

Committee Report

To: Councillor Steve Hammell, Chair and

Members of the Planning and Development Committee

From: Claire Dodds

Director of Planning and Development

Date: October 6, 2022

Re: Bruce County Official Plan Amendment C-2022-012 - Growth

Management

Staff Recommendation:

That Committee hold a public meeting to receive representations in respect of Official Plan Amendment C-2022-012.

Background:

The County Official Plan was adopted in 1997 and last updated in 2010. The County is undertaking a review of the plan to guide long-term growth and development in the County to 2046. The new plan will consider our unique, local needs and guide how we will work towards a vision for the future in Bruce County.

The proposed Growth Management Amendment represents Stage 1 of the official plan review process. This amendment focuses on population and employment growth that is expected to occur between now and 2046, with forecasts for how it is anticipated to be distributed across the local Municipalities that comprise the County. Establishing a growth management strategy in the current plan, in advance of the full new Official Plan project, enables local municipalities to initiate planning projects to address the anticipated growth. The amendment will be consolidated into the new Official Plan.

The Growth Management Amendment also includes minor policy updates that relate to servicing and are intended to address policies that currently constrain growth in the interim while the project advances.

The amendment is proposed as a text-only amendment, focused on the "what" of growth that is expected to occur. Discussions on the "where" of growth, including changes to schedules/maps in the Official Plan, would occur in greater detail through engagement on the broader Official Plan project in 2023.

Supporting Information and engagement

The proposed amendment would embed the vision and eight guiding principles for the County Official Plan that were derived through the Bruce GPS Public Engagement project in 2018-2019 in the Official Plan. Discussion papers were developed for each guiding principle.

To advance growth management, the amendment draws upon the Population, Housing, and Employment forecasts completed as part of the Plan the Bruce: Good Growth Discussion Paper which was endorsed by the Planning and Development Committee in September 2021. Recognizing concerns raised by Brockton regarding the potential land supply constraints in Walkerton, staff worked with local municipalities over the following months to refine the available residential and employment land supply to be current to the end of 2021.

The County also commissioned a Commercial Market Study to review trends, demand, and land supply in the settlement areas across the County. A draft assessment was presented to local municipal staff in the summer of 2022 and comments and refinements integrated into the study.

County Staff also prepared an assessment of lands within Hamlet designations to consider the areas and vacant lands currently within these areas. This assessment was attached in a report to Committee in July 2022.

The updated Good Growth Discussion Paper, Commercial Land Needs Assessment, and Hamlet assessment were used to prepare a draft Official Plan Amendment, which was circulated to local municipalities together with the updated discussion paper and commercial market study. Two hour-long calls convened with municipal staff in early September 2022 to review the amendment and solicit feedback.

The studies and draft amendment were posted online in mid-September 2022, and a virtual open house with 41 public participants was held on September 29, 2022 to provide opportunities for public engagement and meet the requirements of the Planning Act.

Key themes from participants in the open house included the importance of housing supply and affordability as well as quality, including housing needs and densities for different demographics, support for growth opportunities within smaller communities and hamlets, recognition of variations in growth rates in different parts of the County, and servicing and market preferences as a factor in potential intensification.

At the time of writing this report, comments related to Growth Management were received from several Municipalities and some members of the public. Engagement on the amendment has resulted in changes since the original circulation, which are discussed further below.

Discussion

Provincial Policy Direction for Regional Market Areas

The Province provides specific direction for growth management which is outlined in the Provincial Policy Statement (PPS) 2020. Planning decisions by the County and local Municipalities are required to conform to the PPS (2020). The PPS (2020) requires that land budgeting be done through a process called a "comprehensive review" that is undertaken at the scale of a "Regional Market Area" (RMA). The RMA is typically, but not always, applied to the upper-tier Municipality.

The comprehensive review process is used to avoid overdesignations and inefficient development, principally for housing, match total supply to total need, and support efficient

infrastructure planning. Comprehensive reviews are also used to determine if it is appropriate to convert employment lands to other uses, or to permit additional uses in employment areas, based on demand for employment uses over the planning horizon.

The planning horizon outlined in the PPS (2020) is 25 years.

Employment areas are areas designated for uses like manufacturing, warehousing, office, and associated retail and ancillary facilities. Planning for these areas extend beyond 25 years, and the review before conversion requirements are established in order to protect them from incompatible uses.

Settlement Areas across the County have varying degrees of land supply. Many have large areas available within the settlement area; however, Walkerton is approaching the limits of its urban boundary. So while the scale County-wide land budget shows a surplus to 2046, Walkerton, a fully-serviced urban community, commercial centre, and service centre with a Hospital, Paramedic base, police detachment, and schools is approaching land supply constraints that, unaddressed, could see potential growth directed elsewhere. Brockton has sought to address short to medium-term supply concerns through a Minister's Zoning Order, essentially requesting the Minister to set aside the Regional Market Area policy to allow Walkerton to continue to grow; however a decision on this request has not yet been made.

Staff has had several and ongoing discussions with Ministry of Municipal Affairs staff and presented a delegation to the Ministry at the Rural Ontario Municipal Association (ROMA) conference in January 2022 around the issues with the Regional Market Area approach in the County. This dialogue has framed the impact of ownership and existing uses on supply in rural communities, the risks of incomplete communities and increased transportation needs where supplies are mismatched, and increased pressure for rural development when opportunities to develop in settlement areas are constrained.

The project team explored whether multiple sub-regional market areas, for example related to the Lakeshore Region, Inland Region, and Peninsula region, would assist in identifying a local deficiency that growth in Walkerton could address; however, land supply in the Municipality of South Bruce results in a residential land surplus in a market area comprised of South Bruce, Huron-Kinloss, Brockton, and Arran-Elderslie.

Within the regional market area policy, the PPS (2020) provides criteria for boundary changes by way of adjustments (add in one area, remove in another with no net increase) and for expansions arising from comprehensive reviews of supply and demand. Comprehensive reviews are required to reflect population and employment forecasts by the upper-tier municipalities.

The province has not made tools for identifying "excess lands" in settlement areas that would be unavailable for growth until preconditions like time or all other supply being used up available to communities outside of the provincial Growth Plan for the Greater Golden Horseshoe, and de-designating lands (i.e. removing lands from settlement areas to add lands in another) can be a complex process to review with stakeholders and other municipalities.

Recognizing the constraints of the RMA approach in the PPS (2020), the amendment notes the Countywide surplus while highlighting communities that are **expected** to be constrained based on current supply, and communities that **may** be constrained based on current supply:

- Walkerton's constraints relate to housing and commercial lands
- Saugeen Shores settlement area constraints relate to employment and commercial lands
- Kincardine urban area constraints relate to employment lands
- Sauble Beach, Tiverton, Mildmay, Lucknow, Ripley, Chesley, Paisley, Teeswater, and Tara may experience commercial land constraints.

As a first step, the amendment encourages local municipalities to review opportunities to address potential supply issues within these settlement areas through review of existing designations.

Due to the residential land supply constraint (which is the focus of the provincial regional market area) in addition to commercial land constraints, the amendment further and specifically notes that Walkerton is expected to encounter constraints that require a boundary expansion over the life of the County Official Plan so that it can continue to grow as a complete community.

Saugeen Shores and South Bruce have noted higher forecasts for growth that have been generated at the local level. The consulting team has noted that local area forecasts are typically generated for different purposes, such as infrastructure planning, and use different methods, and will often be higher than forecasts that consider a broader market area.

Saugeen Shores has further expressed an interest in a more harmonized approach to development tracking to understand unit counts and land consumption. This would support the provincial direction to maintain a 15-year supply of lands designated for residential uses, and a 3-year supply of lands with servicing capacity through intensification/redevelopment as well as draft and registered plans. Improved data awareness would support more nimble forecasting, including early consideration of needs such as boundary expansions or adjustments where area selection and master planning can have long lead times. Saugeen Shores has requested the amendment provide for forecasts approved through local plans, which would reflect and may update county-scale forecasts, to be a factor in proposals for boundary expansions or adjustments. This has been incorporated into the amendment.

The amendment does not otherwise provide direction or criteria for expansion or adjustment beyond reference to sections of the PPS (2020) and other tools that may be available through provincial legislation. This is specifically intended to avoid creating conformity issues should the province make further changes to the planning system.

A specific request related to inclusion of lands at the north end of Port Elgin within the settlement area has been received by the County and the Town of Saugeen Shores. While the Growth Management amendment does not contemplate specific boundary changes, this information is received for consideration in terms of where additional land needs, if required, could be accommodated.

Formal comments from the province had not been received at the time of writing this report, however the final draft attached to this report incorporates minor suggestions to support alignment with the PPS that were received in a meeting with Ministry staff. The province is the approval authority for the growth management amendment which is advanced under Section 26 of the Planning Act, and the province may modify the amendment as part of its approval.

Hamlet Areas

The province considers Hamlet areas to be part of settlement areas, and thus constrained when it comes to considerations of expansions. Comments from the Municipality of Brockton note PPS servicing directions that reference infill and rounding out and suggest that this opportunity be incorporated into the hamlet policies.

The hamlet analysis noted several areas where boundary adjustments may be beneficial; additional flexibility around infilling and rounding out could also facilitate modest lot creation that maintains the planning objectives for hamlets and meets the minimum lot area requirements outlined in the plan. Staff also note that similar flexibility for infilling and rounding out is found within the most recent provincial Growth Plan for the Greater Golden Horseshoe. Provisions for minor infilling and minor rounding out have been added to the amendment.

A specific request related to inclusion of lands that are partly within, and partly outside of, the Hamlet of Park Head has been received, together with concerns that the amendment may impact potential growth of the hamlet and some questions related to the hamlet analysis methods. Staff responded with information about the analysis, noted the surplus residential land supply in settlement areas in the County and South Bruce Peninsula, the PPS(2020) tools available, and expressed openness to continued discussions through the next stages of the Official Plan project.

Intensification

The Good Growth discussion paper identifies intensification targets in the range of 10-20%. Interest in and capacity for intensification varies across the County, however infrastructure is the primary driver of intensification opportunities. Recognizing this, staff recommends an intensification target of 15% countywide for development on full municipal services, and intensification opportunities in areas that do not have full services being determined based on servicing capacity.

Comments from a developer in South Bruce note concerns with intensification relative to local customers. Staff note that a 15% intensification target on full municipal services provides significant opportunities for new development and further that the proposed amendment also recognizes the need for servicing to determine density where full services are not available, such as in some secondary urban areas and in hamlets. This discussion was further explored in the open house.

Nitrate Study Requirements

The amendment includes three policy adjustments related to development on private services, including:

• deletion of policies that direct the location of septic systems;

- aligning nitrate studies with the provincial guideline where projects have partial services;
 and
- removal of maximum lot or unit counts for developments on private services in hamlets

These amendments clarify application of policies, specifically address matters that can be addressed technically and, in respect of partial services and hamlets, address policies that have recently been the subject of successful site-specific amendments to plan and which, left unchanged, are anticipated to lead to future site-specific amendment requests.

Adoption of these amendments is appropriate and would streamline the approval process.

A letter was received from three local Chief Building Officials (CBOs) reiterating the Town of South Bruce Peninsula's request from April 2022 that all nitrate study requirements be removed from the Official Plan, citing the application of the building code and its regulation of onsite wastewater treatment systems.

As noted in the letter, nitrate is not regulated by the Building Code. However, it is the critical contaminant considered in the provincial D5-4 guideline. This guideline is used to develop hydrogeological reports which are required by regulations under the Planning Act for plan and zoning amendments on private services that would result in more than 4500l/day of sewage or land division of more than 5 lots on private services. The responsibility for municipalities to comply with the D-5-4 guideline was downloaded from the province in the mid-1990s. While the Building Code has been updated in the interim period to include regulations for sewage systems under 10,000 L per day, it does not negate municipalities responsibility to require hydrogeological assessments and nitrate studies to address the D5-4 requirements. The D5-4 guideline helps municipalities address water quality impacts from individual sewage systems to help ensure a clean and safe water supply is maintained for local residents.

Nitrate concentrations in water are important to consider because they can interfere with oxygen delivery to tissues in infants and small children. The Ontario safe water drinking standard is 10mg/l, and this concentration is applied in the D5-4 guideline. The County's Official Plan currently outlines additional applications for nitrate studies to assess proposals for increased density of development on private services.

Accommodating growth and protecting water to support human health and safety are directions of the PPS (2020) and consistent with Bruce County's guiding principles of Good Growth, Management of Natural Resources for future generations, and the vision of navigating Bruce County to a healthy, diverse, and thriving future.

Staff appreciates the concerns identified by the CBOs, and the project team continues to work to identify opportunities for the new Official Plan to outline an appropriate an approach to groundwater protection that meets the requirements of the Planning Act, is consistent with direction for water protection in the PPS, provincial guidelines and the guiding principles established for the Official Plan and which can be implemented by all stakeholders in the development approval process.

Financial/Staffing/Legal/IT Considerations:

There are no financial, staffing, legal or IT considerations associated with this report. Work on the Growth Management Official Plan Amendment and the Official Plan are budgeted expenses.

The servicing-related amendments do not require approval by the province under Section 26 of the Planning Act. These are presented as a separate by-law to enable them to be adopted and approved by the County and come into effect at the end of a statutory 20-day appeal period, unless appealed, rather than being forwarded to the Minister for approval.

The Minister's decision on the Growth Management amendment could be appealed to the Ontario Land Tribunal.

Interdepartmental Consultation:

No interdepartmental consultation specific to this amendment.

Transportation and Environmental Services, Human Services, and Corporate Services have contributed to discussion papers that inform the Official Plan Amendment.

Engagement on the amendment has been focused on local municipalities.

This engagement has led to refinements to the amendment to enhance its ability to provide for appropriate growth in the County. Modifications since the original circulation are tracked in the attached amendment and will be removed prior to its presentation to council for recommendation of adoption.

Further engagement and collaboration is planned for the next phases of the Official Plan review process.

Link to Strategic Goals and Elements:

Development of the new County Official Plan is a major initiative in the Planning and Development Department 2022 business plan.

Report Author:

Jack Van Dorp, Manager of Land Use Planning

Departmental Approval:

Claire Dodds
Director of Planning and Development

Approved for Submission:

Derrick Thomson
Chief Administrative Officer

Supporting Information

The updated Good Growth Discussion Paper, Commercial Market Study, and Hamlet Analysis are posted online at www.planthebruce.ca/official-plan

Direct links to these resources are also provided below:

Good Growth Discussion Paper

Commercial Market Study

Hamlet Analysis

Agency Comments

Comments from the following are attached to the agenda:

Municipality of Brockton Huron Kinloss Chief Building Official Town of Saugeen Shores Letter from 3 Chief Building Officials

Public Comments

Comments from the following are attached to the agenda:

David Aston, MHBC Planning (for Brad Pryde) Garry and Joy Johnson Brian Knox Devin Glew