


# Table of Contents



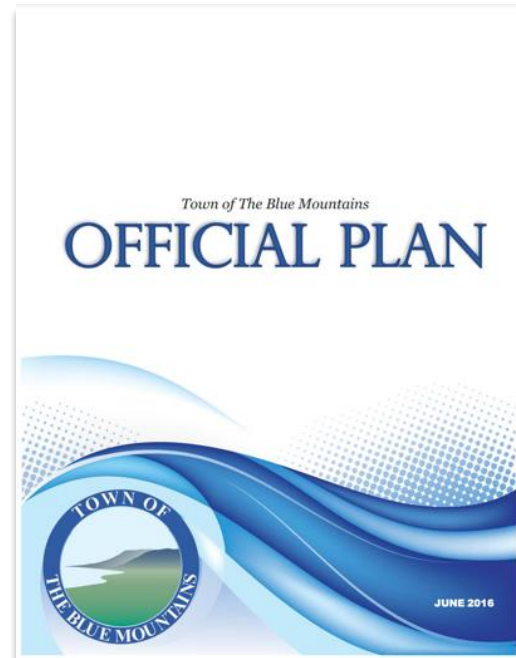
<b>1</b>	<b>Introduction</b> .....	<b>1</b>
1.1	Purpose.....	1
1.2	Report Structure.....	1
<b>2</b>	<b>What is a Community Planning Permit System?</b> .....	<b>2</b>
2.1	Provincial Policy Context.....	2
2.2	Benefits of a CPPS .....	3
2.2.1	Streamlined Development Process .....	3
2.2.2	Greater Controls and Conditions .....	4
2.2.3	Public and Stakeholder Consultation.....	4
2.2.4	Inclusionary Zoning .....	5
2.3	Challenges of a CPPS.....	6
2.3.1	Community Buy-in and Understanding.....	6
2.3.2	Development Review Capacity and Timelines .....	6
2.3.3	Approval Authority and Notification Requirements.....	6
<b>3</b>	<b>Policy Opportunities and Recommendations</b> .....	<b>8</b>
3.1	CPPS Enabling Policies .....	8
3.2	Direction for Zoning and Site Plan Control .....	8
3.3	CPPS Areas.....	9
3.4	Goals and Objectives.....	9

# 1 Introduction

## 1.1 Purpose

The Town of the Blue Mountains is updating its Official Plan. The Blue Mountains Official Plan is the primary planning document that will direct the actions of the Town and shape growth and development. It establishes a unified vision for the future, land use structure for the Town and policies guiding growth and development.

Over the past years, the Town has been experiencing unprecedented growth which is expected to continue due to demographic changes, technological advances and the physical attraction and amenities of the Town. The Official Plan sets the foundation for where and how growth is to occur while ensuring it is balanced to protect the unique rural, environmental and community characteristics of the Town.



The purpose of this Community Planning Permit System (CPPS) Policies Background Paper is to provide an overview of the CPPS in Ontario including its benefits and challenges in context of The Blue Mountains and set out policy recommendations for consideration of future implementation in the Town.

## 1.2 Report Structure

This Community Planning Permit System Policies Paper is structured as follows:

**Section 1 – Introduction:** Provides an introduction to the Background Paper and its purpose.

**Section 2 – What is a Community Planning Permit System?:** Provides an overview of the CPPS and its Provincial policy context, as well as its benefits and challenges.

**Section 3 – Policy Opportunities and Recommendations:** Sets out policy opportunities for updating the Official Plan.

## 2 What is a Community Planning Permit System?

The Community Planning Permit System (CPPS) is a land use planning tool available to municipalities in Ontario that combines Zoning By-law Amendments, Minor Variances and Site Plan Applications into one single application and approval process. Formerly known as the Development Permit System (DPS), a CPPS provides an alternative to the traditional planning approval process, enabling greater efficiencies and a streamlined development process as well as the opportunity to apply a broader scope of review as part of the permit process.



The CPPS process would be administered through a new CPP By-law in place of the Town's Comprehensive Zoning By-law (either on a Town-wide basis or for one or more specified geographic areas within the Town).

Over the past decade, the CPPS has slowly gained traction in Ontario municipalities as the collective understanding of the tool has evolved. A CPPS could be applied to the entire Town, or only a specified geographic area, tailoring to local context and needs. In order to implement to implement a CPPS, a municipality must first have enabling policies within their Official Plan in accordance with Ontario Regulation 173/16. This is one of the first steps for the Town in considering a CPPS. The actual development and implementation of a CPPS would be subject to additional review, study and consultation.

### 2.1 Provincial Policy Context

In 2007, the Planning Act was updated to enable the implementation of a development approvals framework known as the Development Permit System (DPS). The tool was first implemented through O.Reg. 608/06 with the intent to offer municipalities the option of regulating and managing development in a more streamlined, flexible manner.

Ten years later in 2017, *Ontario Regulation 608/06* was revoked and the tool was re-implemented and introduced as the Community Planning Permit System (CPPS). *Ontario Regulation 173/16* is still in effect today, governing how a CPPS may be implemented.

In 2019, Bill 108 introduced changes to the Planning Act relating to the CPPS, which gave the Minister of Municipal Affairs the power to order municipalities to establish an area-specific CPPS. To our knowledge, no municipality has yet been ordered to establish a CPPS. Much like all other municipalities, the Town of The Blue Mountains itself is looking into the implementation of a CPPS. Bill 108 also confined opportunities for municipalities to implement Inclusionary Zoning to Major Transit Station Areas (MTSAs) or areas where a CPPS has been adopted or established in response to an order made by the Minister.

In November 2022, Bill 23 introduced significant amendments to the Planning Act and other legislation, a few of which include:

- Permissions to develop up to three residential units per lot;
- Restricted appeal rights for Minor Variances and Consents; and
- The exemption of residential developments of up to 10 units from Site Plan Control, removing the ability for municipalities to control external architectural design and landscaping.

Importantly, no changes were proposed to the CPPS process. Through a CPP By-law, a municipality may still enforce Site Plan Control for residential developments of less than 10 units.

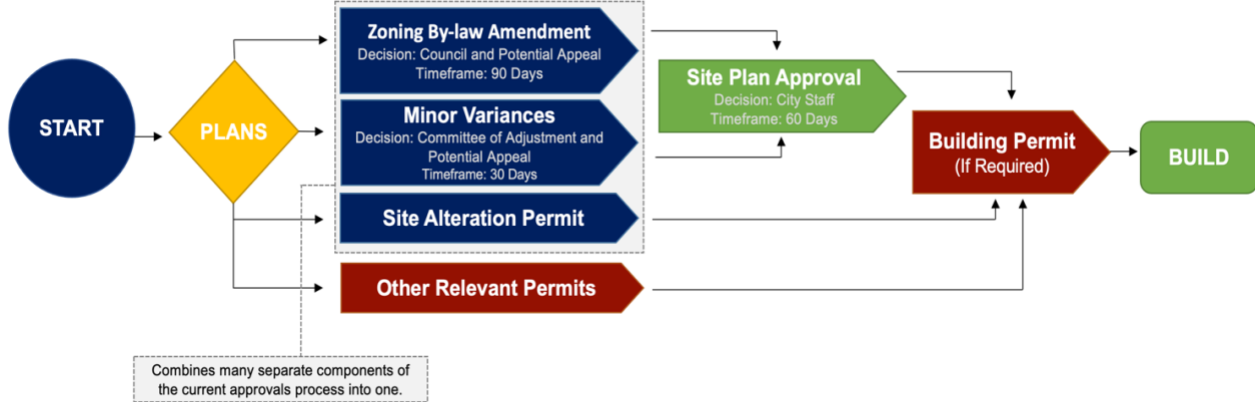
## **2.2 Benefits of a CPPS**

### **2.2.1 Streamlined Development Process**

Streamlining the approvals process into one application system for Zoning By-law Amendments, Minor Variances and Site Plan applications allows municipal staff to make approval decisions more quickly and with all the relevant information. In some situations, it may reduce decision time by several months. It also reduces the number of applications that residents, homeowners and developers have to submit and improves certainty in the process, providing clear requirements that development must adhere to.

Depending on the development rules, standards and criteria set out in the CPP By-law, a development application may either be approved by Town Staff, a Planning/Development Review Committee or Council. Development applications submitted under a CPP By-law must be reviewed and a decision made within 45 days. Decisions on a development application may only be appealed by the applicant to the Ontario Land Tribunal (OLT). **Figure 1** provides a comparison of the Town's existing development approvals process and the CPP By-law approvals process.

**Current Approvals Process**



Combines many separate components of the current approvals process into one.

**CPPS Process**



**2.2.2 Greater Controls and Conditions**

As permitted by Section 41 of the Planning Act, the Town has established the entirety of The Blue Mountains as a Site Plan Control Area. A CPP By-law provides the ability to fine-tune development proposals by controlling site layout details and establishing development agreements beyond the regular Site Plan Control process. A CPP By-law may include details on site alteration, grading, tree and vegetation removal, natural feature protection, shoreline controls, and floodplain and natural hazard limitations. Conditions of approval may also be issued to ensure future development protects environmentally significant areas and other community assets.

A CPP By-law may also provide direction on aspects beyond the control of a Zoning By-law such as landscaping, urban design, heritage character and community benefits. A CPP By-law in The Blue Mountains would also provide the opportunity to further implement requirements of the Community Design Guidelines which are currently being updated. Through the passing of Bill 23 in November 2022, changes to the Site Plan Control process now exempt developments of 10 units or less from Site Plan Control and have removed the ability for municipalities to control external architectural design and landscaping features. Through a CPPS however, these changes do not apply.

**2.2.3 Public and Stakeholder Consultation**

Under a CPPS, all public and stakeholder consultation is front-ended, meaning it is part of implementing the CPPS-enabling Official Plan policies (this Study) and the

establishment of the CPP By-law (further study). This is different from traditional zoning where stakeholder consultation is firmly embedded as part of the development approvals process. In comparison to Zoning By-law Amendments and Minor Variances, the CPPS process does not require mandatory public meetings; however, most municipalities have decided to incorporate public notification as part of the CPP CPPS process.

There are no third-party appeals for CPP By-law applications. Only the proponent of the CPP application has the right to appeal a decision on an application.

#### **2.2.4 Inclusionary Zoning**

Inclusionary Zoning (IZ) is a municipal planning tool that mandates developers to provide affordable housing within new market-rate developments, with the overall intent to increase equity in housing in development focus areas. A number of municipalities have been considering the use of a CPPS as a way to implement IZ. While “zoning” makes up part of its name, IZ is a comprehensive tool that can be implemented through updated Official Plan policies and provisions set out within either a Zoning By-law or CPP By-law.

In Ontario, the Planning Act and *O.Reg 232/18* set out the provisions for IZ. According to Section 16(5) of the Planning Act, an Official Plan may put policies in place that authorize IZ within:

- a) A Protected Major Transit Station Area; or
- b) An area in respect of which a development permit system is adopted or established in response to an order under Subsection 70.2.2(1).

Subsection 70.2.2(1) allows the Minister, by order, to require a local municipality to adopt or establish a DPS/CPPS.

Currently, there are differing interpretations on where IZ may be implemented based on the above Planning Act provisions. It is clear that IZ may be implemented within a Protected MTSA (PMTSA), however this does not apply in The Blue Mountains context as there are no identified PMTSAs within the Town. It remains unclear whether a CPPS in The Blue Mountains would need to be established by the Minister in order to implement IZ, or if it could apply within a Town-initiated CPPS Area.

It has been our interpretation of the Provincial regulations that IZ would be able to apply where a CPPS has been adopted by a municipality (regardless of Minister approval) or where a CPPS has been established in response to a Minister’s order. However, the Province has been relatively silent on this matter, leaving it up to the interpretation of individual municipalities. While legal opinion on interpretation and clarification is required, the Town has the option and opportunity to start planning for the potential implementation of IZ through a CPPS. In the absence of Provincial confirmation, a number of municipalities have considered and started to plan for IZ within the context of

a municipal-led CPPS, as the requirement for affordable housing grows more significant.

## **2.3 Challenges of a CPPS**

### **2.3.1 Community Buy-in and Understanding**

The CPPS is still a relatively new planning tool and while more municipalities are now either looking into its prospects or developing new CPP By-laws, there is still a significant educational component that must be undertaken before, during and following implementation. Shifting community, developer, Town Staff and Council understanding to a new process is one of the main obstacles that must be overcome. If people do not understand the process or its benefits, gaining buy-in for the project and ensuring fulsome involvement and participation in the development of the CPP By-law itself will be a challenge. Therefore, development of a CPPS must be paired with a strong educational component and public engagement process.

### **2.3.2 Development Review Capacity and Timelines**

While a more streamlined development process is a benefit of the CPPS, working within a new 45-day development review timeframe may pose some concerns. This may include staffing and workload uncertainties or concerns of not having enough time to gather comments from all relevant departments and agencies. It is important that development of a CPP By-law consider the most effective internal systems to achieve timely development review which may include internal reorganizations or new processes. Other municipalities have approached the timeline challenge by only deeming an application complete when all department and agency comments have been received and peer reviews have been conducted (if required).

### **2.3.3 Approval Authority and Notification Requirements**

Under a CPPS, a development application may either be approved by Town Staff, a Planning/Development Review Committee or Council. Permits subject to Town Staff review and approval typically meet all development standards or propose minor variations to the standards. Council or Planning/Development Review Committee approval is typically required for more significant development proposals. Upon review of a complete application, the Staff/Committee/Council may approve the application, approve the application with conditions, or refuse the application with no permit issued. It is up to the individual municipality to structure their permit classes and thresholds for variations.

A CPPS is quite flexible in the way it can be set up with respect to permit classes and approval authority. However, this flexibility may pose a challenge in that there may be a perceived lack of public notification or consultation associated with permit applications.

The legislation does not require any notification for CPPS applications. However, in practice within municipalities who have implemented a CPPS or DPS, notification requirements vary between permit classes. There are typically no notification requirements for Staff variations. For example, today, if a homeowner was proposing to increase the maximum gross floor area of their dwelling by 10%, a minor variance application would be required, which would necessitate notification to neighbours who would be able to submit comments and appear at a public hearing to express their support or concern, prior to a decision being made. By contrast, if a CPPS were in place, and a 10% increase in maximum gross floor area was considered to be a Staff variation, notification may not be required, and while area residents could certainly comment on the proposed development in writing, the decision would be made by Staff, outside of a public forum.

For classes requiring higher approval authorities, public notification of the application is typically required in some fashion, including sign posting requirements and/or circulation by mail to neighbours within 120 metres of the property subject to the application. Most DP/CPP By-laws also require notice and information related to the application to be posted on the municipality's website.

The CPPS affords much flexibility with respect to approval authority and notification requirements. Should the Town pursue the implementation of a CPP By-law, early consultation with the public regarding approval authority and notification requirements is recommended to address head-on any potential concerns. Further, with appeal rights for CPP By-law applications limited to the applicants and the approval authority (no third party appeals), it is particularly important to ensure public consultation up-front through the development of the by-law itself.



## 3 Policy Opportunities and Recommendations

The Town's Official Plan policies do not yet contemplate or make reference to a CPPS. A set of new enabling policies will need to be included in the Official Plan under Section E1: Plan Implementation and Administration. Additional policies throughout the Official Plan will also need to be supplemented with direction for a potential CPPS, in addition to the Town's Zoning By-law and Site Plan Control requirements.

### 3.1 CPPS Enabling Policies

Under the Provincial Planning Act, O. Reg 173/16 sets out the following official plan policy requirements to be implemented prior to the passing of a CPPS:

- Identify the proposed CPPS area;
- Sets out the scope of delegated authority;
- Contains a statement of the municipality's goals, objectives and policies in proposing a CPPS;
- Sets out criteria for determining Permit Classes;
- Sets out the types of conditions.

It is recommended that the Official Plan policies specify that Council may delegate its decision-making authority on CPP applications to Town Staff, with limits and specifications on such delegation to be established and identified in a future CPP By-law.

The Official Plan may additionally set out the following:

- Required information and materials for a CPP Permit Application;
- Exempt any class of development or use of land;
- Conditions requiring the provision of specialized facilities, services and matters in exchange for a specified height or density of development.

### 3.2 Direction for Zoning and Site Plan Control

Policies throughout the Town's Official Plan provide direction for land use permissions and requirements to be further addressed through the implementing Zoning By-law such as but not limited to permitted uses, use-specific regulations, building setbacks, floor area, height, parking standards and holding provisions. Each reference to "Zoning" or the Town's Zoning By-law within the Official Plan will need to be updated to specify "Zoning or Community Planning Permit By-law". Reference to both will enable the

future creation of one or more CPP By-law(s) in the Town while also ensuring that development conforms to the existing Zoning By-law until such time that it is potentially replaced.

The policies throughout the Town's Official Plan also speak to matters to be addressed through Site Plan Control and Zoning By-law Amendments/Rezoning. These references will also need to be supplemented by adding "or Community Planning Permit By-law requirements".

### **3.3 CPPS Areas**

General CPPS enabling policies are recommended to be included in this current update of the Town's Official Plan as the first step in considering the implementation of a CPP By-law. Prior to implementation, the policies of the Official Plan must also specify the proposed CPPS area(s), whether Town-wide or area-specific, as well as the specific goals and objectives for the CPPS.

It is recommended that the CPPS enabling policies identify the entire Town as a CPPS area. In doing so, the Town will have the flexibility in the future to implement either a Town-wide CPP By-law or an area-specific CPP By-law. Through a future area-specific CPP By-law, the Town would have the option to pilot a CPPS and understand the process efficiencies and challenges within its local context, before committing to a potential Town-wide CPP By-law.

Future Planning Permit Areas for the Town to consider include those where controlled development and design is of key importance such as within Downtown Areas or along Highway 26; areas experiencing a high level of varying development applications; or residential areas where housing diversity and affordability is the goal. Ultimately, where the Town chooses to implement a CPPS is dependent on the goals, objectives and overall intent for the CPP By-law such as but not limited to urban design, affordable housing, site alteration and tree removal control.

### **3.4 Goals and Objectives**

Update to the Official Plan provides the opportunity to identify specific CPPS goals and objectives upfront before implementation of a CPP By-law. However, these may also be incorporated as an Official Plan Amendment once the Town implements a CPPS. There are a number of reasons why The Blue Mountains may choose to implement a CPPS. In addition to streamlining the development process, which is a major benefit, the Vision and Guiding Principles (Section A1) and Goals and Strategic Objectives (Section A3) of the Official Plan provide a good starting point to begin to consider how a CPPS could provide an additional tool and process that would assist in providing solutions to these priorities. Based on the Town's priorities, a CPPS could help achieve the following goals and objectives and be tailored more specifically to each as needed:



- Facilitate and prioritize the development of higher density housing in appropriate locations that provide a more diverse range of attainable options, following direction of the updated Official Plan.
- Require affordable housing as part of development through conditions and/or Inclusionary Zoning (subject to further interpretation and study).
- Prioritize development projects that increase housing supply and options in a streamlined and efficient manner.



- Coordinate with the updated Community Design Guidelines and set out corresponding regulations that are enforceable through development review.
- Provide built form and public space design direction.
- Recognize the Town’s existing community areas and provide further direction for development based on existing character.



- Regulate tree protection and removal through a combined and fulsome process.
- Regulate site alteration activities.



- Focus and provide direction on green design, landscaping and sustainability to help mitigate and adapt to the impacts of climate change.



- Potential to provide area/community specific direction for changing locations in the Town or those experiencing a high level of development applications such as Downtown Areas, Thornbury and areas designated for future residential development.
- Potential to pilot the CPPS process in one area of the Town before committing to a Town-wide CPP By-law.