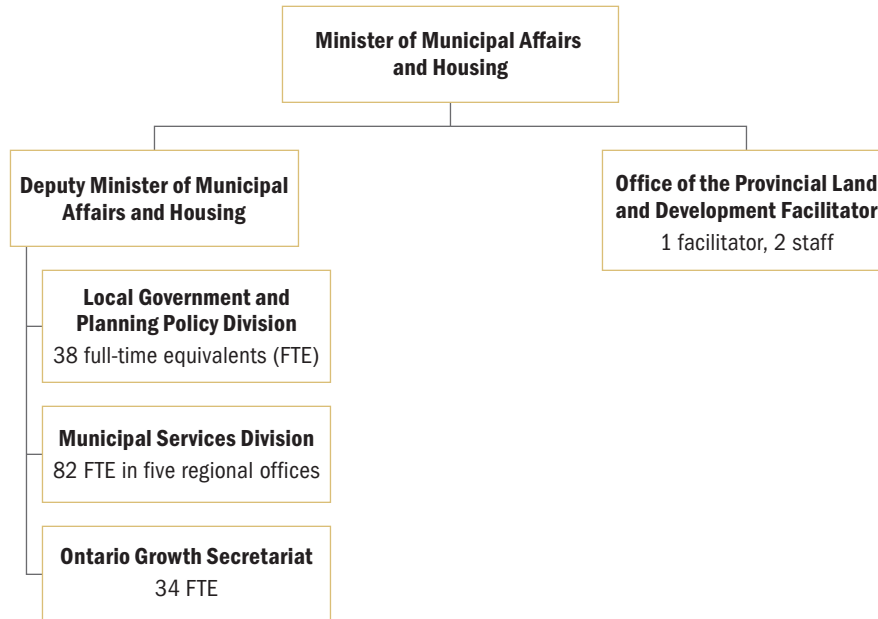
4. Group 2 includes the City of Kawartha Lakes and the Counties of Brant, Dufferin, Haldimand, Northumberland, Peterborough, Simcoe and Wellington.

5. Defined as the area within an approximate 500 to 800 metre radius of a transit station, representing about a 10-minute walk, as delineated by the municipality. The density target is only applicable to LRT/BRT and GO Transit Rail stations on Priority Transit Corridors as identified in Schedule 5 of the Growth Plan.

6. The 2017 Growth Plan stated that newly designated greenfield areas in Peel, Halton, York, Durham and Hamilton, designated after July 1, 2017, were required to be planned to achieve 80 residents and jobs per hectare. Existing designated greenfield areas were required to be planned to achieve a minimum of 60 residents and jobs per hectare.

Appendix 6: Ministry of Municipal Affairs and Housing Divisions Involved in Greater Golden Horseshoe Land-Use Planning*

Prepared by the Office of the Auditor General of Ontario



| | |
|--|---|
| Office of the Provincial Land and Development Facilitator | <ul style="list-style-type: none"> The Facilitator is appointed by the Minister to act as mediator between the province, municipalities, developers, and other parties to resolve land-use planning disputes The Minister directs the work of the Provincial Land and Development Facilitator (PLDF), but the Deputy Minister has been delegated the responsibility for overseeing the budget of the Office of the PLDF on behalf of the Minister |
| Local Government and Planning Policy Division | <ul style="list-style-type: none"> Develops and monitors land-use legislation and policies Researches and analyzes land-use planning issues Responsible for major strategic initiatives such as for the Greater Golden Horseshoe and Greenbelt protection |
| Municipal Services Division | <ul style="list-style-type: none"> Acts as first point of contact for municipal staff Provides guidance and communicates key government priorities to municipal staff Collects and analyzes information about the municipal sector to support decision-making Administers the One Window Protocol for provincial input, review, decision-making and appeal of planning applications |
| Ontario Growth Secretariat | <ul style="list-style-type: none"> Responsible for policy development, producing supplementary material for, and monitoring the Greater Golden Horseshoe, including establishing population and employment growth forecasts Provides technical expertise and advice to support the municipal implementation of the Growth Plan for the Greater Golden Horseshoe |

* As of August 2021.

Appendix 7: Other Provincial Ministries' Land-Use Interests and Responsibilities

Source of data: Ministry of Municipal Affairs and Housing

| Ministry | Area of interest in commenting role and other responsibilities |
|---|--|
| Agriculture, Food and Rural Affairs | <ul style="list-style-type: none"> • Focus of review is protecting prime agricultural lands, specialty crop areas, and rural lands. • Comments on municipal official plans and zoning bylaws where agriculture is a permitted use to ensure policies address permissions for all types, sizes and intensities of agricultural uses and practices. • Other responsibilities include: <ul style="list-style-type: none"> - providing data, training and tools for land-use planning topics such as permitted uses, identifying prime agricultural areas and Minimum Distance Separation setbacks; and - identifying prime agricultural areas, which must be protected and designated for long-term agricultural use under the Provincial Policy Statement and provincial plans. |
| Economic Development, Job Creation and Trade | <ul style="list-style-type: none"> • Focus of review are policies that support local economic development, promote investment readiness by facilitating industrial development, designating employment areas that allow for large-scale industrial development. • Other responsibilities include administering the Job Site Challenge, a new land development tool designed to increase Ontario's economic competitiveness by identifying large parcels of shovel-ready industrial lands across the province. |
| Energy, Northern Development and Mines¹ | <ul style="list-style-type: none"> • Comments on planning applications that have the potential to put people or property at risk from mine hazards, or to restrict mineral exploration and mining activities. • Comments on any submission within one kilometre of a mineral deposit or abandoned mine, or any current mining claim. |
| Environment, Conservation and Parks | <ul style="list-style-type: none"> • Focus of review is protecting the quality of the province's air, water and land. • Comments on policies that restrict the location of renewable and/or alternative energy facilities, as well as those that support energy conservation and efficiency, improved air quality, reduced greenhouse gas emissions, and climate change adaptation. • Review needs assessments as required under the Provincial Policy Statement, 2020 to assess whether alternate preferred locations exist in the municipality for that proposed land use. • Propose guidelines to reduce land use compatibility issues resulting from new development proposals under the <i>Planning Act</i> that involve sensitive land uses in proximity to major facilities. • Other responsibilities include: <ul style="list-style-type: none"> - administering the <i>Lake Simcoe Protection Act, 2008</i> and the Lake Simcoe Protection Plan; - issuing environmental approvals for activity that emit emissions and dischargers relate to air, noise, waste and sewage; - issuing approvals under the <i>Endangered Species Act, 2007</i>; - creating and managing provincial parks and conservation reserves; and - developing guidelines to reduce land-use compatibility issues resulting from new development proposals under the <i>Planning Act</i> that involve sensitive land uses in proximity to major facilities like landfills, sewage treatment plants and factories. |
| Health and Long-Term Care² | <ul style="list-style-type: none"> • Focus of review is encouraging regional-scale planning of health service facilities. • Comments on applications where land adjacent to or containing a health service facility may be altered to ensure that the proposed plans or amendments do not undermine the ability of existing and planned health service facilities to meet the health service demands of current and future populations. |
| Heritage, Sport, Tourism and Culture Industries | <ul style="list-style-type: none"> • Comments on applications that include or have the possibility of impacting areas of archaeological potential, built heritage properties, heritage conservation districts, and/or cultural heritage landscapes. • Reviews archaeological assessment reports when deciding whether or not concerns for archaeological sites have been addressed by a development proponent. |

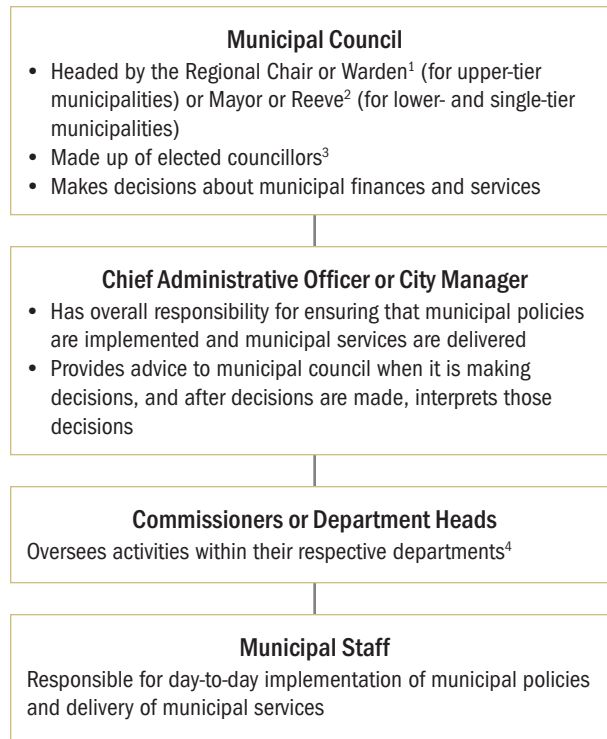
| Ministry | Area of interest in commenting role and other responsibilities |
|---|---|
| Infrastructure | <ul style="list-style-type: none"> • Comments on applications that require asset management planning, co-ordinated planning for infrastructure or community hubs. • Other responsibility include working with federal and municipal governments on various infrastructure programs, including the Investing in Canada Infrastructure Program. |
| Natural Resources and Forestry¹ | <ul style="list-style-type: none"> • Focus of reviews is protection and management of forest, fish and wildlife resources, biodiversity conservation, protection and management of mineral aggregate resources, and protection of people, property and communities from forest fires and natural hazards. • Other responsibilities include: <ul style="list-style-type: none"> - identifying Provincially Significant Wetlands; and - administering the <i>Niagara Escarpment Planning and Development Act</i> and the Niagara Escarpment Plan through the Niagara Escarpment Commission. |
| Transportation | <ul style="list-style-type: none"> • Reviews planning applications involving lands within and adjacent to provincial transportation corridors for potential future highway, rail and transit infrastructure needs. • Focus of review is highway corridor management such as the impact of a proposed development on the existing transportation network infrastructure, including stormwater management. • Reviews planning applications on behalf of Metrolinx for any impact to GO Transit, mobility hub areas, or any existing or planned transportation projects. • Other responsibility includes long-term transportation planning for the Greater Golden Horseshoe. |

1. In June 2021, Northern Development and Mines merged with Natural Resources and Forestry to become the Ministry of Northern Development, Mines, Natural Resources and Forestry. Energy became a separate ministry.

2. In June 2019, Health and Long-Term Care was split into two separate ministries.

Appendix 8: General Municipal Structure

Prepared by the Office of the Auditor General of Ontario



1. The head of regional council is called a Regional Chair. The head of a county council is called a Warden.
2. In some municipalities, the head of a lower- or single-tier municipality is called the Reeve.
3. Municipal councillors may be elected at large or by ward. Where councillors are elected at large, all councillors represent the entire municipality. Other municipalities are divided into wards, and each ward may have one or more representatives on council. In some parts of Ontario, the members of municipal council are called aldermen.
4. Municipalities may have Chief Planners or Planning Commissioners who are responsible for developing and implementing local land-use planning policies.

Appendix 9: Audit Criteria

Prepared by the Office of the Auditor General of Ontario

-
1. Effective systems and processes are in place to direct land-use planning in a manner that balances the province's need to accommodate a growing population and facilitate economic growth with its needs to protect the environment.
-
2. Roles, responsibilities and accountability requirements for land-use planning are clearly defined to achieve legislative, policy and provincial plan objectives.
-
3. Timely, accurate and complete information—including financial, demographic, ecological and geological data—is regularly collected, analyzed and used to inform land-use planning decisions.
-
4. Effective oversight processes are in place to ensure that land-use decisions comply with legislative, policy and plan requirements, to identify systemic issues, and facilitate corrective action.
-
5. Meaningful performance measures and targets are established, monitored and compared against actual results, and publicly reported to ensure that intended outcomes are achieved and corrective actions are taken on a timely basis when issues are identified.
-

Appendix 10: Timeline of Key Land-Use Planning Changes in Ontario, 2006–2021

Source of data: Ministry of Municipal Affairs and Housing

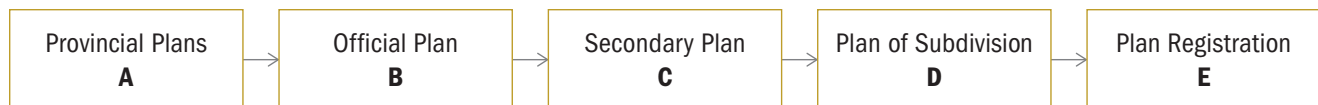
| Date | Event | Legislation/Policies/ Plans Affected |
|-----------------|--|--|
| Jun 2006 | Ministry of Public Infrastructure Renewal releases Growth Plan for the Greater Golden Horseshoe, 2006 (2006 Growth Plan) outlining the vision and policies for land-use planning in the GGH up to 2031. The new Plan also took effect in June 2006. | Growth Plan for the Greater Golden Horseshoe (Growth Plan) |
| Mar 2010 | Province begins review of Provincial Policy Statement. | Provincial Policy Statement |
| Jun 2012 | Province amends Growth Plan to designate additional land in Simcoe County for employment purposes. | Growth Plan |
| Jun 2013 | Province amends Growth Plan to extend planning horizon and population and employment forecasts from 2031 to 2041. | Growth Plan |
| Apr 2014 | Updated Provincial Policy Statement comes into effect. Key changes include consideration of climate change impacts, identification of natural heritage systems, support for public transit and walking/cycling. | Provincial Policy Statement |
| Feb 2015 | Province initiates Co-ordinated Land Use Planning Review of the four provincial land-use plans in the Greater Golden Horseshoe. David Crombie is appointed as Chair of an advisory panel to develop recommendations. | <ul style="list-style-type: none"> • Greenbelt Plan • Growth Plan • Niagara Escarpment Plan • Oak Ridges Moraine Conservation Plan |
| Dec 2015 | Province passes Bill 73, <i>Smart Growth for Our Communities Act, 2015</i> . Significant changes include extending review cycle for the Provincial Policy Statement from five to 10 years, and requirements for municipalities to submit official plan amendments to the Ministry before public consultation. | <i>Planning Act</i> |
| | <p>Advisory panel releases its report <i>Planning for Health, Prosperity and Growth</i> containing 87 recommendations to improve the effectiveness of the four provincial plans in the Greater Golden Horseshoe, including:</p> <ul style="list-style-type: none"> • directing more new development to existing urban areas through intensification; • implementing stronger criteria to limit the loss and fragmentation of prime agricultural lands, particularly in the outer-ring municipalities beyond the Greenbelt; • improving the mapping, identification, protection and enhancement of natural heritage systems; and • greater integration of infrastructure planning with land-use planning; • applying more aggressive intensification and density targets to achieve compact, low-carbon communities. | <ul style="list-style-type: none"> • Greenbelt Plan • Growth Plan • Niagara Escarpment Plan • Oak Ridges Moraine Conservation Plan |
| Dec 2016 | Province passes Bill 7, <i>Promoting Affordable Housing Act, 2016</i> . Significant changes include introducing inclusionary zoning (see Figure 7 for definition) as a new planning tool for municipalities and dictating that only the Minister can appeal official plans and zoning bylaws authorizing second units to the Ontario Municipal Board. | <i>Planning Act</i> |

| Date | Event | Legislation/Policies/ Plans Affected |
|----------|---|--|
| Jul 2017 | Co-ordinated Land Use Planning Review ends. The 2017 Growth Plan comes into effect as well as updated provincial plans. Significant changes include higher growth plan targets (density and intensification) and additional Greenbelt protections. | <ul style="list-style-type: none"> • Greenbelt Plan • Growth Plan • Niagara Escarpment Plan • Oak Ridges Moraine Conservation Plan |
| Dec 2017 | Province passes Bill 139, <i>Building Better Communities and Conserving Watersheds Act, 2017</i> , replacing the Ontario Municipal Board with the Local Planning Appeals Tribunal, which places more authority in the hands of municipal councils. Bill 139 also prevents an appeal of Minister's Zoning Orders to the Local Planning Appeals Tribunal. | <ul style="list-style-type: none"> • <i>Planning Act</i> • <i>Conservation Authorities Act</i> • <i>Local Planning Appeal Tribunal Act</i> |
| May 2019 | A Place to Grow: Growth Plan for the Greater Golden Horseshoe, 2019 takes effect and replaces the 2017 Growth Plan. Significant changes include reduced density and intensification targets, and greater municipal flexibility to expand urban boundaries. | Growth Plan |
| Jun 2019 | Province passes Bill 108, <i>More Homes, More Choice Act, 2019</i> . Significant changes are made to municipal planning process and the Local Planning Appeals Tribunal to facilitate faster decisions and to reduce planning delays. | <i>Planning Act</i> |
| May 2020 | Revised Provincial Policy Statement (PPS, 2020) takes effect. Changes support province's goal of increased housing supply. Greater focus on market demand to drive development. Concerns from environmental groups regarding reduced protection of natural areas, and increased risk of urban sprawl. | Provincial Policy Statement |
| Jul 2020 | Province passes Bill 197, <i>COVID-19 Economic Recovery Act, 2020</i> , which gives the Minister of Municipal Affairs and Housing additional authority when issuing Minister's Zoning Orders outside the Greenbelt. These orders allow the Minister to implement inclusionary zoning requirements and override municipal requirements to have site plan designs be reviewed. | <i>Planning Act</i> |
| Aug 2020 | Province amends the Growth Plan for the Greater Golden Horseshoe to extend the planning horizon from 2041 to 2051. It also permits an upper- or single-tier municipality to establish a higher forecast than the new 2051 forecasts to be used as their growth forecast, and introduces a new methodology for budgeting how much land is needed to accommodate growth. The deadline for municipalities to conform remains the same—July 2022. | Growth Plan |
| Dec 2020 | Province passes Bill 229, <i>Protect, Support and Recover from COVID-19 Act, 2020</i> , which changes the role of conservation authorities in the planning process. Some changes include limiting conservation authorities' ability to appeal municipal council decisions, and giving the Minister Northern Development, Mines, Natural Resources and Forestry the ability to issue permits on behalf of the conservation authority. | <i>Conservation Authorities Act</i> |
| Apr 2021 | Province passes Bill 257, <i>Supporting Broadband and Infrastructure Expansion Act, 2021</i> , which provides that Minister's Zoning Orders are not required and are deemed to never have been required to be consistent with the Provincial Policy Statement. | <i>Planning Act</i> |

Appendix 11: Other Provincial Planning Processes Relevant to Land-Use Planning

Prepared by the Office of the Auditor General of Ontario

| Transportation | Hospitals | Education |
|---|---|--|
| <p>1. Ministry of Transportation prepares long-term transportation plan Planning horizon for Transportation Plan for Greater Golden Horseshoe is currently up to 2051</p> <p style="text-align: center;">A, B</p> | <p>Each hospital prepares a Master Plan that identifies where hospitals may be needed in the next 10 to 30 years based on forecasted demand</p> | <p>Each school board prepares a Capital Planning Report that identifies where schools may be needed based on 10-year enrolment projections</p> <p style="text-align: center;">B</p> |
| <p>2. Ministry of Transportation conducts an environmental assessment for individual transportation or transit projects</p> | <p>Hospital seeks approval from Ontario Health to begin early planning and obtain planning grant for new or expansion to existing hospital</p> | <p>School board identifies potential sites for new school</p> <p style="text-align: center;">C, D</p> |
| <p>3. Ministry of Transportation obtains other necessary approvals for the project (e.g., environmental approvals)</p> | <p>Hospital conducts detailed planning and finalizes building requirements</p> <p style="text-align: center;">B</p> | <p>School board designs new school design and site plan approval</p> |
| <p>4. Construction begins on highway or transit project</p> <p style="text-align: center;">E</p> | <p>Hospital obtains other necessary approvals for the project (e.g., building permits)</p> | <p>School board obtains other necessary approvals for project (e.g., building permit)</p> |
| <p>5.</p> | <p>Construction begins on new hospital</p> <p style="text-align: center;">E</p> | <p>Construction begins on new school site</p> <p style="text-align: center;">E</p> |



Appendix 12: Minister's Zoning Orders, March 2019 – March 2021

Source of data: Ministry of Municipal Affairs and Housing

| # | In-force date | Municipality | Requestor | Developer/ Key Parties | Description |
|---|---------------|---|-------------------------------------|---|---|
| MZOs issued on lands that were previously zoned for agricultural use and/or natural heritage protection (18) | | | | | |
| 1. | Mar 19, 2019 | Oro-Medonte, Simcoe County ¹ | Municipality | Burl's Creek Event Grounds Inc. | To temporarily extend event grounds on a site originally designated as agricultural land to wait for a decision from the Ontario Land Tribunal. This MZO was auto-revoked on Dec 30, 2019. |
| 2. | Jul 30, 2019 | Innisfil, Simcoe County ² | Municipality on behalf of developer | Simcoe County Christian Senior Home Inc. | To build a seven-building facility comprising 388 retirement units and 212 beds for long-term care. The site is outside the Town's settlement area and was zoned as greenlands and agriculture. Township staff report recommended against the proposal, asking why the development could not be within the settlement area. Ministry staff recommended to Minister to not issue the MZO, and noted that issuing the MZO would set a precedent. |
| 3. | Oct 15, 2019 | Clarington, Durham Region ² | Municipality | Durham Christian Homes Society Inc. | To build a 224-bed capacity long-term-care home. The request letter cited precedent set in previous Innisfil long-term care MZO. The site is outside the settlement area and was zoned as agricultural use. |
| 4. | Nov 1, 2019 | Oro-Medonte, Simcoe County ² | Municipality on behalf of developer | Oakleigh Developments | To permit constructing an automotive research and development facility. The site is outside the Town's settlement area and was designated as agricultural land. Ministry staff noted that the proponent has not completed studies to demonstrate provincial interest and recommended to Minister to issue the MZO with a future in-force date. |
| 5. | Apr 24, 2020 | Vaughan, York Region ¹ | Municipality on behalf of developer | Conmar Developments Inc., Fenlands Vaughan Inc., DG Group and Lorwood Holdings Inc. | To permit constructing a Walmart distribution facility and outdoor storage. Request letter stated that the development would create 2000 jobs. The site is on parts of a provincially significant wetland and was zoned and used for agricultural uses. Ministry documents noted that the MZO would be precedent setting and would result in future developments of PSWs. |
| 6. | Apr 24, 2020 | Markham, York Region ^{1,2} | Developer | FLATO Developments | To facilitate a housing development of six mid-rise apartment buildings ranging from four to six storeys (360 units) and 147 townhouse dwellings (507 units total), with associated commercial development. The site is outside settlement areas and was designated for agricultural use. |
| 7. | Jul 8, 2020 | Stratford ² | Municipality | Xinyi | To permit a glass factory that will lead to 374 jobs on agricultural land outside of settlement areas . The Ministry of Municipal Affairs and Housing and the Ministry of Economic Development, Job Creation and Trade have been working with the proponent since 2017 to provide funding and find a suitable site for the glass factory. Mayor asked for MZO numerous times before it was granted. Ministry staff recommended to Minister to issue the MZO. This MZO was revoked Jul 2, 2021. |
| 8. | Jul 10, 2020 | Caledon, Peel Region ² | Municipality | Mayfield West Phase 2 Landowners Group | To implement a proposed mixed-use development intended to bring 7,500 persons and jobs to Caledon. The site is outside settlement areas and was zoned for agricultural use. The original request included lands located in the Greenbelt, which the MZO later removed. |

| # | In-force date | Municipality | Requestor | Developer/ Key Parties | Description |
|-----|---------------|--|-------------------------------------|--|---|
| 9. | Oct 30, 2020 | Pickering, Durham Region ¹ | Municipality on behalf of developer | Triple Group | To permit the establishment of a mixed-use tourism and entertainment destination, which could allow for a distribution centre and film production facility on a portion of the site. The request noted that the development could bring up to 10,000 jobs. The site includes portions of a provincially significant wetland . On Jul 2, 2021, the PSW portion of the MZO was revoked. |
| 10. | Oct 30, 2020 | Oro-Medonte, Simcoe County ^{1,2} | Municipality on behalf of developer | Oakleigh Developments | To facilitate the development of a business park comprised of medical manufacturing businesses. The facility is intended to produce medical supplies, including personal protective equipment (PPE), to support the production of supplies amid the COVID-19 pandemic. The facility is anticipated to support 3,850 full-time jobs. The site is outside the Town's settlement area and was designated as agricultural land. Ministry documents noted that no alternative locations appear to have been evaluated on existing serviced lands within established settlement areas. |
| 11. | Oct 30, 2020 | Springwater, Simcoe County ² | Developer | Elmvale Active Seniors Residence | To develop seniors' residences comprising approximately 240 units and a number of related accessory uses. The site is outside the Town's settlement area and was designated as agricultural land. The request letter cited previous MZOs issued for senior's facilities in Innisfil and Clarington. |
| 12. | Oct 30, 2020 | Whitchurch-Stouffville, York Region ^{1,2} | Developer | FLATO Developments | To permit a mixed-use development, with approximately 1,964 dwelling units, commercial spaces including retail and services and natural areas. The site is outside of settlement areas and was zoned for agricultural use. |
| 13. | Nov 6, 2020 | Vaughan, York Region ¹ | Municipality on behalf of developer | Block 41 Landowners Group, TACC | To allow the implementation of a City Secondary Plan which would accommodate approximately 4,000 new residential dwellings, 12,000 residents, and 600 jobs. The site was originally designated as agriculture but rezoned when the City adopted its Secondary Plan in 2019. The plan was appealed and the City and developers requested the MZO to stop the appeal. |
| 14. | Dec 2, 2020 | Richmond Hill, York Region | Municipality on behalf of developer | Rice Commercial Group | To permit a mixed-use development, including high density residential and commercial uses. The concept plan shows approximately 400 residential units, in addition to two high density long-term-care facilities or senior's residences. The site was originally zoned for agricultural uses. |
| 15. | Mar 5, 2021 | Caledon, Peel Region ^{1,2} | Municipality | Bolton Option 3 Landowners Group, TACC | To permit a mix-used development surrounding a potential future GO station. The proposed GO station is currently unfunded and not anticipated until beyond 2041. No studies were provided and details of the proposal are unknown. The site is outside the Town's settlement area , and was zoned for agricultural use. |
| 16. | Mar 5, 2021 | Clarington, Durham Region ² | Municipality | Home Hardware | To permit developing a Home Hardware store, which would create 65 new retail jobs and 90 construction jobs. The site contains natural heritage features and is outside the settlement area and not serviced by municipal sewer and water services . Durham staff report recommended against the proposal. |
| 17. | Mar 5, 2021 | Markham, York Region ^{1,2} | Developer | FLATO Developments | To permit residential development consisting of approximately 219 single detached dwellings, 197 townhouses, 200 purpose-built rental apartment units, and two parks. The site is outside settlement areas and was originally zoned for agricultural use. |

| # | In-force date | Municipality | Requestor | Developer/ Key Parties | Description |
|---|---------------|---|-------------------------------------|-------------------------------------|---|
| 18. | Mar 5, 2021 | New Tecumseth, Simcoe County ^{1,2} | Developer | FLATO Developments | To permit a mixed-use residential community consisting of five rental apartment buildings (400 units total); 173 townhouses; 40 semi-detached homes; 297 single detached homes; a neighbourhood commercial area; a central park; trails and open space; 10% of the development is required to be affordable housing. The site was zoned for agricultural use, is outside settlement areas and not serviced by municipal water and sewer. |
| MZOs related to provincial priorities – Long-term care facilities (13³) | | | | | |
| 19. | Jul 31, 2020 | Ajax, Durham Region | Municipality on behalf of developer | Schlegel Villages | To develop a 192-bed long-term-care facility, employing approximately 230 people. |
| 20. | Aug 12, 2020 | Aurora, York Region ¹ | Province | To be procured (as of MZO issuance) | To permit residential and long-term-care home use on site that is provincially owned. This MZO is intended to develop 128 long-term-care beds. |
| 21. | Aug 12, 2020 | Hamilton ¹ | Province | To be procured (as of MZO issuance) | To permit residential and long-term-care home use on site that is provincially owned. This MZO is intended to develop 256 long-term-care beds. |
| 22. | Aug 12, 2020 | Mississauga, Peel Region ¹ | Province | To be procured (as of MZO issuance) | To permit residential and long-term-care home use on site that is provincially owned. This MZO is intended to develop 512 long-term-care beds. |
| 23. | Aug 12, 2020 | Oakville, Halton Region ¹ | Province | To be procured (as of MZO issuance) | To permit only long-term-care home use on site that is provincially owned. This MZO is intended to develop 512 long-term-care beds. |
| 24. | Aug 12, 2020 | Toronto ¹ | Province | To be procured (as of MZO issuance) | To permit residential and long-term-care home use on site that is provincially owned. This MZO is intended to develop 256 long-term-care beds. |
| 25. | Aug 12, 2020 | Vaughan, York Region ¹ | Province | To be procured (as of MZO issuance) | To permit only long-term-care home use on site that is provincially owned. This MZO is intended to develop 256 long-term-care beds. |
| 26. | Aug 28, 2020 | Ajax, Durham Region ¹ | Province | To be procured (as of MZO issuance) | To permit retirement homes and long-term-care home on site that is provincially owned. This MZO is intended to develop 320 long-term-care beds. |
| 27. | Aug 28, 2020 | Toronto ¹ | Province | To be procured (as of MZO issuance) | To permit long-term-care home on site that is provincially owned. This MZO is intended to develop 320 long-term-care beds. |
| 28. | Aug 31, 2020 | Mississauga, Peel Region ¹ | Province | To be procured (as of MZO issuance) | To permit uses for hospital, long-term care facility, retirement home, hospice, senior's day care, and medical office on site that is provincially owned. This MZO is intended to develop a hospice building, a health services building, and two long-term-care homes with 640 beds in total. |
| 29. | Mar 5, 2021 | Markham, York Region ¹ | Developer | Mon Sheong Foundation | To permit two seven-storey buildings that will accommodate institutional and residential uses, including 250 affordable housing units for seniors, and a long-term care facility with 160 beds. |

| # | In-force date | Municipality | Requestor | Developer/ Key Parties | Description |
|--|---------------|-----------------------------------|-------------------------------------|--|--|
| MZOs related to provincial priorities—Affordable housing (10⁴) | | | | | |
| 30. | Jul 2, 2020 | Toronto | Municipality | City of Toronto | To implement 56 units of modular homes as part of the City's COVID-19 response. |
| 31. | Jul 8, 2020 | Toronto | Municipality | City of Toronto | To implement 44 units of modular homes as part of the City's COVID-19 response. |
| 32. | Oct 22, 2020 | Toronto ¹ | Province | In procurement | To permit a maximum of three residential buildings. Site of heritage industrial building Dominion Wheel and Foundries; land is owned by the province. |
| 33. | Oct 22, 2020 | Toronto ¹ | Province | WDL Consortium (Dream Unlimited, Kilmer Group, and Tricon Capital Group) | To permit three buildings, with 839 units, including 252 affordable housing units. Land is owned by the province. |
| 34. | Oct 22, 2020 | Toronto ¹ | Province | WDL Consortium | To permit two residential buildings, with 661 units, including 198 affordable housing units. Land is owned by the province. |
| 35. | Nov 6, 2020 | Vaughan, York Region ¹ | Municipality on behalf of developer | Cortel Group | To permit a mixed-use development including 3,700 residential units in 13 buildings up to 30 storeys in height. The developer has committed to providing a minimum of 10% of total number of residential affordable housing units. |
| 36. | Mar 5, 2021 | Hamilton | Municipality | City of Hamilton | To permit residential uses on the ground floor of a commercial building to create 15 affordable housing units. This is one of the projects under the Rapid Housing Initiative of the Canada and Mortgage Housing Corporation. The projects must be completed within 12 months or the funding needs to be returned. |
| 37. | Mar 5, 2021 | Vaughan, York Region ¹ | Municipality on behalf of developer | Bracor Limited, Crinklewood Development Inc | To permit a high density mixed-use development by a potential GO station, consisting of a total 11,507 units, with a minimum of 10% as affordable housing. The potential GO station is not yet proposed nor funded by Metrolinx. |
| MZOs to assist with COVID-19 response (5⁵) | | | | | |
| 38. | Apr 24, 2020 | Toronto | Municipality | Sunnybrook Health Sciences Centre | To expand hospital capacity at Sunnybrook Health Sciences Centre. Toronto City Council was not holding in-person meetings due to COVID-19 pandemic to allow the development, even though the Province has given municipalities the authority to hold virtual and electronic meetings. |
| 39. | Jul 8, 2020 | Toronto | Municipality | City of Toronto | Applied to all lands in the City and allows patios at any eating establishment to aid restaurants during the pandemic. This MZO was auto-revoked on Nov. 16, 2020. |

| # | In-force date | Municipality | Requestor | Developer/ Key Parties | Description |
|--------------|---------------|--|--|------------------------------|---|
| Other | | | | | |
| 40. | Apr 29, 2019 | Vaughan, York Region | Municipality on behalf of developer | SmartCentres | To permit the relocation of a Walmart for a proposed mixed-use development. Details of the proposed development are unknown. |
| 41. | Apr 24, 2020 | Brampton, Peel Region | Municipality on behalf of developer | TACC | To facilitate a mixed-use development of 113 single detached dwellings and 25 townhouse blocks containing 161 units. The employment block is intended to achieve a minimum requirement of 860 jobs. The matter was before the then-Local Planning Appeal Tribunal (LPAT). Ministry staff recommended Minister to not issue the MZO as it would be perceived as usurping the authority of LPAT, and would set a precedent for future MZO requests for matters before LPAT. |
| 42. | Jul 8, 2020 | Kawartha Lakes | Municipality on behalf of developer | Craft Development Ltd | To facilitate a mixed-use development of up to 815 residential units with commercial and community facilities and open spaces. The matter was before the then-Local Planning Appeal Tribunal (LPAT) and Ministry staff noted that issuing an MZO would set a precedent. |
| 43. | Aug 13, 2020 | East Gwillimbury, York Region | Municipality | NewRoads Automotive Group | To permit the establishment of a prestige auto sales campus, which would include seven independent automotive dealerships and create 400-500 jobs. |
| 44. | Oct 30, 2020 | Cambridge, Region of Waterloo ¹ | Municipality on behalf of developer | SmartCentres | To allow for a high density, mixed-use, transit-oriented community near a planned transit station. The landowner has proposed that the completed development would create between 5,000 to 10,000 homes, including low and high-rise condominiums and rental apartments, townhomes, and seniors housing. |

1. These 26 MZOs did not have evidence that the upper-tier municipalities were informed or consulted about the MZO.

2. These 13 MZOs would permit development on lands outside municipal settlement boundaries where municipal services may not yet be planned.

3. See #2 and #3 above for the twelfth and thirteenth MZO issued to facilitate the construction of a long-term-care home.

4. See #18 and #29 above for the ninth and tenth MZO issued to facilitate the construction of a residential development with affordable housing.

5. See #10, #30, and #31 above for the third, fourth, and fifth MZO issued to assist with COVID-19 response.

Appendix 13: Minister's Zoning Orders, 2000–2018

Source of data: Ministry of Municipal Affairs and Housing

| Year | Municipality | Original Zoning | MZO Zoning |
|--|--|----------------------------|--|
| To conserve natural areas and agricultural lands | | | |
| 2003 | Pickering, Durham Region | Rural agricultural | To permit only agricultural and related uses on lands within the Duffins-Rouge Agricultural Preserve |
| 2003 | Fort Erie, Niagara Region | Unknown | To permit conservation and management of plant and wildlife; To permit buildings intended for flood and erosion control and public utilities |
| 2003 | Richmond Hill, York Region | Unknown | To permit only conservation uses and existing uses on certain land within the Oak Ridges Moraine Area |
| 2003 | Richmond Hill, York Region | Unknown | To permit only existing uses on land in North Leslie within the Greenbelt Plan study area |
| 2003 | Various municipalities in the Greater Golden Horseshoe | Various | To permit only existing uses on land outside urban areas within the Greenbelt Plan study area |
| 2005 | Fort Erie, Niagara Region | Unknown | For conservation and flood control |
| 2006 | Haldimand County | Residential | To prohibit every use and the building or expansion of any structures |
| 2009 | Bradford West Gwillimbury, Simcoe County | Agricultural | Agriculture |
| 2010 | Hamilton | Agricultural, Conservation | Agriculture, Conservation Management |
| To permit residential, commercial, and industrial development | | | |
| 2000 | Chatham-Kent | Unknown | To permit the construction of buildings to house slot machines |
| 2000 | Innisfil, Simcoe County | Unknown | To permit the operation of slot machines at Georgian Downs |
| 2001 | Markham, York Region | Unknown | To permit cemetery and accessory uses |
| 2001 | Whitestone | None (Unincorporated) | To permit one seasonal dwelling and one guest cabin |
| 2005 | Blandford-Blenheim, Oxford County | Unknown | To permit an automotive manufacturing facility |
| 2007 | Township of Wainwright | None (Unincorporated) | To permit 36 mobile homes in mobile home park |
| 2009 | Bradford West Gwillimbury, Simcoe County | Rural agricultural | For employment purposes |
| 2009 | Bradford West Gwillimbury, Simcoe County | Rural Agricultural | For employment purposes |
| 2012 | Elliot Lake | Open Space | To temporarily permit a supermarket in a community centre (until July 2015) |
| 2013 | Caledon, Peel Region | Agricultural | Industrial, Stormwater management facility, Environmental Protection |
| 2015 | Toronto | Unknown | To permit the construction of a sport facility |
| 2016 | Toronto | Unknown | For public health and safety purposes |
| 2016 | Welland, Niagara Region | General industrial uses | To permit the construction of a manufacturing facility |



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