



**City of Kingston
Report to Council
Report Number 19-251**

To: Mayor and Members of Council
From: Lanie Hurdle, Interim Chief Administrative Officer
Resource Staff: Paige Agnew, Director, Planning, Building & Licensing Services
Date of Meeting: October 15, 2019
Subject: Municipal Response to the 2019 Provincial Policy Statement (PPS) Review

Executive Summary:

On July 22, 2019, the Province introduced proposed changes to the Provincial Policy Statement (PPS) as part of the government's More Homes, More Choice: Housing Supply Action Plan. The Province has given municipalities 90 days to provide comments on the proposed changes, and comments are due October 21, 2019.

The PPS is the primary provincial land use policy document guiding municipal decision-making. The *Planning Act* requires that decisions on land use planning matters be "consistent with" the PPS.

This report provides comments from the City regarding the proposed changes, including:

- Support for climate action;
- Increased flexibility for adjustments to the urban boundary; and
- Increased length of planning horizons.

Recommendation:

That Council direct staff to submit a copy of Report Number 19-251 to the Ministry of Municipal Affairs and Housing as the City's comments on the proposed changes to the Provincial Policy Statement prior to the provincial deadline of October 21, 2019.

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Options/Discussion:**Provincial Policy Statement (PPS)**

The PPS is the primary provincial policy document that provides direction on matters of provincial interest related to land use planning. It represents minimum requirements that apply to municipalities across Ontario. Municipal decisions on land use planning matters are required to “be consistent with” the PPS.

The PPS was last updated in 2014. At that time, relatively minor changes were made to the previous 2005 version. A copy of the current 2014 PPS can be found at the following link: [2014 PPS](#).

2019 PPS Review

As part of the Province’s [More Homes, More Choice: Ontario’s Housing Supply Action Plan](#) that was released in May 2019, the Province indicated their intent to review the PPS.

On July 22, 2019, the Province posted the proposed changes to the PPS and a full summary of those changes on the [Environmental Registry of Ontario](#) for a 90-day consultation period ending October 21, 2019. The following is a direct link to the draft document: [PPS Proposed Policies](#).

A number of consultation sessions are being held across the province, including one in Kingston that staff attended on September 5, 2019. The Province is seeking feedback on the PPS draft policies and has posed the following five questions as part of the consultation:

1. Do the proposed policies effectively support goals related to increasing housing supply, creating and maintaining jobs, and red tape reduction while continuing to protect the environment, farmland, and public health and safety?
2. Do the proposed policies strike the right balance? Why or why not?
3. How do these policies take into consideration the views of Ontario communities?
4. Are there any other policy changes that are needed to support key priorities for housing, job creation and streamlining of development approvals?
5. Are there other tools that are needed to help implement the proposed policies?

According to the government, the proposed changes are intended to:

- Encourage the development of an increased mix and supply of housing;
- Protect the environment and public safety;
- Reduce barriers and costs for development and provide greater predictability;
- Support rural, northern and Indigenous communities; and
- Support certainty and economic growth.

City of Kingston Comments

The following are the City of Kingston’s comments regarding the proposed PPS policies. The comments have been structured according to the five areas of change listed above, and take into consideration the five questions posed by the Province.

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1. Increasing Housing Supply and Mix

Housing Options

The draft PPS is proposing the following new definition of “housing options”:

“Housing options: means a range of housing types such as, but not limited to single-detached, semi-detached, row houses, townhouses, stacked townhouses, multiplexes, additional residential units, tiny homes, multi-residential buildings and uses such as, but not limited to life lease housing, co-ownership housing, co-operative housing, community land trusts, affordable housing, housing for people with special needs, and housing related to employment, institutional or educational uses.”

The City welcomes the addition of the new definition and the support of the Province in promoting a diverse range of housing types.

Market-Based Housing

There are a number of policies in the proposed PPS that have included new wording regarding “market-based” housing (i.e. “market-based range” in Section 1.1.1.b; “satisfy market demand” in Section 1.1.3.8.a; “market-based needs” in Section 1.4.3). Staff discussed this change with provincial representatives at the workshop held in Kingston on September 5, 2019 and understand from them that this terminology has been carried over from the recently revised *Growth Plan for the Greater Golden Horseshoe* (GGH). No other reason for the change was offered.

Previously, the PPS has referred to “an appropriate range and mix of residential ... uses”. The change to specify the phrase “market-based” when referring to range, demand, and need, seems to support an increased influence by the market on the provision of housing types. Since what the market provides is ultimately decided by suppliers, this could give more weight to the types of housing that suppliers of housing wish to provide.

Housing is built to be used over the long-term in Ontario. As a result, the housing market can be slow to adjust to market trends. Housing suppliers can be resistant to providing new forms and types of housing, since this can result in increased costs and financial risk.

Without intervention, the market does not necessarily supply core needs such as housing in a way that reflects the public interest. Land use planners seek to ensure the provision of housing in a way that does reflect the public interest. The PPS 2014, in its focus on a range and mix of housing types, gave planners the ability to recommend to decision-makers housing options that reflected the public interest. The current draft could be interpreted as elevating market research above broader public interest considerations.

For example, over the past 20 years, Kingston has greatly increased its range and mix of housing options. This has happened largely due to land use planning policy, not due to market influences. In fact, housing suppliers in Kingston had resisted providing semi-detached and row housing, preferring to provide single-detached dwellings and stating that there was no market

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for higher density, low rise housing forms. At the time, planners struggled to demonstrate that demand for such housing types existed, since it had never been supplied. Since these forms have been introduced, Kingston has greatly increased its density for greenfield development and there appears to be more than sufficient demand for these alternative types.

Given this, the City recommends removing the term “market-based” from the PPS and clarifying that the range of housing options and types to be provided will continue to be based on the public interest. The City also recommends ensuring that any research used to determine housing needs should reflect this public interest approach, with the land use planning authority, and not the suppliers of housing, determining those needs.

Additional Residential Units

There are a number of policies in the proposed PPS where wording for “second residential units” has been changed to “additional residential units” (i.e. Section 1.1.1.b; Section 1.4.3.b.2; definitions of “housing options” and “residential intensification”). While the City supports the opportunity to provide a range and mix of housing types, it is recommended that municipalities maintain flexibility for how additional residential units are implemented, which includes limiting development to locations where existing or planned services can support additional units.

The City of Kingston recently expanded the permissions for second residential units in the City, which demanded a great deal of resources to identify areas that would not be able to accommodate additional units without the removal of a holding symbol because of known and potential servicing constraints.

Growth Management

Changes are proposed to the PPS that:

- increase the planning horizon from 20 years to 25 years;
- increase the housing land supply from 10 years to 12 years; and
- allow municipalities to have a higher minimum requirement of serviced residential land available (from 3 years to 5 years).

The City is supportive of these policy changes.

Planning for future development and the associated infrastructure to support it requires longer planning horizons. This is also highlighted in the changes to Section 1.1.1.e that promote “the integration of land use planning, growth management, transit-supportive development, intensification, and infrastructure planning to achieve cost-effective development patterns, optimization of transit investments, and standards to minimize land consumption and servicing costs”.

Section 1.1.3.6 of the 2014 PPS directs municipalities to require “a compact form, mix of uses and densities that allow for the efficient use of land, infrastructure and public service facilities” for new development in designated growth areas. This is an important requirement to ensure good land use planning outcomes for greenfield development.

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Similarly, Section 1.1.3.7 of the 2014 PPS requires municipalities to establish and implement phasing policies for growth. This is an important requirement to ensure orderly development and to support infrastructure planning.

The Province proposes changes to these sections to replace “shall” (stronger requirement) with “should” (weaker requirement). Part III of the PPS states that language choices like “should” indicate “enabling or supportive language”, not a directive or prohibition. The City does not support these changes to Sections 1.1.3.6 and 1.1.3.7.

In addition to increasing the housing land supply to 12 years, Section 1.4.1 introduces a new policy stating that municipalities “may choose to maintain land with servicing capacity sufficient to provide at least a five-year supply of residential units available through lands suitably zoned to facilitate residential intensification and redevelopment, and land in draft approved and registered plans.” The City requests more information on this new policy.

Settlement Area Boundaries

The proposed PPS provides additional policy guidance that when undertaking a comprehensive review, the level of detail of the assessment should correspond with the complexity and scale of the settlement boundary expansion or development proposal (Section 1.1.3.8).

A new policy (Section 1.1.3.9) also permits adjustments to settlement area boundaries outside of a comprehensive review, provided the following conditions are met:

- a) there would be no net increase in land within the settlement areas;
- b) the adjustment would support the municipality’s ability to meet intensification and redevelopment targets established by the municipality;
- c) prime agricultural areas are addressed in accordance with 1.1.3.8 (c), (d) and (e); and
- d) the settlement area to which lands would be added is appropriately serviced and there is sufficient reserve infrastructure capacity to service the lands.

These policy changes will provide more flexibility to municipalities and the ability to respond to development proposals that represent good land use planning, without the need to wait for a comprehensive review of the Official Plan.

For Kingston, approximately 36 hectares of vacant City-owned employment lands lie just outside the urban boundary, and as a result have been unable to be developed. These lands could accommodate industrial development if the urban boundary is expanded and the lands are designated for industrial use. Despite an employment lands study demonstrating need for additional lands, at the time of the last 5 year review of the Official Plan, the Ministry of Municipal Affairs and Housing refused to allow an adjustment to the City’s urban boundary to include those lands due to the restrictions imposed by the PPS. With the proposed changes, the City would be able to include these lands and promote their development for much-needed employment uses to support the City’s growth.

At the same time, the City is supportive of maintaining the requirements for comprehensive review more broadly and support the definition remaining unchanged. Like most municipalities,

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Kingston experiences pressure from landowners just outside of settlement area boundaries to include those lands so that they can be developed. It is important that such requests are supported by Provincial policy to ensure that the need for those lands is demonstrated, and is not being requested solely based on ownership.

Transit-Supportive Development

The proposed PPS includes the following definition of “transit-supportive” development:

“Transit-supportive: in regard to land use patterns, means development that makes transit viable, optimizes investments in transit infrastructure, and improves the quality of the experience of using transit. It often refers to compact, mixed-use development that has a high level of employment and residential densities, including air rights development, in proximity to transit stations, corridors and associated elements within the transportation system. Approaches may be recommended in guidelines developed by the Province or based on municipal approaches that achieve the same objectives.”

While the existing PPS contains a definition of “transit-supportive”, the changes proposed include references to optimizing investments in transit infrastructure and including air rights development as part of the reference to compact, high density development near transit stations and corridors. The term also appears in more of the policies of the proposed PPS, including those related to building strong healthy communities (Sections 1.1.1.e and 1.1.3.3.), housing (Section 1.4.3.e), and energy conservation, air quality and climate change (Section 1.8.1.e).

The City is supportive of policy references to transit-supportive development in the proposed PPS.

2. Protecting the Environment and Public Safety

Climate Change

The proposed PPS includes an additional focus on climate change. Kingston declared a climate emergency in March of this year, and is working to include considerations for climate change in all land use planning work.

The City supports strengthened language related to action on climate change in the proposed PPS:

- Section 1.1.1 (h) currently directs municipalities to “consider the impacts of a changing climate”. This has been changed to “preparing for the regional and local impacts of a changing climate.”
- Section 1.6.1 also is changed from consideration of climate change to requiring that “Infrastructure and public service facilities shall be provided in an efficient manner that prepares for the impacts of a changing climate.”

The proposed PPS now includes the following new definition of “impacts of a changing climate”:

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“Impacts of a changing climate: means the potential for present and future consequences and opportunities from changes in weather patterns at local and regional levels including extreme weather events and increased climate variability.”

The term is referred to in numerous locations in the proposed PPS including: managing and directing land use to achieve efficient and resilient development and land use patterns (Section 1.1.1.i); land use patterns in settlement areas (Section 1.1.3.2.d); infrastructure: sewage, water and stormwater (Sections 1.6.1 and 1.6.6.1.b.2); energy conservation, air quality and climate change (Section 1.8.1); water quality and quantity (Section 2.2.1.c); and protecting public health and safety (Section 3.1.3).

The City supports the additional policies in the proposed PPS related to the impacts of a changing climate; however, we request more information about what is intended by the term “opportunities” in the above definition of “impacts of a changing climate”. Any intent to allow profiting from the changing climate could provide a financial incentive against mitigation. Instead, the intent of both the policies and definition in the PPS should be to identify opportunities to improve resiliency or mitigation related to climate change.

Wetlands

The City supports the relatively few changes to the natural heritage policies of Section 2.1 of the PPS. The one additional policy – Section 2.1.10 – clarifies that municipalities may choose to manage wetlands not classified as provincially significant in accordance with guidelines developed by the Province. Local and regional wetlands have a significant role to play in mitigating impacts of a changing climate, and the City already works closely with the Cataraqui Region Conservation Authority to ensure that they are appropriately protected. The City of Kingston looks forward to reviewing the guidelines developed by the Province for the management of local and regional wetlands.

On-Site Reuse of Excess Soils

The one new policy under Section 3.2, Protecting Public Health and Safety: Human-Made Hazards is the following: “Planning authorities should support, where feasible, on-site and local re-use of excess soil through planning and development approvals while protecting human health and the environment” (Section 3.2.3). The City has been an active stakeholder in new, proposed legislation on the re-use of excess soils in Ontario. We are currently awaiting approval of the draft regulation and welcome any additional information and guidance from the Province regarding its implementation.

Protecting Public Health and Safety

The City notes that the policies in Section 3.0 of the proposed PPS related to Protecting Public Health and Safety and Natural Hazards (Section 3.1) are subject to an on-going review by the Province’s Special Advisor on Flooding, and that further changes may be considered as a result of this review. The City looks forward to the opportunity to review any additional policy changes that are recommended by the Province’s Special Advisor on Flooding.

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3. Reducing Barriers and Costs

Consistency with the PPS

Under the *Planning Act*, decisions related to land use planning matters “shall be consistent with” the PPS.

In the proposed draft, this requirement for consistency to the PPS has been broadened to “comments, submissions or advice that affect a planning matter that are provided by the council of a municipality, ... a minister or ministry, board, commission or agency of the government” (Part II: Legislative Authority).

The City supports this change, and also requests additional information in order to determine how this may affect municipal operations.

Similarly, the draft PPS introduces requirements related to updating municipal planning documents to be “up-to-date with” the PPS and with each other (Part I: Preamble). The *Planning Act* requires that Official Plans be updated every 5 years (or after 10 years for a new Official Plan) and that zoning bylaws are updated within 3 years of an Official Plan update.

The City of Kingston would like to note that each Provincial change requires considerable municipal resources in order to meet these requirements.

Mineral Aggregate Resources

Regarding the protection of the long-term supply of mineral aggregate resources, Section 2.5.2.2 of the existing PPS states that: “extraction shall be undertaken in a manner which minimizes social, economic and environmental impacts.” In the proposed PPS, an additional policy has been added to this section that states the following:

“Outside of the Greenbelt Area, extraction may be considered in the natural heritage features listed in section 2.1.5, 2.1.6 and 2.1.7, provided that the long-term rehabilitation can demonstrate no negative impacts on the natural features or their ecological functions.”

The natural heritage features include:

- significant wetlands;
- significant woodlands;
- significant valleylands;
- significant wildlife habitat;
- significant areas of natural and scientific interest;
- coastal wetlands;
- fish habitat; and
- habitat of endangered species and threatened species.

These features and areas are normally designated as Environmental Protection Areas in the City of Kingston Official Plan.

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With respect to the addition of the above policy to Section 2.5.2.2, the reference to “outside of the Greenbelt Area” would indicate that this is another policy that may have been carried over from the recent update to the *Growth Plan for the Greater Golden Horseshoe*. This policy gives additional protection to natural heritage features within the Greenbelt, which is near Toronto.

Eastern Ontario has a significant amount of land where natural heritage features and areas predominate and the City of Kingston is committed to their protection. Natural heritage features and areas serve vital environmental functions, including sequestering carbon, filtering drinking water, and mitigating impacts of a changing climate.

Given the intrusive nature of mineral aggregate extraction activities, there are likely limited circumstances where it is possible for such activities to have no negative impact on the natural heritage feature or its ecological functions.

The City recognizes the importance of identifying and protecting aggregate resources for future development and the role this plays in the economy, and has identified such resources in its Official Plan. The existing policies of the PPS protect mineral aggregate resources and offer municipalities the ability to weigh decisions related to the protection of these resources and the protection of natural heritage features and areas in a way that responds to local conditions and the context of the development or activity being proposed. The proposed policy appears to clarify that natural heritage features may be the location of aggregate resource extraction, provided the standard “no negative impacts” test is met.

The City would benefit from examples of aggregate resources extraction that has proceeded in a natural heritage feature with no negative impact to the feature or its functions, in order to determine if this could be applicable locally.

Cultural Heritage

There have been some minor changes in the proposed PPS to align the policies and definitions of cultural heritage with recent changes to the *Ontario Heritage Act* under Bill 108. The changes include the following:

- Additional clarification in the definition of “areas of archaeological potential” that requires that archaeological potential must be confirmed by a licensed archaeologist;
- Changes to the definition of “cultural heritage landscape” to include views and properties in addition to structures, spaces, archaeological sites and natural elements, and to include reference to planning documents (i.e. Official Plans and zoning by-laws) as a way of protecting cultural heritage landscapes; and
- Changes to the definition of “significant” as it applies to cultural heritage by outlining specifically how significant heritage properties are determined and making reference to the *Ontario Heritage Act*.
- The definition of “heritage attributes” has been modified to state that principal features or elements that contribute to a protected heritage property’s cultural heritage value or

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interest “must be retained”. Currently, City Council has the ability to permit the removal of a heritage attribute from a protected heritage property. The City seeks clarification from the Province about whether the change in this definition now means that the City no longer has this discretion.

Other than the question above about the discretion around the removal of heritage attributes, the City of Kingston has no concerns with the proposed changes. The City appreciates that the definition of “protected heritage property” continues to include reference to properties protected under federal legislation and UNESCO World Heritage Sites. With over 70 federal heritage buildings and approximately 25 designated federal heritage sites, as well as the Rideau Canal and Kingston Fortifications World Heritage Site, these cultural heritage resources are a significant component of Kingston’s character, history, and built fabric.

Review of Development Applications

The proposed PPS includes new policies related to the fast-tracking of development applications and prioritizing applications, to the extent possible, which increase the housing supply and support job growth (Section 4.7).

The City would like to note that timelines on decisions regarding applications for zoning by-law amendment, Official Plan amendment, and plans of subdivision have recently been reduced under Bill 108.

City staff strive to prioritize development applications which increase the housing supply and support job growth, but have no formal framework. In fact, staff find that most applications fall under this “high priority” category. As such, it is important that municipalities are left with the flexibility and authority to implement this policy in the way that best fits with the local circumstances. By prioritizing some files, others may fall behind and municipalities could be facing more appeals to the Local Planning Appeal Tribunal (LPAT) for a failure to make a decision within the regulatory timeframe, which in turn causes further delays and is a significant drain on municipal resources.

The City of Kingston has made numerous improvements to the development review process in recent years, including the creation of its Development and Services Hub (DASH), which is an online file management tool that handles the review of both planning applications and Building Permit applications. The system allows applicants and members of the public to see where applications are in the development review process and have access to documents online for review.

As part of the City’s work to decrease processing timelines, staff have discovered that a majority of delays are not within the municipality’s control. Many applications include multiple submissions for technical review. This is sometimes due to changes in development plans, and often due to a need for supporting studies and reports to address the full range of land use planning and technical matters required by provincial policy.

A related concern, but somewhat outside of the scope of the PPS update, is that once approvals are given, the City has no means of ensuring the proposed development will proceed to

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construction. Although Kingston currently has a 0.6% vacancy rate, there are 3,629 multi-residential units that have received planning approvals but have not been built. In total, there are 8,571 residential units that have received approval but not been built. In Kingston, this represents 14 years of residential growth.

City staff have been investigating this issue, and have found that it may be related to a limited number of suppliers and a limited supply of housing, that when coupled with an increased demand, drives up prices. This can be beneficial to the development industry and property owners because it means a greater return on investment, and the ability to come to market with a zero percent vacancy rate for purpose-built rental buildings.

As a means of dealing with this issue, the City has explored gaining greater control over the construction process in urban areas by tying access to municipal water and sewage services to a timeframe for the completion of a development project. Agreements for large-scale development projects should include key milestones for construction in order to secure access to municipal water and sewage services. Currently, this approach differs from one municipality to another, and even within a municipality based on the type or scale of the project or the type of application (i.e. Site Plan Control). Stronger, clearer policies and guidance from the Province could ensure that all municipalities with municipal water and sewage services consistently control access to these services based on developments that are to be constructed in a timely manner to contribute positively to both the housing supply and job creation in the community. Alternatively, greater ability to offer time-limited development approvals, or to rescind those approvals once a specific timeframe has elapsed, could support municipalities to streamline their approvals process.

One tool that could address the above issue and that should be advanced by the Province is conditional zoning. Section 34(16) of the *Planning Act* states that if a municipal Official Plan contains policies relating to zoning with conditions, a municipality may impose one or more prescribed conditions on the use, erection, or location of buildings or structures. To date, there has been no regulation passed by the Province setting out the “prescribed conditions”. As such, there is no authority to use the conditional zoning provisions under the *Planning Act*. The City of Kingston contends that conditional zoning would not only be beneficial to the situation described above, but would also allow flexibility for municipalities to respond to the unique features of an application or property on a case-by-case basis.

4. Supporting Rural, Northern and Indigenous Communities

Engaging Indigenous Communities

The PPS has been updated to recognize the “unique relationship with the land and its resources” that Indigenous communities have. The proposed policies provide strengthened direction about engaging with Indigenous communities on land use planning matters.

In Part IV: Vision for Ontario’s Land Use Planning System, new language has been included stating that “planning authorities are encouraged to build constructive, cooperative relationships through meaningful engagement with Indigenous communities to facilitate knowledge-sharing in land use planning processes and inform decision-making.”

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Sections 1.2.2 and 2.6.5 have been updated and strengthened. Instead of encouraging municipalities to coordinate on land use planning matters, the new draft states that municipalities “shall engage with Indigenous communities and coordinate on land use planning matters.” Rather than requiring municipalities to consider Indigenous interests, the new draft states that municipalities “shall engage with Indigenous communities and consider their interests when identifying, protecting and managing cultural heritage and archaeological resources”.

The City requests confirmation from the Province whether use of the word “shall” is intended as a delegation to municipalities of some or all aspects of the Province’s duty to consult.

It is understood that further guidance in the form of a Ministry document is forth-coming, and is something that the City would welcome. The City also seeks further information regarding what is meant by “Indigenous community” in the context of the PPS. The City also seeks clarification on what is meant by “meaningful engagement” within the context of the PPS. The City looks forward to further information from the Province to provide greater clarity on the matter.

Agricultural System

The proposed PPS includes the following new definitions for “agricultural system” and “agri-food network”:

“Agricultural System: A system comprised of a group of inter-connected elements that collectively create a viable, thriving agricultural sector. It has two components:

- a) an agricultural land base comprised of prime agricultural areas, including specialty crop areas, and rural lands that together create a continuous productive land base for agriculture; and
- b) an agri-food network which includes infrastructure, services, and assets important to the viability of the agri-food sector.”

“Agri-food network: Within the Agricultural System, a network that includes elements important to the viability of the agri-food sector such as regional infrastructure and transportation networks; on-farm buildings and infrastructure; agricultural services, farm markets, distributors, and primary processing; and vibrant, agriculture-supportive communities.”

With a large rural area, the City of Kingston supports the additional policies and definitions that promote and support a healthy agricultural industry and the protection of land for agricultural practices.

Private Communal Services

The infrastructure policies of Section 1.6.6 establish a hierarchy of services. While municipal water and sewer services remain the preferred form of servicing for settlement areas, in areas where they are not available the preferred form is proposed to change to private communal sewage and water services.

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The City recognizes that this is an opportunity for development in rural settlement areas to allow for the creation of new businesses, services, and residential units, including the ability to allow for new forms of residential development beyond single detached homes and the more efficient use of land in rural settlement areas.

Development on private communal water and sewage services is rare in Eastern Ontario. In cases where it has been undertaken, these services have not been managed well enough to meet Provincial regulations. When failed systems are related to businesses or seasonal residential developments (i.e. campgrounds), and a viable solution cannot be found, the business or development may be forced to close. However, when the failure of communal services is related to permanent residential homes, the Ministry of the Environment, Conservation and Parks may require the municipality to take responsibility for the system(s), including any required upgrades or replacements. The financial risk of having to accept responsibility for a failed system is prohibitive for municipalities.

There have been advancements in the technology that can be used for private communal services, and municipalities would benefit from further education and information about how these systems will work. The City of Kingston would like to note the recent work of the County of Frontenac with their Communal Services Study (2019) as a positive step in providing detailed information on how communal systems could function for areas without municipal water and sewage services. With details regarding engineering best practices and a financial model, resources like this are what is needed to help guide municipalities to use private communal services in a way that minimizes risk to the municipality and promotes the efficient use of land in rural settlement areas.

The proposed PPS also notes that at the time of an Official Plan review or update, municipalities should assess the long-term impacts of individual on-site water and sewage services on the environmental health and the character of rural settlement areas. Particularly in Eastern Ontario, due to the susceptibility of groundwater contamination, we agree that this is an important consideration.

5. Supporting Certainty and Economic Growth

Employment Lands

Section 1.3 of the proposed PPS includes additional policies related to employment lands. These include:

- Facilitating the conditions for economic investment by identifying strategic sites for investment, monitoring the availability and suitability of employment sites, including market-ready sites, and seeking to address potential barriers to investment (Section 1.3.1.c);
- Assessing employment areas identified in local Official Plans to ensure that the planned function is appropriate, and providing for separation or mitigation from sensitive land uses to maintain the long-term operational and economic viability of the planned uses and function of these areas (Section 1.3.2.2);

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- Prohibiting residential and institutional uses that are not ancillary to the primary employment uses in order to maintain land use compatibility, and including appropriate transitions to adjacent non-employment areas (Section 1.3.2.3).

The City of Kingston is already actively involved in the strategic planning for and provision of employment lands through the City-owned business parks. Staff in Planning, Real Estate and Kingston Economic Development collaborate to ensure that there are suitable sites available for businesses looking to expand or relocate to Kingston. The assessment of employment lands is done approximately every five years in advance of the update to the Official Plan as part of the City's Employment Lands Strategy, and the Official Plan contains policies intended to protect the primary function of the employment areas and prohibit uses that are not compatible.

The existing policy in Section 1.3.2.4 has been carried forward into the proposed PPS and indicates that the conversion of employment land to non-employment uses may only be permitted through a comprehensive review. Currently, decisions by Council on whether to allow a conversion of employment lands to another land use designation cannot be appealed to the LPAT. The following new policy in Section 1.3.2.5 provides additional guidance regarding the conversion of employment lands:

"Lands within existing *employment areas* may be converted to a designation that permits non-employment uses ... subject to the following:

- a) there is an identified need for the conversion and the land is not required for employment purposes over the long-term;
- b) the proposed uses would not adversely affect the overall viability of the *employment area*; and
- c) existing or planned *infrastructure* and *public service facilities* are available to accommodate the proposed uses."

Many of the new policies included in Section 1.3 of the PPS seem to focus on the protection of larger parcels of land for major employers, specifically those that would not be compatible with more sensitive land uses, such as large-scale manufacturing. While this is important, it is also important to note that most new employment is not large manufacturers, but smaller businesses, such as offices and light industrial uses with no adverse impact on adjacent properties. These types of employment uses are capable of locating in areas that permit mixed uses.

Additional policy guidance on the incorporation of mixed use including employment uses is warranted, particularly when considering the transportation system goals of the PPS.

Next Steps

Comments regarding the proposed PPS are due to the Province by October 21, 2019. This report recommends that Council direct staff to submit a copy of this report to the Ministry of Municipal Affairs and Housing as the City's comments regarding the proposed PPS, prior to the deadline noted above. Staff will continue to monitor the proposed changes to the PPS and the associated Bill 108 regulations and implementation, and will provide an update to Council when further information is available.

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Existing Policy/By-Law:

The Provincial Policy Statement (PPS) is discussed in detail in the Options/Discussion of this report.

Notice Provisions:

Not applicable

Accessibility Considerations:

Not applicable

Financial Considerations:

Not applicable

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Exhibits Attached:

Not applicable