



MEMORANDUM



Provincial Planning Statement 2024

Date: October 21, 2024

By: Stephanie Fleming

Please be advised that legislature released the [Provincial Planning Statement 2024](#) on August 20, 2024, which will entirely replace both the Provincial Policy Statement 2020 and the Growth Plan for the Greater Golden Horseshoe. The legislature stated that the 2024 PPS came into effect on October 20 of this year. It will apply to all decisions made by an authority in respect of any planning matters on or after this date.

The stated aim of this PPS 2024, according to the legislature, is to streamline and revise planning rules, simplify approvals to build homes, and to eliminate duplication (which I assume is done through their revocation of the Growth Plan). It is meant to encourage the construction of a range of housing option and to promote better planning by encouraging integrated planning for future growth; an example of this is to encourage better coordination between the municipality and school boards. As part of this, the 2024 PPS proposes specific density targets, broadens the permissions for potential residential intensification and development, and removes the “municipal comprehensive review” requirement. The removal of the MCR requirement will, in theory, give municipalities greater flexibility to expand settlement areas and to convert underused employment areas. This new PPS also contains specific policies for large and fast-growing municipalities identified in Schedule 1 of same as having the greatest need for housing.

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Growth Plan and 2020 PPS

The 2024 PPS will replace the Provincial Policy Statement, 2020 and A Place to Grow: Growth Plan for the Greater Golden Horseshoe, 2019 (the “Growth Plan”). It combines elements of both into an integrated land use planning policy framework. The latter will be revoked on October 20, 2024 through a regulation filed on August 20, 2024. I would note that this only applies to the Growth Plan for the Greater Golden Horseshoe and not the Growth Plan for Northern Ontario; it is unclear if a second regulation will revoke the Northern Ontario Growth Plan at a later date.

With the revocation of the Growth Plan, municipalities in the Greater Golden Horseshoe will no longer be required to plan for certain population and employment targets for a horizon year following October 20, 2024. However, every municipality must identify lands to meet its projected needs when either creating a new official plan or updating same for at least 20 years, but less than 30 years; in essence, the horizon year will still be in effect based upon this timeline. These projections are informed by provincial guidance and based upon the Ontario population projections from the Ministry of Finance. The 30-year limitation does not apply to infrastructure planning.

The PPS 2024 does not identify specific intensification targets in the manner of the Growth Plan; instead, it supports general intensification, requiring planning authorities to establish and maintain minimum targets for both intensification and redevelopment within built-up areas. These are to be based on local conditions. This PPS also introduces “large and fast-growing municipalities”, as specifically defined in Schedule 1 of the PPS 2024. The identified municipalities are encouraged to aim for a target of 50 residents and jobs per gross hectare in designated growth areas.

Settlement Area Expansion

As stated above, municipalities will no longer be required to carry out a municipal comprehensive review under the 2024 PPS. As such, municipalities will have the authority to consider settlement area expansions at any time. The test for same requires the municipality to consider infrastructure and public service facility capacity, phasing, avoiding prime agricultural areas, and considering the minimum distance separation formula. A landowner can apply for a settlement area expansion. Bill 185 introduced the right to appeal the approval of such an expansion, but bars the appeal of the refusal or failure to adopt such an amendment (s.22(7.1)).

Major Transit Station Areas

Strategic growth areas from the Growth Plan have been integrated into the 2024 PPS. Planning authorities must identify major transit station areas on higher-order transit corridors. These areas must be around 500-800m from a transit station, maximizing the number of potential users within walking distance of same. Municipalities are entitled to identify both minimum and maximum densities for these areas, although the latter appears to contradict the spirit of these policies. In particular, I note that s.17(36.1.4) of the Planning Act bars any appeal of policies identifying maximum densities authorized on lands located within major transit station areas

Employment land

Landowners will again be able to apply for the removal of land from employment areas. The 2024 PPS has set the following test that must be met for the land to be removed:

1. There is a need for this removal;
2. The land is not required for employment uses over the long-term;

3. The proposed uses will not negatively impact the overall viability of the employment area;
4. Infrastructure and public service facilities are available to accommodate the proposed uses;
5. Sufficient employment lands are otherwise available in the municipality to accommodate the projected employment growth to the time horizon of the relevant official plan.

I note that new policies have been introduced in the PPS 2024 that require all development within 300m of an employment area to avoid or mitigate potential impacts on the long-term economic viability of these uses.

Other Changes

Design Innovation

One of the changes encouraged by the PPS 2024 is the construction of standardized designs for houses, including modular homes, and encouraging “innovative construction methods” to permit the use of things such as mass timber, as those changes to the Building Code are apparently being encouraged.

Similarly, collaboration with local school boards is encouraged to facilitate innovation in the design of schools. This can include integration of same into high-rise developments.

Provincial Fund for Water Systems

The province notes that it is enabling the construction of more than 500,000 new homes by allocating up to \$1.2 billion through the Housing-Enabling Water Systems Fund to assist municipalities in developing, repairing, rehabilitating, and expanding drinking water, wastewater, and stormwater infrastructure. The first round of investment into this fund apparently allocated \$970 million to 54 projects across 60 municipalities and the government has allocated \$250 million for a second round of applications.

Bringing In New Definitions to Planning Act

The definition of “area of employment”, which was introduced by Bill 97, Helping Homeowners, Protecting Tenants Act in 2023, will also come into effect on October 20th. This definition (found at s.1(1) of the *Planning Act*) is below:

“area of employment” means an area of land designated in an official plan for clusters of business and economic uses, those being uses that meet the following criteria:

1. The uses consist of business and economic uses, other than uses referred to in paragraph 2, including any of the following:
 - i. Manufacturing uses.
 - ii. Uses related to research and development in connection with manufacturing anything.
 - iii. Warehousing uses, including uses related to the movement of goods.
 - iv. Retail uses and office uses that are associated with uses mentioned in subparagraphs i to iii.
 - v. Facilities that are ancillary to the uses mentioned in subparagraphs i to iv.
 - vi. Any other prescribed business and economic uses.
2. The uses are not any of the following uses:

- i. Institutional uses.
- ii. Commercial uses, including retail and office uses not referred to in subparagraph 1 iv; (“zone d’emploi”)

Previously an area of employment permitted commercial uses including office spaces; as this removes these uses from the area, municipalities may redefine their employment areas to exclude same. If that occurs, this means that both future developments in an employment area will not be able to rent to tenants proposing a purely commercial (including retail or office uses) or institutional use and that if an existing tenant that falls under one of these excluded uses leaves the unit and there is a lapse, that a new tenant could not be able to again carry out one of those uses in the property.

If you have any questions, please feel free to reach out to my contact information at the bottom of the first page.

-SAF