



# Special Report on Changes to the Greenbelt

August 2023

## Why we did this work

- On January 11, 2023, the Auditor General of Ontario received a joint letter from all three Ontario Opposition Party leaders requesting a value-for-money audit and an assessment of the financial and environmental impacts of the government's decision to remove lands from the Greenbelt.
- In December 2022, the Province amended the Greenbelt Plan and Greenbelt Area boundary to remove (or re-designate) 15 sites, totalling about 7,400 acres, from the Greenbelt—a swath of about 2 million acres of protected farmland, wetlands and woodlands encircling the densely populated Greater Golden Horseshoe region in southern Ontario.

## Why it matters

- The government advised that opening up parts of the Greenbelt for development supported its goal to build 1.5 million housing units across Ontario over the next 10 years.
- Greenbelts are used around the world to protect natural land and agricultural land from urban sprawl, to conserve nature, contain urban growth and to provide recreational spaces for the public.
- Ontario's Greenbelt—the world's largest—was created in 2005 to permanently protect productive farmland and natural features from uncontrolled urban sprawl in the Greater Golden Horseshoe.
- The Greenbelt plays an important role in sustaining ecological and human health and has some of the most productive farmland in Canada.

## What we found

### Greenbelt Changes Not Necessary to Achieve Government Housing Targets

- The Ministry of Municipal Affairs and Housing (Housing Ministry) had already allocated the entirety of the 1.5-million-unit housing target to municipalities in October 2022—one month before the government's proposal to remove land from the Greenbelt.
- The government and the Housing Ministry did not have evidence that removing land from the Greenbelt was needed to meet the government's housing goals.
- Ontario's Housing Affordability Task Force determined that a shortage of land was not the cause of the province's housing challenges and that the Greenbelt and other environmentally sensitive areas must be protected.
- Chief Planners in the regions of Durham, Hamilton and York—which are home to all 15 sites removed from the Greenbelt—told us that Greenbelt land was not needed to meet the housing targets assigned to them by the Housing Ministry and that there is sufficient land outside the Greenbelt in their regions that is already or easily serviced.
- The Regional Planning Commissioners of Ontario, a group of senior municipal planning leaders from across Ontario, stated it does not support the removal of lands from the Greenbelt as a necessary step to address Ontario's housing needs.

### RECOMMENDATION 14

**Selection of Sites Not Transparent, Objective or Fully Informed**

- Rather than allow the Housing Ministry’s public service to conduct a rigorous, comprehensive and expert-reviewed process to identify and choose lands for removal, the Housing Minister’s Chief of Staff directed a six-person team (the Greenbelt Project Team) on a restrictive and expedited project.
- The Chief of Staff provided public servants the criteria to assess the lands to be removed, enforced a three-week time limit to complete the assessment, and limited who they could speak to when conducting this work.
- While approximately 500 Greenbelt-removal requests had been submitted to the Ministry in the 17 years since the Greenbelt was established, the assessment was limited to 22 specific sites, 21 of which had been identified and provided to the Greenbelt Project Team directly by the Housing Minister’s political staff.

**14 of 15 Sites Removed Were Provided by the Housing Minister’s Chief of Staff to the Greenbelt Team**

- Prominent developers provided information on two proposed sites for Greenbelt removal to the Housing Minister’s Chief of Staff at a function held by the Building Industry and Land Development Association on September 14, 2022.
- Subsequently, one of the same developers provided the Housing Minister’s Chief of Staff with more information and requests to remove three additional sites, including a land site associated with a third developer
- These five sites, which were ultimately removed from the Greenbelt, accounted for 92% of the acres opened for development in December 2022.
- There was a request for three additional sites to be removed from the Greenbelt by a law firm representing three developers via an email directly to the Housing Minister’s Chief of Staff.
- One additional site was provided by a Housing Minister’s staff to the Chief of Staff.
- Three additional sites were provided to the Chief of Staff from the Housing Minister’s staff who was working on the Ministry’s consultation on its review of municipal official plans.
- The Housing Minister’s Chief of Staff could not recall how and from whom he received information on the additional two sites.
- Ultimately 14 of the 15 sites selected for removal were given to the Greenbelt Project Team for review by the Housing Minister’s political staff; one site assessed for removal was provided by the Greenbelt Project Team.

**Criteria and Boundaries Altered to Facilitate Removal of Selected Sites**

- When Housing Ministry staff informed the Housing Minister’s Chief of Staff that they could not assess infrastructure availability or servicing of the proposed sites within a three-week time frame and without contacting municipalities, the parameters were changed so they only needed to confirm whether the land sites were adjacent to a developed urban area.
- Nineteen of the 22 proposed sites did not meet the one initial environmental/agricultural criterion because they included Natural Heritage System lands or a Specialty Crop designation. Before the sites were proposed to Cabinet for removal from the Greenbelt, that criterion was dropped.
- Alterations were made to four of the proposed site selections so they would meet the criterion that sites must be at the edge of the existing Greenbelt.

**Key Decision-making Materials Not Clear on Process for Site Identification, Assessment and Selection**

- The staff we spoke to at the Premier’s Office and Cabinet Office who had reviewed the decision-making material said they were unaware that only 22 Greenbelt sites were assessed for removal, rather than other sites that may have met the criteria.
- The individuals we interviewed also said they were unaware that almost all of the sites assessed for removal were proposed by the Housing Minister’s Chief of Staff rather than the Ministry’s public servants with expertise in these matters.

**No Formal Framework to Monitor and Report on Government Requirements for Sites Removed**

- The government publicly communicated its expectation that developers pay for the infrastructure to service the land sites for construction of new homes to begin by 2025.
- We found that neither the Housing Ministry nor the government have defined these expectations so that progress can be objectively monitored, measured and publicly reported. While negotiations are ongoing, no agreements related to developers paying to service the land prior to construction had been signed by July 3, 2023.

**Public and Municipalities Not Effectively Consulted, Negative Feedback Not Considered**

- The exercise to select and remove lands from the Greenbelt precluded substantive input from municipalities, other provincial ministries, and the general public. Indigenous communities and leaders also say the Province failed to properly consult them on the Greenbelt changes.
- Public consultation required by the *Environmental Bill of Rights, 1993*, was undermined by incomplete and inaccurate Environmental Registry notices, limiting the public's ability to fully understand and comment on the proposed changes and their potential impacts.
- The Housing Minister's Chief of Staff was cautioned by Housing Ministry staff that the 30-day minimum consultation period was insufficient to effectively consult the public.
- Housing Ministry staff did not have sufficient time to analyze the 35,000 overwhelmingly negative comments received to fully inform decision-making, nor were any revisions made to the proposed land removals.

**RECOMMENDATIONS 9–11**

**Owners of 15 Sites Removed Could See Increase in Land Value of \$8.3 Billion**

- Neither the government nor the Housing Ministry assessed how much the value of the Greenbelt land would increase if the restrictions on development were removed.
- Developers/landowners could see a \$8.28 billion increase in the value of their land after the removal of 15 sites from the Greenbelt, according to estimates from the Municipal Property Assessment Corporation (MPAC), which is responsible for calculating property values for municipalities in Ontario.
- The value of one area alone—lands in the Duffins Rouge Agricultural Preserve site in Durham Region—could rise by \$6.63 billion.

**RECOMMENDATION 14**

**Agricultural and Environmental Risks Not Assessed**

- The 2022 Greenbelt removals were made without full consideration for, or a clear understanding of, the environmental and agricultural risks. The Greenbelt Project Team was restricted from leveraging the expertise of partner ministries, municipalities and conservation authorities on environmental and agricultural risks while drafting the proposed Greenbelt changes before public consultation.
- The Greenbelt Project Team was unable to assess key site-specific and detailed environmental or agricultural risks of the removals and no sites were eliminated from consideration based on potential environmental or agricultural impacts.

**Agriculture Ministry Expects Significant Adverse Agricultural Impacts**

- Agriculture Ministry staff found that 76% of the approximately 7,400 acres removed was in active agricultural use in 2022. Further, about 83% of the total area removed is classified as Class 1–3 prime agricultural land, which is of the highest quality and capability for agriculture.
- Agriculture Ministry staff determined that removing three of the 15 sites from the Greenbelt, making up 91% of the total area removed, is likely to lead to significant adverse impacts on agriculture given their large size, existing agricultural uses, and connection to nearby farmland.

**Increased Risk of Damage or Degradation to Important Environmental Features**

- Of the approximately 7,400 acres removed from the Greenbelt, 2,925 acres (or 39%), includes areas with the most sensitive or significant natural features and functions.
- Almost 1,000 acres (or 14%) of the total removals are wetlands and woodlands. Without the protection provided by the Greenbelt Plan, these natural features are at increased risk of damage or degradation, which can increase flooding, impair water quality, contribute to climate change, and reduce biodiversity.
- The federal department Environment and Climate Change Canada has reportedly identified that at least 29 species at risk live, or are likely to live, in the removed sites.

**RECOMMENDATIONS 11, 14**

## Conclusions

- The way the government assessed and selected lands for removal from, and addition to, the Greenbelt was not publicly transparent, objective or fully informed, and was inconsistent with the vision, goals and processes of the Greenbelt Plan, as well as previous amendments to the Greenbelt boundary.
- Opening the Greenbelt for development was not needed to meet the government's goal of building 1.5 million housing units over the next 10 years.
- About 92% of the acreage removed from the Greenbelt was from five land sites passed on to the Housing Minister's Chief of Staff from two developers, including a land site associated with a third developer.
- Assessment criteria provided by the Housing Minister's Chief of Staff were altered and facilitated the removal of land sites from the Greenbelt.
- The proposal prepared by the Housing Ministry—signed and approved by the Deputy Minister of Housing and the Housing Minister, and provided to Cabinet (including the Premier) to inform the decision to change the Greenbelt's boundary—did not clearly and correctly explain how the proposed land sites had been identified, assessed and selected for removal.
- Based on our interviews, other political public service staff in the Minister's Office, the Premier's Office and non-political public service staff in Cabinet Office, indicated that they were similarly unaware of how specific properties were identified.
- The government did not assess financial impacts such as serviceability costs, taxation impacts and land value impacts of Greenbelt boundary changes.
- The 2022 Greenbelt amendments were made without regard for environmental and agricultural risks, were contrary to the Greenbelt Plan's vision and goals of providing permanent protection to key agricultural lands and natural features, and may lead to adverse environmental and agricultural impacts.
- The Province did not make sufficient efforts to consult the public in a meaningful way or to analyze all of the comments received from the public consultation process required by the *Environmental Bill of Rights, 1993*. No changes were made to the proposed removals to address any of the concerns raised during public consultation.