



Office of the Auditor General of Ontario

# Special Report on Changes to the Greenbelt



*August 2023  
(updated October 6, 2023)*



## Office of the Auditor General of Ontario

To the Honourable Speaker of the Legislative Assembly

In my capacity as the Auditor General, I am pleased to transmit my Special Report on Changes to the Greenbelt under Section 12(1) of the *Auditor General Act*.

A handwritten signature in black ink, reading "Bonnie Lysyk". The signature is written in a cursive, flowing style.

Bonnie Lysyk, MBA, FCPA, FCA, LPA  
Auditor General

August 2023  
Toronto, Ontario

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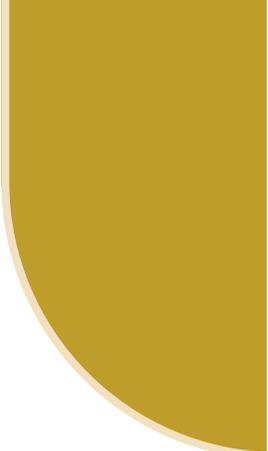
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**Bonnie Lysyk**  
**Auditor General of Ontario**

# Reflections

To maintain public trust and confidence, government and its ministries need to show that they are transparent in decision-making, and that they act fairly in the interests of all Ontarians. Not only do the people of Ontario care about what is done, they equally care about *how* things are done.

Land-use planning is the process that guides decisions about where, and what type of development can occur—for example, where to build homes, factories, hospitals, schools, roads and other essential infrastructure—and where different types of development should not occur. Effective land-use planning ensures that land, which is a finite resource, is used and developed to meet the current and future needs of communities and the people who live in them, while safeguarding valuable resources such as agricultural lands, wetlands, forests, and important natural features and landscapes. In 2007, the Housing Ministry at that time won a prestigious national planning award from the Canadian Institute of Planners for its Greenbelt Plan and recognition of excellence in natural systems planning.

There is no doubt that significant population growth in southern Ontario is compelling grounds for government to prioritize residential construction. This is all the more reason for the Province to ensure that effective and efficient land-use planning occurs.

In June 2022, the Premier provided the Minister of Municipal Affairs and Housing (Housing Minister) with the direction to “complete work to codify processes for swaps, expansions, contractions and policy updates for the Greenbelt.” By December 2022, the government

had decided to open specific land sites in the Greenbelt for housing development.

We found that *how* the land sites were selected was not transparent, fair, objective, or fully informed. It also can be shown that there was sufficient land for the target of 1.5 million homes to be built without the need to build on the Greenbelt.

In conducting our work, we learned about the exercise that was used to recommend the removal of lands from the Greenbelt for housing. It was seriously flawed and was dismissive of effective land-use planning. We also became aware of how non-elected political staff, and developers and their lobbyists, can undermine the technical and operational work of the non-political public service in provincial ministries, and the work of municipalities and conservation authorities. We further concluded that fair, transparent and respectful consultation with the people of Ontario did not take place.

In its haste to promote housing development, the government sought to remove (or re-designate) land sites from the Greenbelt without gathering and using complete information and without effectively leveraging the expertise of provincial experts in land-use planning, Indigenous communities, or the municipalities and conservation authorities that would have to address the impact of the changes. Direct access to the Housing Minister’s Chief of Staff resulted in certain prominent developers receiving preferential treatment. About 92% of the approximately 7,400 acres ultimately removed from the Greenbelt are five land sites put

forward by two developers (which included a land site associated with a third developer) who had access to the Chief of Staff in September 2022.

In essence, the Housing Minister's Chief of Staff instructed the non-political public service staff in the Housing Ministry to conduct an exercise that limited their site-selection assessment to land sites mostly identified by the Chief of Staff, who also limited staff's time to assess the sites, and adjusted the assessment criteria, including eliminating the consideration of agricultural and environmental factors, which facilitated the selection of these specific land sites. What occurred here cannot be described as a standard or defensible process. Ultimately, the government approved the removal of these land sites from the protection of the Greenbelt even though these limitations constrained the information the Province used in its decision-making. As we point out in our report, the actions taken in 2022 were distinctly different than processes used in the past to amend Greenbelt boundaries.

Why was such a significant decision made so fast and without obtaining defensible information by following normal land-use planning practices? How could agricultural and environmental impacts not be considered in decision-making about the Greenbelt? This situation demonstrates the need for non-political public servants, including Deputy Ministers, to have a formal process empowering them to raise objections when, in their opinion, proper information-gathering and decision-making protocols are disregarded.

Leaders who show a willingness to explain decisions or have them reviewed help demonstrate transparency, fairness and equity. Given that both the Premier and the Housing Minister communicated to us that they were unaware that the pre-selection of Greenbelt lands

for removal was seriously flawed, we recommended that the government re-evaluate its 2022 decision to change the Greenbelt boundaries now that it has the benefit of the information contained in this report. While the people of Ontario deserve prompt action to solve societal problems like those generated by a need for housing, this does not mean that government and non-elected political staff should sideline or abandon protocols and processes that promote objective and transparent decision-making based on sufficient, accurate and timely information.

**Appendix 8** contains 15 recommendations resulting from our work.

In completing our report, we received full cooperation from the Secretary of the Cabinet, the Senior Director and General Counsel of the Cabinet Office, the Chief of Staff to the Premier, the former Deputy Minister and staff from the Housing Ministry, and the Deputy Minister and staff from the Ministry of Natural Resources and Forestry.

Thank you to my dedicated team of professionals who worked diligently with me to complete this important report so that I could table it for the Legislative Assembly as my final report as Auditor General of Ontario.

Sincerely,



Bonnie Lysyk, MBA, FCPA, FCA, LPA  
Auditor General of Ontario

August 2023  
Toronto, Ontario

# Special Report on Changes to the Greenbelt

## 1.0 Summary

With Ontario's population increasing, housing affordability and availability have become more pressing issues impacting communities of all sizes across the province. Premier Doug Ford told Ontarians that the province has a housing crisis it did not have four years ago and that his government wanted to make sure houses were built. The Ontario government announced on November 4, 2022, that it was proposing to alter the boundary of the Greenbelt, an area of about 2 million acres of protected farmland, wetlands and woodlands encircling the Greater Golden Horseshoe region. The Greenbelt was created in 2005 to permanently protect productive farmland and natural features from uncontrolled urban development.

The Minister of Municipal Affairs and Housing (Housing Minister) announced that about 7,400 acres would be removed from the protections of the Greenbelt Plan on 15 land sites. To meet the legislative requirement that the total land area in the Greenbelt Area cannot be reduced, about 7,000 acres of land in the Paris Galt Moraine (southwest of the Town of Erin) was proposed to be added to the Greenbelt Plan's Protected Countryside designation and about 2,400 acres of land was proposed to be added to the Greenbelt Plan's Urban River Valley designation. (See **Figure 2** for the additions and removals of Greenbelt lands in 2022 and previous years and **Section 2.1.2** for Greenbelt Plan designations.) The government's

communicated objective in adjusting the Greenbelt boundary was to allow for construction of a minimum of 50,000 new homes to help build 1.5 million homes across Ontario over 10 years by 2031.

The proposed 2022 Greenbelt boundary changes, which came after multiple government promises to protect the Greenbelt, quickly became a contentious issue with the public, in the media and in the Legislature. During the 30-day public consultation period required under the *Environmental Bill of Rights Act, 1993*, the Ministry of Municipal Affairs and Housing (Housing Ministry) received over 35,000 public responses, overwhelmingly opposed to any removals or land swaps in the Greenbelt. The government went ahead and amended the Greenbelt Plan (through Order in Council 1745/2022) and Greenbelt Area boundary (by filing Ontario Regulation 567/22 under the *Greenbelt Act, 2005*), exactly as proposed, on December 14, 2022. The next day, the Province also repealed the *Duffins Rouge Agricultural Preserve Act, 2005* and the additional protection it provided this preserve of prime agricultural lands and natural features located in northwest Pickering (also part of the Greenbelt).

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. Among the concerns raised in the letter, the opposition leaders said "the removal of protections from these lands has instantly shifted

wealth to property owners, who have likely benefited substantially from the rezoning of this land from undevelopable land to developable land.” We initiated our work on January 18, 2023.

Although the government met the requirement of not reducing the total area of the Greenbelt, as required in the *Greenbelt Act, 2005*, we determined that the way the government assessed and selected lands for removal from and addition to the Greenbelt was not publicly transparent, objective or well-informed, and was inconsistent with the vision, goals and processes of the Greenbelt Plan, as well as previous amendments to the Greenbelt boundary. Further, we noted that opening the Greenbelt was not needed to meet the government’s goal of building 1.5 million homes over 10 years.

Rather than have the Housing Ministry’s public service conduct a rigorous and comprehensive assessment of Greenbelt boundary change requests, as had been done in 2017, as part of a scheduled and co-ordinated review of Ontario’s land-use plans, the government embarked on a project (the Greenbelt Project) that was substantially controlled and directed by the Housing Minister’s Chief of Staff, whom the Housing Deputy Minister believed was working under the authority of the Housing Minister and the Premier’s Office. Typically, a Chief of Staff works under the authority of a minister and the Premier’s Office. Consequently, the Ministry’s non-political public service staff believed that directions or instructions provided by the Housing Minister’s Chief of Staff were provided under the authority of the Minister and the Premier’s Office. The Premier’s Chief of Staff appointed the Housing Minister’s Chief of Staff, who began work with the Housing Ministry on July 4, 2022.

The Housing Minister’s Chief of Staff provided all but one of the sites that were ultimately removed from the Greenbelt, at least nine of which came from requests made by a few select developers and their representatives, who contacted him personally. As noted below, about 92% of the acreage removed from the Greenbelt was land sites passed on to the Housing Minister’s Chief of Staff from two developers (which included a land site associated with a third developer). One of these developers provided the information for

about 58% of the acreage removed, land sites where this developer’s companies would likely be developers (see **Figure 7**). Owners of the 15 land sites removed from the Greenbelt could ultimately see a collective \$8.3 billion increase to the value of their properties, as shown in **Figure 9**. (See **Appendix 1** for a timeline of events.)

Restrictions and limitations on the process were requested by the Housing Minister’s Chief of Staff when he advised the Deputy Minister of Housing that the project required higher information-security measures. The Deputy Minister then had confidentiality agreements put in place for the Greenbelt Project Team (a small team of non-political public servants). This effectively precluded the possibility of substantive input from other provincial ministries, municipalities, conservation authorities, Indigenous communities, subject matter experts and the general public. This exercise did not include any analysis of financial or site-specific environmental and agricultural impacts.

Our main findings were:

- **According to the government’s Housing Affordability Task Force, the Housing Ministry, and the Chief Planners of the three most-affected regions, the removal of Greenbelt lands was not needed to meet the government’s housing goals.** The 2022 report of the Ontario government’s Housing Affordability Task Force, which the government has publicly cited as the source of its goal to build 1.5 million homes over 10 years, concluded that a shortage of land is not the cause of the province’s housing challenges. The report also said that the Greenbelt’s land and other environmentally sensitive areas should continue to be protected. Further, the Chief Planners in the regions of Durham, Hamilton and York—which are home to virtually all of the land area removed from the Greenbelt—told us that Greenbelt land was not needed to meet the current housing targets assigned to them by the Housing Ministry. These Chief Planners also told us that there is sufficient land outside the Greenbelt in their regions that is already serviced (or can be more easily serviced) to meet the housing

targets assigned to them in October 2022 by a different division (separate from the Greenbelt Project Team) in the Housing Ministry. The Housing Ministry division confirmed that it allocated these targets to municipalities without the knowledge that lands from the Greenbelt would be opened for housing development.

- **The Chief of Staff of the Housing Ministry was given the responsibility by the Premier's Office to direct a project to change the Greenbelt's boundary.** The Chief of Staff directed the Housing Ministry's Deputy Minister to set up a small team of non-political public servants who worked within the Housing Ministry (the Greenbelt Project Team) to assess certain sites to remove from the Greenbelt. The Greenbelt Project Team was restricted to a three-week time limit and were prohibited, by a confidentiality agreement, from speaking to anyone else about their work. Over the three-week period, the Housing Minister's Chief of Staff provided the Greenbelt Project Team originally with eight—and then an additional 13—sites to review, while asking them to suggest other sites to consider. Further, when the Greenbelt Project Team required more detailed information on the land sites they were asked to assess, it was the Chief of Staff who then reached out to the developers or their representatives for that information. Given the small size of the Greenbelt Project Team, the degree of confidentiality, narrow project scope and tight timelines, the team was able to identify just one additional site (Site #11 in **Figure 4**) for consideration, about which they had more detailed information as a result of a litigation matter—and no additional research was undertaken to look for other candidate sites. As a result, even though approximately 630 site removal requests had been submitted to the Housing Ministry since the Greenbelt was established in 2005 (see **Figure 8**), the Greenbelt Project Team's review was limited to 22 specific sites, 21 of which were identified and provided directly by the Chief of Staff. Of the 15 sites ultimately approved for removal in December 2022, 14 were brought into the project by the Housing Minister's Chief of Staff and one was identified by the Greenbelt Project Team.
- **About 92% of the acreage ultimately removed from the Greenbelt was five land sites passed on to the Housing Minister's Chief of Staff from two developers (which included a land site associated with a third developer).** The 21 land sites provided by the Chief of Staff included two proposals (Sites #1 and #9 in **Figure 4**) that were handed to him in packages by prominent developers on September 14, 2022 at a dinner function held by the Building Industry and Land Development Association. Shortly thereafter, one of the same developers provided the Housing Minister's Chief of Staff with additional information and requests to remove three other proposed sites (Sites #4, #12 and #13). Together, these five proposed sites accounted for 92% of the acreage ultimately removed from the Greenbelt and opened for development in December 2022. Housing Ministry staff believed that the priority sites for removal were Sites #1, #4 and #9.
- **Assessment criteria provided by the Housing Minister's Chief of Staff were altered and facilitated the removal of land sites from the Greenbelt.** The Housing Minister's Chief of Staff provided the initial criteria for the Greenbelt Project Team to use to assess whether potential sites had available or planned infrastructure services (including roads, transit, utilities, schools and emergency services). The Greenbelt Project Team informed the Chief of Staff that they could not assess infrastructure availability or servicing within the three-week time frame without contacting municipalities. Ultimately, the Greenbelt Project Team proposed to the Housing Minister's Chief of Staff, and he agreed, that rather than assessing existing and planned infrastructure availability and servicing capacity for each land site, the Greenbelt Project Team would merely confirm whether these land sites were adjacent to an existing developed urban area. See **Figure 6**.

- The Housing Minister’s Chief of Staff made the decision to drop the only criterion that considered environmental and agricultural factors after the Greenbelt Project Team determined most of the proposed sites did not meet that criterion.** One of the initial assessment criteria to select sites for removal was that the lands could not be in a designated specialty crop area or be part of the Greenbelt’s Natural Heritage System, which captures areas with the most sensitive or significant natural features and functions. After the Greenbelt Project Team determined that all eight of the initial sites did not meet that initial criterion, the criterion was later dropped by the Housing Minister’s Chief of Staff. The Greenbelt Project Team continued to identify the presence of specialty crop and Natural Heritage System designations on proposed sites for the awareness of decision-makers. In total, 13 of the 15 land sites ultimately removed from the Greenbelt contained land designated for specialty crops and/or Natural Heritage System lands. See **Figure 4**.
- Four of the 22 site selections considered by the Greenbelt Project Team were altered so that they could still be chosen for removal.** One initial criterion for removal was that the selected land site be on the edge of the existing Greenbelt Area. The Greenbelt Project Team determined that eight of the 22 sites assessed did not meet this criterion for removal, meaning that their removal would create isolated pockets of housing development within the Greenbelt. In response, the Greenbelt Project Team provided suggestions on how the sites could be altered to meet the criterion. The Housing Minister’s Chief of Staff subsequently directed the Greenbelt Project Team to make the necessary changes to four (Sites #6, #7, #8 and #9 in **Figure 4**) of the eight sites so that these four sites could still meet this criterion. For example, the boundaries of two of these sites (Sites #6 and #8) were expanded to reach the edge of the Greenbelt, which ultimately affected landowners who did not ask for their lands to be removed from the Greenbelt. No other sites (other than Site #11, recommended by the Housing Ministry) had boundary adjustments.
- Internal government decision-making material prepared by the Ministry of Housing, reviewed by political staff and approved by the Housing Minister and the Deputy Minister of the Housing Ministry did not clearly describe how the land sites were identified, assessed and selected for removal.** The material did not explain that the Chief of Staff in the Housing Minister’s Office: identified and presented 21 of the 22 land sites for consideration to the Greenbelt Project Team; provided the initial criteria that were used to assess the land sites for removal; and made the decision to drop criteria that certain proposed sites did not meet. The materials indicated there would be criticism of the basis on which lands were identified for removal. As a result, public service staff within the Cabinet Office and political staff in the Premier’s Office, and potentially the ultimate government decision-makers, may not all have been aware of these key limitations of the Greenbelt Project. We spoke to staff at the Premier’s Office (including the current and former Chiefs of Staff) and Cabinet Office (including the Secretary of the Cabinet), who had reviewed the decision-making material, and all of them expressed different understandings of the process than the one that actually took place. For example, they said they were unaware that only 22 Greenbelt sites were assessed for removal (rather than all relevant sites in the Greenbelt that may have met the criteria) and that almost all of the sites assessed were proposed by the Housing Minister’s Chief of Staff (rather than Housing Ministry staff with expertise in land-use planning).
- The public and affected municipalities were not sufficiently and effectively consulted on the Greenbelt changes, nor was respectful and deliberate consideration given to the**

**overwhelmingly negative feedback received.**

We found that public consultation required by the *Environmental Bill of Rights, 1993* (EBR Act) was limited by government to the minimum of 30 days even though the Housing Ministry's non-political public service staff cautioned political staff and government decision-makers that this relatively short period would be criticized by municipalities and many stakeholders as being insufficient to effectively consult the public. We found that:

- the public consultation was undermined by incomplete and inaccurate notices put on the Environmental Registry of Ontario (Environmental Registry) by the Housing Ministry, limiting the people of Ontario's ability to fully understand and fully comment on the proposed changes and their potential impacts.
- the Housing Ministry posted notices on the Environmental Registry related to the proposed changes to the Greenbelt Plan, the Greenbelt boundary and the Oak Ridges Moraine Conservation Plan on November 4, 2022, just 11 days after municipal elections, limiting new councils' ability to provide comments before the consultation period ended. The Association of Municipalities of Ontario and several individual municipalities asked the Housing Ministry for additional time, but the consultation period was not extended.
- the Ministry of Natural Resources and Forestry subsequently did not effectively consult the public on repealing the *Duffins Rouge Agricultural Preserve Act, 2005*, instead relying on an exception notice that did not give the public complete information or an opportunity to provide comments.

Nevertheless, the Housing Ministry still received more than 35,000 comments that were overwhelmingly negative, as detailed in **Section 4.8**. The Housing Ministry's non-political public service staff did not have sufficient time to carry out a comprehensive analysis of the comments to fully inform decision-making. None of these

comments were addressed in relation to the decision to remove land sites from the Greenbelt and ultimately no revisions were made to any of the proposed land removals.

- **Indigenous communities and leaders say the Province failed to properly consult them on Greenbelt changes.** According to First Nations leaders we spoke to, the extent and timing of the Housing Ministry's consultation with Indigenous communities was insufficient to meet the Province's Duty to Consult with regards to treaty rights and other rights that apply to the areas removed from the Greenbelt in 2022. The Housing Ministry's non-political public service staff cautioned government decision-makers that this was a risk expressed by Indigenous communities.
- **The owners of the 15 land sites removed from the Greenbelt could ultimately see a collective \$8.3 billion increase to the value of their properties.** The Housing Ministry did not estimate how much the value of the land would increase to the benefit of a select few, if the Greenbelt restrictions on development were removed. A subsequent estimate we requested and obtained from the Municipal Property Assessment Corporation (MPAC), which is responsible for calculating property values for all municipalities in Ontario, indicates that removing the 15 land sites from the Greenbelt will increase their value by \$8.28 billion, with the value of one area alone—the Duffins Rouge Agricultural Preserve site in Pickering—increasing by \$6.63 billion (see **Figure 9**). Those estimates were assessed relative to MPAC's most recent full assessment on January 1, 2016, and did not account for additional increases in Ontario land values between 2016 and 2023.
- **The Housing Ministry did not estimate the cost to add needed infrastructure to the Greenbelt sites proposed for removal, or who would pay for it.** We found that the Housing Ministry's Greenbelt Project Team did not estimate the potential costs and time requirements

to service the 15 land sites removed from the Greenbelt with the infrastructure required to support housing, nor was it even asked to make such a determination. It remains unclear who (e.g., owners, developers, municipalities, the provincial government, etc.) will ultimately bear the full costs to service the land to support housing development, including the impact on property taxes. Those costs are estimated to be in the billions of dollars and are currently being negotiated with developers on a site-by-site basis by the office of the government's Provincial Land and Development Facilitator.

- **The Ministry of Agriculture, Food and Rural Affairs (Agriculture Ministry) expects the Greenbelt area removals to have significant adverse agricultural land impacts.** The Agriculture Ministry's non-political public service staff have estimated that 76% of the approximately 7,400 acres removed from the Greenbelt was in active agricultural use in 2022. About 83% of the area removed is classified as Class 1-3 prime agricultural lands, which is of the highest quality and capability for agriculture. Staff determined that the boundary changes will result in a net removal of more than 4,700 acres of land designated and protected by municipalities as prime agricultural area. They also concluded that removing three of the 15 sites (Sites #1, #4 and #9) from the Greenbelt, making up 91% of the total acres removed, is likely to lead to significant adverse impacts on agriculture given the sites' large size, existing agricultural uses, and connection to nearby farmland. The Agriculture Ministry staff conducted additional analysis for our Office and estimated that the removed Duffins Rouge Agricultural Preserve lands generated an estimated \$14.7 million to Ontario's gross domestic product in 2021.
- **Important environmental features on land sites removed from the Greenbelt face increased risk of damage or degradation.** The 2022 Greenbelt boundary changes removed almost 1,000 acres of wetlands and

woodlands from the Greenbelt. Without the protection provided by the Greenbelt Plan, these natural features are at increased risk of being paved over, drained, cut down or polluted. The damage or degradation of green spaces can increase flooding, impair water quality, contribute to climate change and reduce biodiversity. 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. Although natural heritage features and areas on these lands are still subject to the Provincial Policy Statement and ongoing negotiations between the Office of the Provincial Land and Development Facilitator and landowners/developers, it is unclear whether this will ensure protection of natural heritage features and areas. A total of 117 wetlands removed from the Greenbelt were within the Duffins Rouge Agricultural Preserve lands, 110 of which have never been evaluated and are therefore not protected through the Provincial Policy Statement. Despite potential risks, Housing Ministry public service staff confirmed there is no plan in place to monitor the status and protection of natural features on removed lands during future housing development.

- **There is no formal framework in place to monitor and publicly report whether proponents (landowners and developers) fulfill the government's publicly communicated expectations of development on the land sites removed from the Greenbelt.** On November 4, 2022, the Ontario government publicly communicated its development expectations for the 15 land sites removed from the Greenbelt, including that proponents (landowners and developers) would pay for the infrastructure to service the land sites, that construction of new homes would begin no later than 2025, and that, if developers did not show sufficient progress on building homes on these lands, the government would begin the process to return these lands to the Greenbelt. However, we found that, as at

June 2023, neither the Housing Ministry nor the government had further defined their expectations in order for performance indicators to be established and targets set so that progress and results can be objectively monitored, measured and publicly reported.

- It is still unknown if much of the land of the 15 sites removed from the Greenbelt will be ready for development by 2025 as has been cited as a government expectation for these sites.** The restrictions placed on the Greenbelt Project Team by the Housing Minister's Chief of Staff precluded the Greenbelt Project Team from confirming how quickly housing could be built on the sites, or at what cost. As well, the Greenbelt Project Team did not have information to confirm whether servicing was available or possible in the near term for the sites removed. The Durham, Hamilton and York Chief Planners we spoke to said it would be challenging to provide the selected sites with the municipal infrastructure and services needed to support housing development in the near future. For example, Durham's Chief Planner estimated it will take as many as 25 years to have full service for housing development on the Duffins Rouge Agricultural Preserve, which accounts for 58% of the land acres removed from the Greenbelt in 2022.
- The addition of lands to the Greenbelt in 2022 was not based on natural boundaries and protecting environmental functions, and the Housing Ministry did not evaluate the suitability of adding lands as an offset to removals.** In 2022, the Province added approximately 7,000 acres of the Paris Galt Moraine (a unique landform that provides drinking water, wildlife habitat and agricultural land) and 2,400 acres of Urban River Valleys (URVs) to the Greenbelt to offset removals. Additions to the Greenbelt were necessary to offset removals because the *Greenbelt Act, 2005* prohibits an overall reduction in the Greenbelt Area. However, the Greenbelt Project Team did not

assess the suitability of these lands to offset removals, or the environmental or agricultural value of protecting these lands. Although the Greenbelt Project Team recommended adding a larger portion of the Paris Galt Moraine to encompass important natural features and agricultural land, the Housing Minister's political staff directed the Team to add a much smaller area that was closer to the minimum 1:1 ratio necessary to offset removals. The portion of the Paris Galt Moraine that was added has its western boundary cutting across the moraine, without consideration for hydrological, ecological or geological features. Further, the URV additions do not result in meaningful protection. URVs are typically already protected by existing policies, regulations and municipal designations, are largely undevelopable anyway due to their steep terrain and flood risk, and do not contribute agricultural land protection—a core objective of the Greenbelt Plan. The Housing Ministry noted that the agricultural sector, including the Ontario Federation of Agriculture, believes that it is unacceptable for URVs to be included in calculations to maintain the total Greenbelt Area if agricultural lands are removed for development.

- There was no specific reason that the removal of the 15 land sites, done through changes to regulations, had to be included and communicated as part of the government's legislative changes in late 2022.** The Housing Minister's Chief of Staff imposed a three-week time frame on the Greenbelt Project Team to complete the project so that the announcement of Greenbelt land removals and additions could coincide with the government's fall housing legislation. The removal of the 15 land sites occurred through changes to regulations (O. Reg. 567/22 amended O. Reg. 59/05 under the *Greenbelt Act, 2005* and O. Reg. 568/22 amended O. Reg. 140/02 under the *Oak Ridges Moraine Conservation Act, 2001*) and need

not have been part of any combined legislative changes in late 2022. Because Greenbelt boundary amendments are made by regulation, changes can be made—with sufficient public consultation under the *Environmental Bill of Rights, 1993*—independent of the Legislative Assembly’s schedule of legislative business.

## Overall Conclusion

Our audit concluded that the lands removed from the Greenbelt in December 2022 were not chosen using an objective and transparent selection process. Although the government communicated that it was removing land from the Greenbelt to support its goal of building 1.5 million housing units over the next 10 years, there is no evidence this land is needed to reach that goal.

We found that in June 2022, the Minister of Municipal Affairs and Housing was assigned, through a mandate letter, to “codify processes” to amend the Greenbelt. However, it was the Housing Minister’s Chief of Staff who identified specific land sites and provided them to the Greenbelt Project Team to assess for their expedient removal from the Greenbelt. At least 92% of the acreage removed from the Greenbelt was from five land sites passed on from two developers (which included a land site associated with a third developer) who had direct access to the Housing Minister’s Chief of Staff. Housing Ministry staff believed that three land sites were a priority for removal from the Greenbelt: Duffins Rouge Agricultural Preserve lands in Durham Region (Site #1), Book Road in Hamilton (Site #4) and Bathurst-King in York Region (Site #9). For details, see **Figure 4** and **Section 4.2**.

The Housing Minister’s Chief of Staff also provided the Greenbelt Project Team with the initial criteria used to assess the sites for removal. The criteria were amended as the process went on and facilitated the removal of sites that had land designated as Natural Heritage System or Specialty Crops, and sites that were not easily serviceable.

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, neither identified codified processes nor clearly and correctly explained how the proposed land sites had been identified, assessed and selected for removal.

The Housing Minister told us that although he became aware in June 2022 that there would eventually be a new codified process to amend the Greenbelt, he was not aware of how the specific land sites covered by O. Reg. 59/05 were identified for assessment and removal from the Greenbelt. 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 not aware of how specific properties were identified. Given the high level of public interest that any change to the Greenbelt’s boundary was expected to carry, the Housing Minister ought to have known the process used that would lead to the removal of land from the Greenbelt, and ensure that Cabinet and the Premier were also made aware of these details. The Housing Minister indicated he first became aware of the specific land sites proposed for removal on October 26 and the Premier indicated he first became aware of the specific land sites proposed for removal on November 1, prior to a Cabinet meeting held on November 2.

Our audit also concluded that the government did not assess financial impacts such as serviceability costs, taxation impacts and land value impacts of Greenbelt boundary changes. Environmental and agricultural risks were not effectively considered prior to proposing 15 land sites for removal.

Because the project to remove land from the Greenbelt was designed to be swift and confidential, the Housing Ministry was restricted from leveraging the expertise of partner ministries, municipalities, Indigenous communities and conservation authorities on agricultural and environmental risks while assessing sites for removal from the Greenbelt. The Agriculture Ministry expects the Greenbelt area removals to have significant adverse agricultural land impacts. Staff in the Agriculture Ministry determined that the boundary changes will result in a net removal of more than

4,700 acres of land designated and protected by municipalities as prime agricultural area. Important environmental features on land sites removed from the Greenbelt face risk of damage and degradation now that they are no longer protected under the Greenbelt Plan. Changes to the Greenbelt's boundary removed almost 1,000 acres of wetlands and woodlands from the Greenbelt; these natural features risk being paved over, drained, cut down or polluted. As well, 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.

During this audit, we also noted that political public service employees place significant reliance on information provided by third parties with vested interests who have access to these employees. In the situation we reviewed, this practice contributed to a non-transparent exercise and preferential decision-making without the benefit of sound information and recommendations that could have been received from the Housing Ministry, the Ministry of Natural Resources and Forestry, the Ministry of Agriculture, Food and Rural Affairs, and the Ministry of the Environment, Conservation and Parks.

Although the government publicly communicated its expectations for land sites removed from the Greenbelt in December 2022—including that the site proponents would pay, upfront and in full, for the infrastructure to service the lands, and that construction of new homes would begin on these lands no later than 2025—we found that the Housing Ministry and the government have not further defined these expectations so that they can be measured, nor have they established performance indicators to do so.

Throughout this report we refer to 91%, 92% and 93% as percentages of acreage removal. Each percentage is accurate in each context. Ninety-one percent refers to Sites #1, #4 and #9; 92% relates to Sites #1, #4, #9, #12 and #13; 93% refers to seven land sites, Sites #1, #3, #4, #9, #12, #14 and #15. These land sites are identified in **Figure 4**.

Fifteen recommendations are provided in **Appendix 8**.

## RESPONSE FROM THE GOVERNMENT (Chief of Staff, Office of the Premier)

On behalf of the Premier's Office, I appreciate the opportunity to provide a general response to your recommendations regarding the Government of Ontario's political public service in implementing our more than ten week initiative to grow the Greenbelt by more than 2,400 acres and help address Ontario's mounting housing crisis by unlocking lands to build more than 50,000 attainable and affordable homes for Ontarians who need them.

As you will know, Ontario's population is growing at a dramatic and unprecedented rate, with our population growing faster than any province or state in Canada or the United States. Last year alone, we welcomed more than 500,000 people to Ontario. That's more newcomers than Texas and Florida, the fastest growing states in America, which are roughly double the size of Ontario's total population. With this unparalleled level of growth, the need and demand for all forms of housing options has never been more extreme, compounding Ontario's already serious housing supply and affordability crisis.

Ontario's housing supply and affordability crisis most acutely impacts newcomers and young people, who are unnecessarily priced out of the dream of home ownership. It also negatively impacts every Ontario resident, including those who are fortunate enough to already own a home, as it drives up the cost of goods and services, threatens existing jobs and businesses, discourages new job creation and investment, and erodes our sense of community and social welfare. As others have pointed out, failing to address the housing supply and affordability crisis threatens Canadians' so-far unwavering support for immigration, particularly at a time when our economic success depends on welcoming skilled newcomers to fill critical labour gaps.

That's why our government has taken action as a leader in Canada and the first Ontario government

in decades to establish a real plan to address this crisis with the creation of Ontario's Housing Supply Action Plan. Working together with municipal partners and the federal government, we are ensuring that Ontario can continue to be a thriving and welcoming province of opportunity where all people and families can afford to have a roof over their heads and a place to call their own, a place to call home.

Last year, our government commenced an initiative to support the accelerated construction of thousands of new housing options while also growing the Greenbelt. This initiative swapped long identified and municipally requested non-sensitive areas of Greenbelt land with other newly designated Greenbelt areas, supporting the construction of at least 50,000 new homes in growing communities while expanding the total Greenbelt area by more than 2,400 acres. Critically, this initiative impacted non-publicly owned lands and established conditions to ensure that billions of dollars worth of community benefits such as new roads, parks, transit, water, and health-care infrastructure, as well as significant non-profit housing contributions, among other anticipated public benefits, are fully funded by the landowners and builders—not Ontario or municipal taxpayers.

As our government indicated at the outset of this initiative: the Office of Ontario's Provincial Land and Development Facilitator (PLDF), which is staffed by non-political public servants, will be assessing site agreements against the government's requirement that all necessary local infrastructure upgrades are funded entirely by the proponents. Without this requirement being met, the Minister of Municipal Affairs and Housing will not approve development moving forward.

At the same time, in recognition of the need to quickly build homes to house Ontario's growing population, the PLDF will also require site agreements to specify that the government's conditions that new home construction begins on these lands by no later than 2025, with significant progress on

approvals and implementation achieved by the end of 2023 be met. If these conditions are not met, the government will return these lands to the Greenbelt without hesitation.

Our government continues to believe that building more homes is one of the most pressing and urgent challenges facing our province and we will not relent in our commitment to build a minimum of 1.5 million homes in 10 years, including by delivering attainable and affordable homes on the lands unlocked from the Greenbelt.

Under the leadership of Premier Ford, our government believes in and pursues continuous improvement in everything we do to better serve the people of Ontario. We acknowledge that this initiative has moved quickly as speed is necessary when responding to a crisis. That said, and while the initiative is trending well toward achieving its overall objective of rapidly building thousands of new attainable and affordable homes, we recognize there are areas for improvement.

We have thoughtfully considered where the report recommendations can assist with strengthening processes as we move forward and continue our work to respond to Ontario's housing crisis. In this respect we accept in-principle fourteen of the fifteen recommendations.

We agree that there is always an opportunity to improve the way that the political public service works together to establish, implement, and deliver for the people of Ontario through enhanced government policies and programs. I will confer with the Secretary of Cabinet and Minister's Office staff regarding recommendations in your report pertaining to administrative and operational elements, including how political and non-political public servants work together, to consider appropriate and practical ways of improvement for the benefit of all Ontarians.

We accept your recommendations regarding the need to enhance awareness and adherence to proper records retention and stakeholder engagement policies by political public servants. We have

confirmed the enhancement of mandatory new staff onboarding and recurring all-staff information and training sessions delivered in partnership with the Office of the Integrity Commissioner of Ontario. We also accept your recommendation to implement an attestation process to confirm the exclusive use of government email platforms. Furthermore, we accept your recommendation regarding the Office of the Integrity Commissioner of Ontario and a request for his determination regarding this matter has been sent.

To your recommendation regarding roles and responsibilities of political public servants (such as Chiefs of Staff to Ministers) and non-political public servants (such as Deputy Ministers), I will work with the Secretary of Cabinet and Cabinet Office to review our existing role and responsibility documents describing the relationship between political and non-political public servants in policy and operational matters.

Additionally, we accept your recommendation regarding a comprehensive overall review of the *Lobbyists Registration Act, 1998* (LRA), *Members' Integrity Act, 1994*, (MIA) and *Public Service of Ontario Act, 2006* (PSOA). Both the LRA and PSOA have statutory requirements setting out reviews of the respective acts, and while the MIA does not, we will initiate a review of all three acts in advance of the prescribed legislative timelines in a comprehensive manner at an independent legislative committee to ensure and strengthen regulatory oversight.

Thank you for the opportunity to provide a general response. As our government continues to fulfill our promise to the people of Ontario to build 1.5 million homes over 10 years, know that we take seriously our obligation to do so in a way that continues to build public trust and confidence.

## RESPONSE FROM THE SECRETARY OF THE CABINET

Thank you for the opportunity to respond to your report and the recommendations it contains that pertain to the Ontario Public Service (OPS).

The Ontario Public Service, including myself and the Deputy Minister Team, will be working to support the government on implementation of all the recommendations the government has accepted.

On behalf of the Deputy Ministers, the non-partisan public servants who worked on the Greenbelt Cabinet Submission and myself, we have appreciated having the opportunity to provide factual information and perspectives on the work that was undertaken over a 10-week period to support one of the government's mandated priorities.

In the course of our work together over the past years, I have shared with you how enormously proud I am of Ontario Public Service staff and the work they do to serve 15 million Ontarians. Each day, and in every meeting and interaction I have with staff across the public service, I observe public servants operating with a high degree of professionalism, competence and integrity in their respective specialty fields, and a true desire to support and protect our democratic principles including those of equity and fairness.

At the same time, the Ontario Public Service strives each day to improve, and there are important insights in your report on how we can effectively support and serve governments, regardless of party, to deliver programs and services to the people of Ontario who we are so honoured to serve.

There are recommendations in your report that relate to the administration and operations of the public service, including documentation, the role of Deputy Ministers, the use of confidentiality agreements, and the process to support Cabinet decision-making and sign-off.

I will be using your report and its recommendations to the public service, in consultation with Deputy Ministers, with a view to augmenting the substantive and vital work the Ontario Public Service currently performs in supporting government decision-making and delivering effectively on priorities.

There are also recommendations that pertain to the respective roles and responsibilities of Deputy

Ministers and Chiefs of Staff to Ministers. Accordingly, I will be working with the Premier's Chief of Staff to review the information we provide to incoming Ministers, their staff and the Premier's Office that outlines the roles and responsibilities of Ministers and ministries, and the reporting relationship of Deputy Ministers who report to, and are accountable to, the Secretary of the Cabinet.

I will also continue my ongoing work with the Chief of Staff to the Premier to clarify the role Chiefs of Staff play for Ministers in carrying out each Minister's directions, and how Chiefs of Staff work with the Deputy Ministers and the public service on both policy and operational matters.

These efforts will also include promoting awareness of, and reinforcing the use of, processes that are already in place for Deputy Ministers and other senior leaders in the public service to raise issues and concerns they may have about a process or risk. As I have shared with you, in my role as the Secretary of the Cabinet I am able to raise issues, including those escalated to me, directly with the Premier, his Office and Ministers, and I have found the Premier, his staff and Ministers to be receptive to, and to consider carefully, any issues or concerns I have raised.

Our existing ability to engage in open dialogue with elected officials and their staff reflects our mutual responsibility to adhere to key principles expressed in the *Public Service of Ontario Act, 2006*, which is to ensure that the public service of Ontario is effective in serving the public, the government and the Legislature, and is non-partisan, professional, ethical and competent.

Your remaining set of recommendations relate to the government and their operations and decisions. I commit to working with and supporting the Premier and the Chief of Staff to the Premier as they consider your report and will work with them collaboratively to implement all of the recommendations they have accepted.

Again, thank you for the opportunity to respond to your report.

## 2.0 Background

Greenbelts have been a planning approach to manage urban development and to protect farmland and natural areas around the world for decades. A "greenbelt" is a swath of undeveloped "green" land that encircles, or "belts", a city, town or region. Greenbelts generally comprise a combination of public and private lands on which there are development restrictions. The primary objectives of greenbelt policies are to protect agricultural land, conserve nature, contain urban growth and provide recreational spaces for people.

Used as an approach to urban planning since the late 19th century, there are now greenbelts in cities all over the world, such as in Ottawa, San Francisco, London, Copenhagen, Melbourne and Sao Paulo. Greenbelts have been used to protect natural land and agricultural land from urban sprawl, and to provide city-dwellers with recreational spaces. The Greenbelt around Ontario's Greater Golden Horseshoe is the world's largest greenbelt.

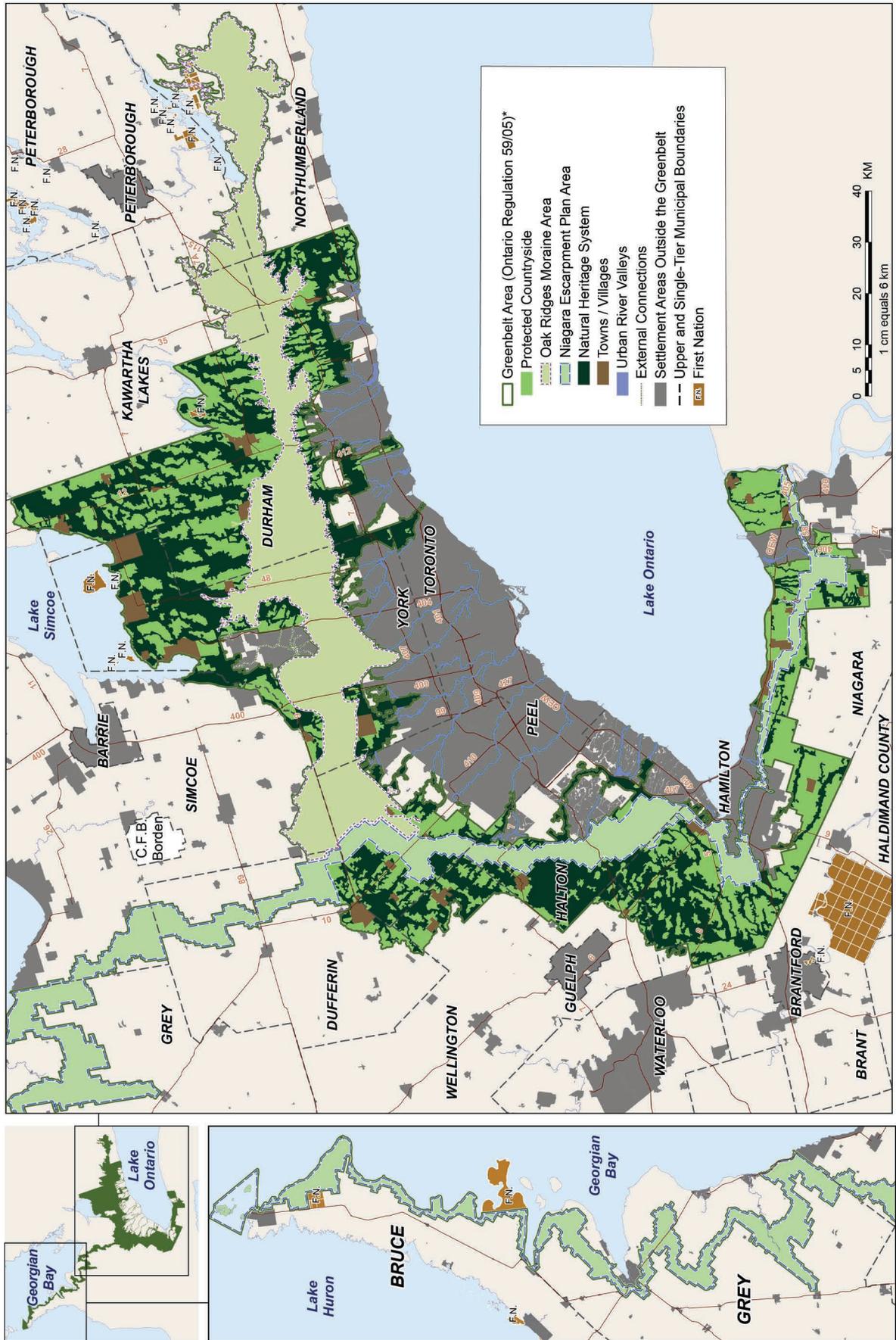
### 2.1 History of the Greenbelt

Established in 2005, the Greenbelt Area is approximately 2 million acres and includes lands in the Niagara Escarpment Plan (1985), the Oak Ridges Moraine Conservation Plan (2001) and the Greenbelt Plan (2005), that surrounds a significant portion of the Greater Golden Horseshoe (GGH) region, the densely populated and industrialized area centred around the City of Toronto. Wrapping around the GGH, the Greenbelt encompasses urban development along Lake Ontario on both its northern and southern shores (see **Figure 1**).

The Greenbelt was created to help control urbanization and sprawl (often characterized by low-density residential housing, such as zoning that limits development to single detached homes on each residential lot) in the GGH region, and to reduce the corresponding loss of farmland and natural features. Forests, wetlands, streams and other natural features clean the air, provide drinking water, provide habitat for plants and

Figure 1: The Greenbelt as of December 19, 2022, after the Most Recent Removals

Source: Ministry of Municipal Affairs and Housing



animals, and give people opportunities for recreational activities. The GGH region also has some of Canada's most important and productive farmland. The Greenbelt Plan derives its authority from the *Greenbelt Act, 2005* and is administered by the Ministry of Municipal Affairs and Housing (Housing Ministry). See **Appendix 1** for a timeline of events.

### 2.1.1 Formation of the Greenbelt's Boundary

In June 2004, the Ontario Legislature passed the *Greenbelt Protection Act, 2004* to establish a study area for determining the boundary and layers for a greenbelt and to pre-emptively suspend development outside urban settlement areas in key parts of this area for the duration of the review. One of the key objectives for the Greenbelt was to include lands that were already permanently protected through the Niagara Escarpment Plan (NEP) (see **Section 2.1.3**) and Oak Ridges Moraine Conservation Plan (ORMCP) (see **Section 2.1.4**). These two provincial plans provide direction for the use and management of land and water aimed at protecting the ecological and hydrological features within these areas.

The process to write the *Greenbelt Protection Act, 2004* began in February 2004, when the Minister of Municipal Affairs and Housing established a task force, consisting of 13 external stakeholders and subject matter experts, to gather information and develop recommendations for creating the Greenbelt. The task force subsequently provided the Housing Ministry with a report that included recommendations on how to identify lands for protection. Building on the recommendations of the task force, the Ministry collaborated with partner ministries, municipalities and other stakeholders to develop a draft plan and boundary for the Greenbelt.

The Ministry of Agriculture, Food and Rural Affairs (Agriculture Ministry) developed a methodology for identifying and designating prime agricultural areas, where rural areas are scored based on several factors, including soil capability, connectedness with surrounding agricultural areas, and area in agricultural production. The resulting maps from this process

contributed to the development of the Agricultural System of the Greenbelt, a land designation within the Greenbelt Plan with policies to protect a continuous land base for agriculture (see **Section 2.1.2** for more information on the Greenbelt's designations).

Making use of an established approach to natural heritage management that was used for the ORMCP (as well as in other jurisdictions in Canada and the United States), the Ministry of Natural Resources and Forestry (Natural Resources Ministry) developed the Greenbelt's Natural Heritage System, which captures areas with the most sensitive or significant natural features and functions. Areas with the highest concentrations of natural features were clustered together into 16 core areas, which were then used to develop linkages to allow for the spread of plants and the movement of animals between the core areas and to natural areas outside of the Greenbelt.

The Housing Ministry also collaborated with partner ministries and stakeholders to assess several other factors needed to develop the overall boundary and Greenbelt systems, including: water quality, areas important for groundwater and surface water flow, species-at-risk habitats, Niagara Tender Fruit and Grape Lands, and future urban land needs for housing and economic growth.

### 2.1.2 The Greenbelt Plan (2017)

On February 28, 2005, the Ontario Legislature passed the *Greenbelt Act, 2005* (Greenbelt Act) with the intent to permanently protect approximately 2 million acres of productive farmland and natural features from uncontrolled urban development. This area represented the world's largest Greenbelt and included the Niagara Escarpment, the Oak Ridges Moraine and large areas of rural land. The Greenbelt Act provided government with the authority to define the Greenbelt Area (see **Figure 1** for a map of this area as of December 19, 2022) and to create the Greenbelt Plan. The Plan was updated in 2017 as part of a required 10-year review.

Since its approval in 2005, the Greenbelt Plan's vision has stated that the Greenbelt is a broad band of permanently protected land established to:

- protect against the loss and fragmentation of the agricultural land base and support agriculture as the predominant land use;
- give *permanent* protection to the natural heritage and water resource systems that sustain ecological and human health, and that form the environmental framework around which major urbanization in south-central Ontario will be organized;
- provide for a diverse range of economic and social activities associated with rural communities, agriculture, tourism, recreation and resource uses; and
- build resilience to and mitigate climate change.

In 2007, the Housing Ministry won a prestigious national planning award from the Canadian Institute of Planners for its Greenbelt Plan and recognition of excellence in natural systems planning.

The Greenbelt Plan (2017) outlines specific land-use planning policies for areas located within its “Protected Countryside,” which is the technical designation of the majority of land area within the Greenbelt with specific policies restricting urban development. Similar to the NEP and the ORMCP, the Greenbelt Plan divides lands within the Protected Countryside into the following three key policy areas:

- **Agricultural System:** agricultural land; specialty crop areas; rural land; and agricultural infrastructure, services and assets.
- **Natural System:** natural heritage system, the water resources system and key hydrological areas, key natural heritage features (such as wetlands, significant woodlands and significant valleys); key hydrologic features (such as streams, lakes and wetlands) and groundwater sources; and areas that serve as ecological linkages between these features.
- **Settlement Areas:** cities, towns, villages and hamlets that have areas of concentrated development and lands that have been designated for development.

The Greenbelt Plan (2017) also includes specific policies for Urban River Valleys (URVs), which are only applied to publicly owned lands within the main corridors of river valleys that connect the Greenbelt’s

Protected Countryside to the Great Lakes. Generally, the public lands in URVs are already subject to existing provincial and municipal restrictions on development. For Greenbelt lands located within the NEP or the ORMCP, the more protective policies in those specific plans take precedence.

Under the Greenbelt Act, the Housing Ministry is to initiate a review of the Greenbelt Plan every 10 years, at the same time as the scheduled review of the NEP (see **Section 2.1.3**) and the ORMCP (see **Section 2.1.4**). During this review, the Minister is to consult with any affected public bodies (including the Natural Resources Ministry, the Niagara Escarpment Commission and the Greenbelt Council) and the council of each municipality included in the Greenbelt Area, ensuring the public is given an opportunity to participate in the review. The last co-ordinated review of Ontario land-use plans was initiated in 2015 and completed in 2017. The next review is scheduled to begin in 2025.

The Greenbelt Council is a government advisory agency that was established under the Greenbelt Act. The act requires the Housing Minister to appoint a Greenbelt Council. The mandate of the council is to provide advice to the Housing Minister about land-use planning matters related to the Greenbelt Area.

### 2.1.3 The Niagara Escarpment Plan

The Niagara Escarpment Plan (NEP) was established in 1985 under the *Niagara Escarpment Planning and Development Act* to serve as the environmental land-use plan for the Niagara Escarpment, a prominent ridge that extends 725 kilometres through southern Ontario from the Bruce Peninsula to the New York State border, with unique environmental and landscape features. The purpose of the act and the NEP is to protect and maintain the Niagara Escarpment and its vicinity “as a continuous natural environment,” and to ensure that only compatible development occurs.

The NEP establishes a framework to sustainably manage compatible development, protection and public enjoyment of the Niagara Escarpment. The NEP applies to 21 of the 110 municipalities in the GGH. None of the Greenbelt amendments made in 2022 alter

the NEP or its plan area. See our 2022 report on Conserving the Niagara Escarpment for information and findings about this act and plan.

#### 2.1.4 Oak Ridges Moraine Conservation Plan

The Oak Ridges Moraine (Moraine) is an environmentally sensitive, irregular ridge in south-central Ontario that stretches 160 kilometres from the Trent River to the Niagara Escarpment, covering approximately 470,000 acres. Formed 12,000 years ago by glaciers, the Moraine comprises rolling hills, river valleys and wetlands. Located north of and parallel to Lake Ontario, the Moraine divides the watersheds draining south into western Lake Ontario from those draining north into Georgian Bay, Lake Simcoe and the Trent River system.

Established under the *Oak Ridges Moraine Conservation Act, 2001*, the Oak Ridges Moraine Conservation Plan (ORMCP) was created to provide land-use and resource-management planning direction to provincial ministers, ministries, agencies, municipalities, landowners and other stakeholders on how to protect, maintain, improve and restore the Moraine’s ecological and hydrological features and functions. According to the ORMCP, the Moraine’s unique concentration of environmental, geological and hydrological features make its ecosystem vital to south-central Ontario. The Moraine, the Niagara Escarpment and the Greenbelt Plan’s Natural Heritage System together form the foundation of south-central Ontario’s natural heritage and green space systems. The ORMCP applies to 32 of the 110 municipalities in the GGH. A portion of one of the sites removed from the Greenbelt in 2022 (Site #9) was re-designated as a “settlement area” under the ORMCP.

#### 2.1.5 Duffins Rouge Agricultural Preserve (DRAP)

The Duffins Rouge Agricultural Preserve (DRAP) includes about 4,700 acres of prime agricultural lands and natural features located in northwest Pickering. It is located immediately adjacent to the Rouge National Urban Park, Canada’s only national urban park.

In the 1970s, these DRAP lands were expropriated from landowners by the Ontario government as part of a larger area to support a nearby proposed federal airport. The airport was never built, and in 1999 the provincial government, the Regional Municipality of Durham and the Town of Pickering entered into a Memorandum of Understanding to enable the same DRAP lands to be sold to the original landowners and tenant farmers at agricultural prices (which are substantially lower than developable land prices). As a condition of sale, each purchaser agreed to grant a conservation or agricultural easement—a legal agreement intended to protect the lands in perpetuity by attaching restrictions to a given property that limit the landowner to agricultural and conservation uses. For further protection of the lands’ use, in 2003 the then Housing Minister issued a Minister’s Zoning Order restricting use of lands in the DRAP to agriculture.

In February 2005, the Ontario government finalized the Greenbelt Plan and designated the DRAP lands as part of its Protected Countryside. The Greenbelt Plan states that the Rouge River watershed (which contains both Rouge National Urban Park and part of the DRAP) is of particular significance within the Protected Countryside, and that these lands “serve as a vital ecological corridor linking Lake Ontario to the Oak Ridges Moraine.”

According to the Ministry of Natural Resources and Forestry, in March 2005, without consulting the Ontario government, the Town of Pickering released the easements it held on two-thirds of the properties that had been purchased in the DRAP. In response, the Ontario government enacted the *Duffins Rouge Agricultural Preserve Act, 2005* (DRAP Act), which provided legal effect to the easements despite any action taken to release them, and approved the Central Pickering Development Plan in 2006, which further protected the DRAP lands from development.

#### 2.1.6 Greenbelt Boundary Changes Between 2005 and 2021

Between 2005 (when the Greenbelt was established) and 2021, the Greenbelt’s boundary was amended twice. The first instance occurred in January 2013,

when approximately 630 acres of provincially owned Urban River Valleys in the Glenorchy Conservation Area in Oakville were added to the Greenbelt Plan (see **Figure 2**).

The second instance was in July 2017, when, following the Ministry's review of the Greenbelt Plan (required every 10 years under the Greenbelt Act), the Ontario government added 24,958 acres of land to the Greenbelt and removed 17 areas of land totalling 371 acres, resulting in a net increase of about 24,587 acres (see **Figure 2**).

In both instances, the Ministry received input from partner ministries and engaged with municipalities, Indigenous communities, landowners and developers, and key stakeholders. In the case of the 10-year review of the Greenbelt, which included removal of lands from the Greenbelt, the Ministry conducted a series of public consultation opportunities at various stages during a 27-month review period, one of which was held for approximately six months. The Ministry received about 490 requests to remove land from the Greenbelt at that time, and assessed each of them using an approach and guidelines that only considered removing areas where development plans had already been approved prior to the creation of the Greenbelt and making minor boundary refinements. These refinements considered updated natural heritage mapping information, opportunities to restore natural features that may have become degraded, and how refining the Greenbelt's boundary may affect the overall integrity of the Greenbelt's Natural Heritage System.

## 2.2 Ontario's Housing Strategy and the Greenbelt

### 2.2.1 Land-Use Planning in the Greater Golden Horseshoe

Land-use planning is the strategic planning process that guides decisions about where and what type of development can occur—and where different types of development should not occur. As explained in our 2021 audit report, *Land-Use Planning in the Greater Golden Horseshoe* (GGH), this planning process is

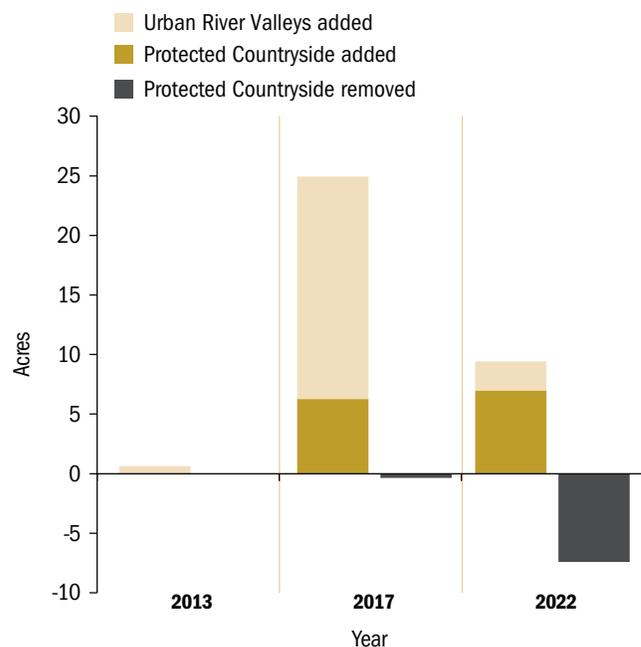
especially important for the GGH, which contains 3% of Ontario's total land area but 69% of its population.

The GGH has one of the highest rates of biodiversity among Canadian regions and includes the Niagara Escarpment (a UNESCO World Biosphere), as well as some of the most productive farmland in the nation. At the same time, the region is the engine of Ontario's economy; between 2013 and 2017, the GGH generated one-quarter of the entire country's gross domestic product.

Having in place robust land-use planning processes is important because decisions about development have far-reaching impacts on the economy, human health and the natural environment. In Ontario, normal land-use planning processes involve policy direction at the provincial level and co-ordination between multiple ministries and municipal decision-makers. The *Planning Act* requires municipalities to craft Official Plans which set out a long-term vision (up to 25 years) for how the municipality wants to evolve and how it intends for the land to be used.

**Figure 2: Additions and Removals of Greenbelt Lands, by Type and Acreage (1,000)**

Source of data: Ministry of Municipal Affairs and Housing



The Official Plans take an average of 17–51 months to develop and review. This is a multi-step process that involves budgeting, demographic studies, a calculation of land budget (amount of land needed in relation to growth projections), review and feedback from the Housing Ministry and other ministries, time for discussion, approval and adoption by town and regional councils as well as input from the locally affected public. The Ontario public is to be consulted via the Environmental Registry of Ontario before the Minister approves an Official Plan.

Typically, municipalities are responsible for reviewing and approving or rejecting development applications from landowners and developers. As shown by **Appendix 2**, a proposed development follows an 11-step application process during which advice and input from municipal staff, external agencies, councillors and the public is sought. The Planning and Development Committee of a municipality issues a report that contains a recommendation for approval/refusal by City Council. The decision can be appealed.

In addition, the Housing Minister can issue a Minister's Zoning Order (MZO) to override the normal land-use planning process, including municipal decisions. MZOs are not required to be consistent with the Provincial Policy Statement, conform to provincial plans, or follow the usual municipal planning processes.

### 2.2.2 Housing Affordability Task Force Recommends Improving Land-Use Efficiency

In December 2021, the Ontario government formed the Housing Affordability Task Force (Task Force), with a mandate to provide the Housing Minister with solutions to Ontario's current housing crisis. The Task Force concluded in its final report (published in February 2022) that Ontario needs to build 1.5 million new homes over the next 10 years to fill the projected housing gap with more affordable choices to catch up to the rest of Canada and to keep up with population growth.

The Task Force's recommendations primarily focused on improving land-use efficiency by requiring

greater density on existing parcels of land allocated for development. The Task Force noted that a shortage of land was not the cause of the housing affordability problem and that there was sufficient land available for development outside of protected areas (citing the Greenbelt as an example). The Task Force also commented that the Greenbelt and other environmentally sensitive areas must be protected in order to ensure that farms continue to provide food and food security. The report states: "Land is available, both inside the existing built-up areas and on undeveloped land outside of greenbelts."

The provincial government adopted the Task Force report as its primary housing strategy in March 2022, and the Ministry began tracking progress against the Task Force report's 55 recommendations.

The Province has committed to getting 1.5 million new homes built over the next 10 years and passed Bill 23, the *More Homes Built Faster Act, 2022* on November 28, 2022, which made significant changes across various pieces of provincial legislation including to the *Planning Act*, the *Conservation Authorities Act*, the *Ontario Heritage Act* and the *Ontario Land Tribunal Act, 2021* to support the implementation of its housing strategy (see **Appendix 3**).

## 2.3 Changes to the Greenbelt Boundary in 2022

### 2.3.1 Initial Proposal to Cabinet to Amend the Greenbelt's Boundary

On November 2, 2022, material prepared by the Housing Ministry in response to the instruction provided by the Housing Ministry's Chief of Staff, and signed by the Housing Minister and the Deputy Minister of the Housing Ministry, was presented to Cabinet. It was used to obtain approval to initiate public consultation on the government's plan to amend the Greenbelt's boundary by:

- removing or re-designating 15 land sites from the Greenbelt (totalling approximately 7,400 acres). The 15 sites are comprised of 22 distinct sections of land, including two sections of land

that were re-designated to Settlement Area (these are collectively referred to as “removals” throughout this report);

- amending the Oak Ridges Moraine Conservation Plan (O. Reg. 140/02 under the *Oak Ridges Moraine Conservation Act, 2001*) to re-designate lands on one of the sites;
- adding a portion of land in the Paris Galt Moraine (in Wellington County) to the Greenbelt Plan, totalling approximately 7,000 acres; and
- making 13 additions/expansions to the Urban River Valley Areas in the Greenbelt, totalling approximately 2,400 acres.

The material noted that the rationale for removing land from the Greenbelt was to support the government’s *More Homes Built Faster Act, 2022*. The Minister’s Office estimated that approximately 50,000 new housing units would be constructed on the areas proposed to be removed from the Greenbelt.

### 2.3.2 Environmental Registry Notice and Consultation Period

Under the *Environmental Bill of Rights, 1993* (EBR Act), the Housing Ministry is required to give notice on the Environmental Registry of Ontario (Environmental Registry) of changes to acts, regulations, policies or instruments that are environmentally significant, and to hold a minimum of 30 days of public consultation on the changes. On November 4, 2022, the Housing Ministry posted notices on the Environmental Registry stating:

- Ontario is expected to grow by more than 2 million people by 2031, including approximately 1.5 million people in the GGH region.
- To accommodate that growth and support the building of more homes, the government is proposing to remove or re-designate 15 areas of land totalling approximately 7,400 acres from the edge of the Greenbelt Area that are serviced, or adjacent to services, and will be used to build housing in the near term.
- Should these lands be removed from the Greenbelt, the landowners will be expected to

develop detailed plans to build housing and move forward with the project quickly. It is the government’s expectation that construction of these new homes will begin on these lands by no later than 2025, and that significant progress on approvals and implementation be achieved by the end of 2023.

- It is the government’s expectation that the proponents (i.e., those who submitted a proposal to remove land from the Greenbelt and utilize it for housing) would fully fund necessary infrastructure upfront.
- If these conditions are not met, the government will begin the process to return the properties back to the Greenbelt.

The Housing Ministry conducted a 30-day consultation period on the Environmental Registry, which is the minimum required (for further details, see **Section 4.8**). The Housing Ministry also engaged with a small number of the affected Indigenous communities in November 2022 (see **Section 4.9**).

### 2.3.3 Final Decision to Amend the Greenbelt Boundary

Following the 30-day public consultation period, the Housing Ministry sought final approval from Cabinet to amend the Greenbelt Plan, Oak Ridges Moraine Conservation Plan and Greenbelt boundary regulation. According to the Housing Ministry, it received over 35,000 comments during the consultation period from members of the public, municipalities, Indigenous communities and other stakeholders (including the environmental, development and agricultural sectors).

On December 14, 2022, 10 days after the conclusion of the public consultation period, the Housing Ministry filed O. Reg. 567/22 under the *Greenbelt Act, 2005*, and O. Reg. 568/22 under the *Oak Ridges Moraine Conservation Act, 2001*, which implemented the proposed Greenbelt Area boundary amendments for 15 land sites, and Cabinet approved Order in Council 1745/2022 to amend the Greenbelt Plan. The government made no changes as a result of the public consultation process.

### 2.3.4 Land Removals and Re-designations

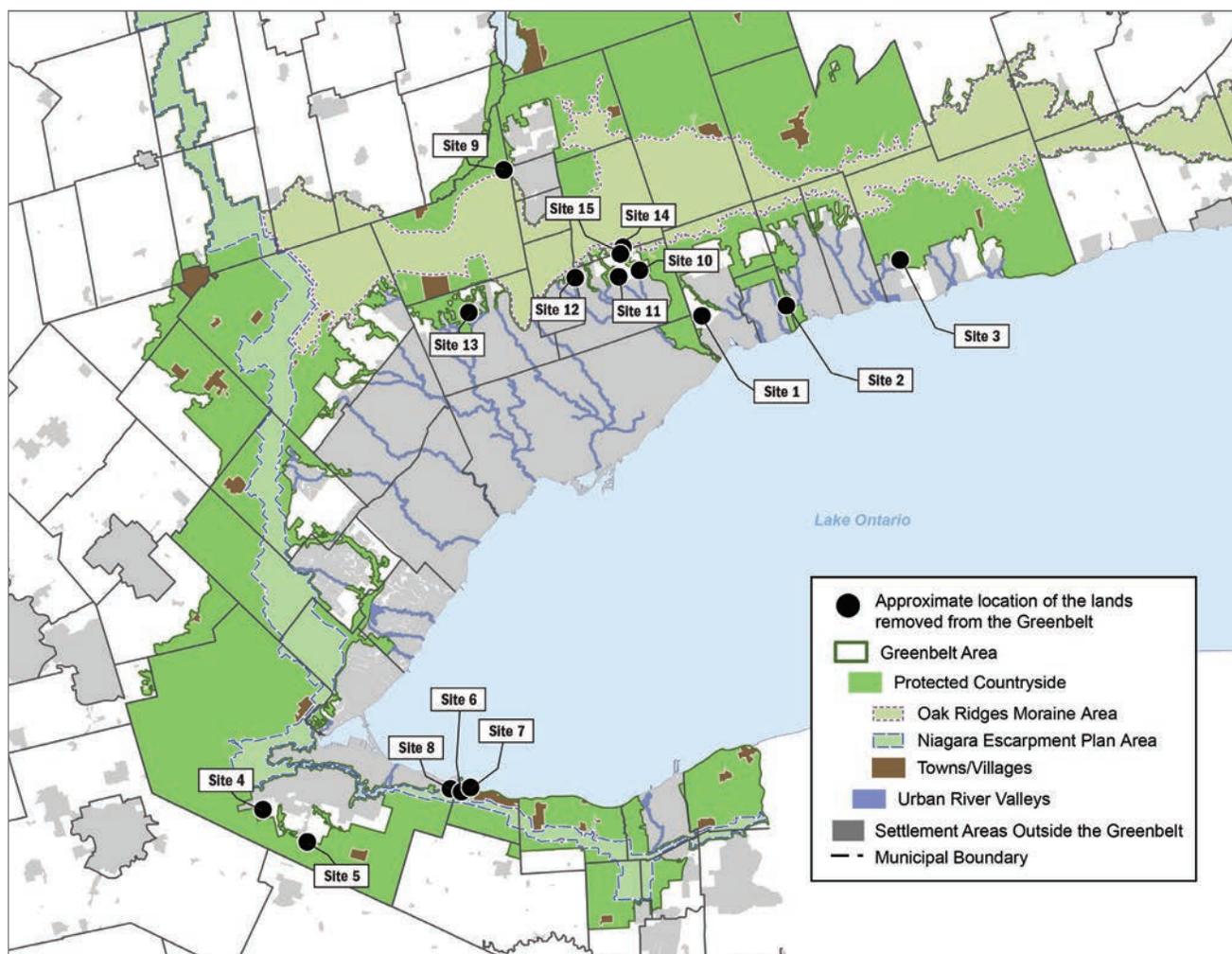
In December 2022, as noted previously, 15 land sites were removed entirely from the Greenbelt Plan or re-designated as Settlement Area within the Greenbelt, thereby lifting certain provincial restrictions on development. In this report, we use the term “land site” and “site” interchangeably to refer to a plot containing one or more sections of land that was assessed for potential removal. To specify the sites chosen in fall of 2022 for removal and re-designation, we number them Site #1, Site #2 and so forth. **Figure 3** provides a map pinpointing the 2022 Greenbelt land site removals, while more detailed maps are included in **Appendix 4**. **Figure 4** provides a summary of land sites removed from or re-designated within the Greenbelt.

Of the 15 land sites removed from the Greenbelt’s development protection, at nearly 4,300 acres the largest site is the Duffins Rouge Agricultural Preserve (DRAP), accounting for approximately 58% of the more than 7,400 total acres removed. The Province made three additional decisions relating to the DRAP which, together, removed the primary legal protections from development within the DRAP overall:

- On December 14, 2022, the Housing Minister filed O. Reg. 566/22 under the *Planning Act*, which revoked a 2003 Minister’s Zoning Order (MZO) that had restricted land use on lands in the DRAP to agriculture.
- Also, on December 14, 2022, on the recommendation of the Housing Minister, the provincial government revoked the Central Pickering

**Figure 3: Locations of the 2022 Greenbelt Land Removals**

Source: Ministry of Municipal Affairs and Housing



Development Plan, a provincial land use plan that had established policies for development in a designated area in Central Pickering as well as protecting the Duffins Rouge Agricultural Preserve from development.

- On December 15, 2022, the provincial government brought into force the *Duffins Rouge Agricultural Preserve Repeal Act, 2022* (passed by the Legislature on December 8), repealing the *Duffins Rouge Agricultural Preserve Act, 2005* and the protection it offered for the DRAP.

### 2.3.5 Greenbelt Additions

O. Reg. 567/22 under the Greenbelt Act added an area of land totalling 7,000 acres from the Paris Galt Moraine in Wellington County to the Greenbelt, designated as Protected Countryside with a Natural Heritage System. O. Reg. 567/22 under the Greenbelt Act also made 13 additions/expansions of URVs to the Greenbelt Plan totalling approximately 2,400 acres. See **Figure 5** for a map of the areas added to the Greenbelt Plan.

The Paris Galt Moraine is a unique landform that spans approximately 150 kilometres, from Caledon to an area southwest of Port Rowan, and is as much as 11 kilometres wide. The Paris Galt Moraine's rolling, hilly terrain is significant because it forms the headwaters for many rivers and streams, contributes to filtration and storage of drinking water, provides wildlife habitat and supports prime agricultural land.

The Housing Ministry had sought feedback through the Environmental Registry from February to April 2021 on initial areas to focus on for expanding the Greenbelt, including 13 new or expanded URVs and a study area for the entire Paris Galt Moraine, and received over 6,000 comments. While the comments were generally favourable for expanding the Greenbelt, municipalities, landowners in and adjacent to the Paris Galt Moraine study area, and the development sector in general raised concerns about the impact that a Greenbelt expansion in the Paris Galt Moraine area would have, including the potential impact on municipalities' ability to accommodate population growth. Wellington County was not supportive of adding the particular

7,000-acre parcel of the Moraine to the Greenbelt, asserting that the land was already protected under other means.

## 3.0 Audit Objective and Scope

On January 11, 2023, the Auditor General received a joint letter from all three Ontario provincial 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. Among the concerns raised in the letter, the opposition leaders said "the removal of protections from these lands has instantly shifted wealth to property owners, who have likely benefited substantially from the rezoning of this land from undevelopable land to developable land."

The objective of our audit was to determine whether the Province of Ontario:

- effectively assessed the financial and environmental impacts of Greenbelt boundary changes, and associated changes in legislation and provincial plans;
- made objective, transparent and informed decisions; and
- established mechanisms to measure and publicly report on whether changes to the Greenbelt's boundary meet the Province's stated objectives.

In planning for our work, we identified the audit criteria (see **Appendix 5**) we would use to address our audit objective. These criteria were established based on a review of applicable legislation and regulations, policies and procedures, internal and external studies, and best practices. Senior management at the Ministry of Municipal Affairs and Housing (Housing Ministry) reviewed and acknowledged our objective and associated criteria.

Our Office began our work expecting to audit the Housing Ministry's processes and procedures around the selection of lands for removal from the Greenbelt and documentation on the financial and environmental implications that justified their selection. However, for certain areas of our work, including key political directions, there was no clear documentation and we

**Figure 4: Summary of Land Sites Removed from or Re-designated within the Greenbelt Area**

Source of data: Ministry of Municipal Affairs and Housing

**Proposed sites were initially assessed by the Greenbelt Project Team using the following three criteria. The third criterion was discarded for use in qualifying sites for removal:**

1. Lands are adjacent to existing settlement areas
2. Adjacent to the edge of the Greenbelt Area boundary
3. Removes no Specialty Crop (SC) or Natural Heritage System lands (NHS)

Site #	Site Name and Size (% of Total Area Removed)	Municipality	Site Housing Developer/Landowner	Criteria Met?			Unique Considerations
				1	2	3	
<b>Durham Region</b>							
1	<b>Duffins Rouge Agricultural Preserve (DRAP) "Cherrywood"</b> 4,288.78 acres (57.86%)	Pickering	TACC Development Inc.	Yes	Yes	No	Required repeal of the <i>Duffins Rouge Agricultural Preserve Act, 2005</i> and the Central Pickering Development Plan. 2,161.41 acres of NHS (50.40% of site area)
2	<b>Kingston Road and Highway 401</b> 133.01 acres (1.79%)	Ajax	Buena Vista Development Corp.	Yes	Yes	Yes	
3	<b>Nash Road</b> 85.78 acres (1.16%)	Clarington	Streamliner Properties	Yes	Yes	No	21.31 acres of NHS (34.18% of site area)
<b>City of Hamilton</b>							
4	<b>Book Road</b> 1,809.37 acres (24.41%)	Hamilton	Fieldgate Homes	Yes	Yes	No	Restrictions on housing development from airport proximity. 316.89 acres of NHS (17.51% of site area)
5	<b>Hamilton Mount Hope</b> 162.77 acres (2.20%)	Hamilton	Penta Properties	Yes	Yes	Yes	
6	<b>Cline Road</b> 73.45 acres (0.99%)	Grimsby	DeSantis Homes Melrose Investments Valery Homes	Yes	No	No	Removed area was made larger than requested to stretch it to the edge of the Greenbelt. Entirety of removal is a Specialty Crop area.
7	<b>502 Winston Road</b> 14.94 acres (0.20%)	Grimsby	New Horizon Development Group	Yes	Yes	No	Re-designated as Greenbelt Settlement Area rather than removed. Entirety of re-designation is a Specialty Crop area and within the NHS.
8	<b>Barton</b> 9.82 acres (0.13%)	Hamilton	155090933 Ontario Inc.	Yes	No	No	Removed area was made larger than requested to stretch it to the edge of the Greenbelt. Entirety of removal is a Specialty Crop area.

Site #	Site Name and Size (% of Total Area Removed)	Municipality	Site Housing Developer/Landowner	Criteria Met?			Unique Considerations
				1	2	3	
<b>York Region</b>							
9	<b>Bathurst-King</b> 655.26 acres (8.84%)	King	Green Lane Bathurst Limited Partnership	Yes	Yes	No	20% re-designated as Greenbelt Settlement Area rather than removed. 222.99 acres of NHS (34.03% of site area)
10	<b>Highway 48</b> 88.34 acres (1.19%)	Markham	Wyview Group	Yes	Yes	No	Entirety of removal is within the NHS.
11	<b>10379 Kennedy Road</b> 36.99 acres (0.50%)	Markham	Minotar Holdings Inc. Beechgrove Estates Inc. Halvan 5.5 Investments Ltd.	Yes	Yes	No	Entirety of removal is within the NHS.
12	<b>Leslie-Elgin</b> 15.14 acres (0.20%)	Richmond Hill	TACC Development Inc.	Yes	Yes	No	Entirety of removal is within the NHS.
13	<b>Block 41 Lands</b> 15.6 acres (0.21%)	Vaughan	TACC Development Inc.	Yes	Yes	No	Entirety of removal is within the NHS.
14	<b>11861 and 12046 McCowan Road</b> 12.81 acres (0.17%)	Whitchurch- Stouffville	Torca Inc. Flato Developments	Yes	Yes	No	Entirety of removal is within the NHS.
15	<b>19th Avenue and McCowan Road</b> 10.58 acres (0.14%)	Markham	Flato Upper Markham Village Inc.	Yes	Yes	No	Entirety of removal is within the NHS.
<b>Total</b>	<b>7,412.64 acres</b>						

Note. Developer information primarily provided by the Office of the Provincial Land and Development Facilitator, and reflects their negotiations as of August 1, 2023. In some cases, the developer has an ownership stake in the land. For details, see **Appendix 6**.

encountered a scope limitation from having to rely significantly on verbal representations from the individuals we interviewed. As well, although we obtained large volumes of email messages, we cannot be assured that all relevant email messages had been retained by the email account owners.

Finally, while we were able to meet with housing developers who benefitted from the 2022 changes to the Greenbelt, but with lower acreage removal, the two housing developers who requested the five land sites (which included a land site associated with a third developer) associated with 92% of the area that was ultimately removed from the Greenbelt refused to meet with us. We then issued summons under sections 11(1) and 11(2) of the *Auditor General Act* for them to meet with us. They then sought to fight the issuance of the summons in the courts.

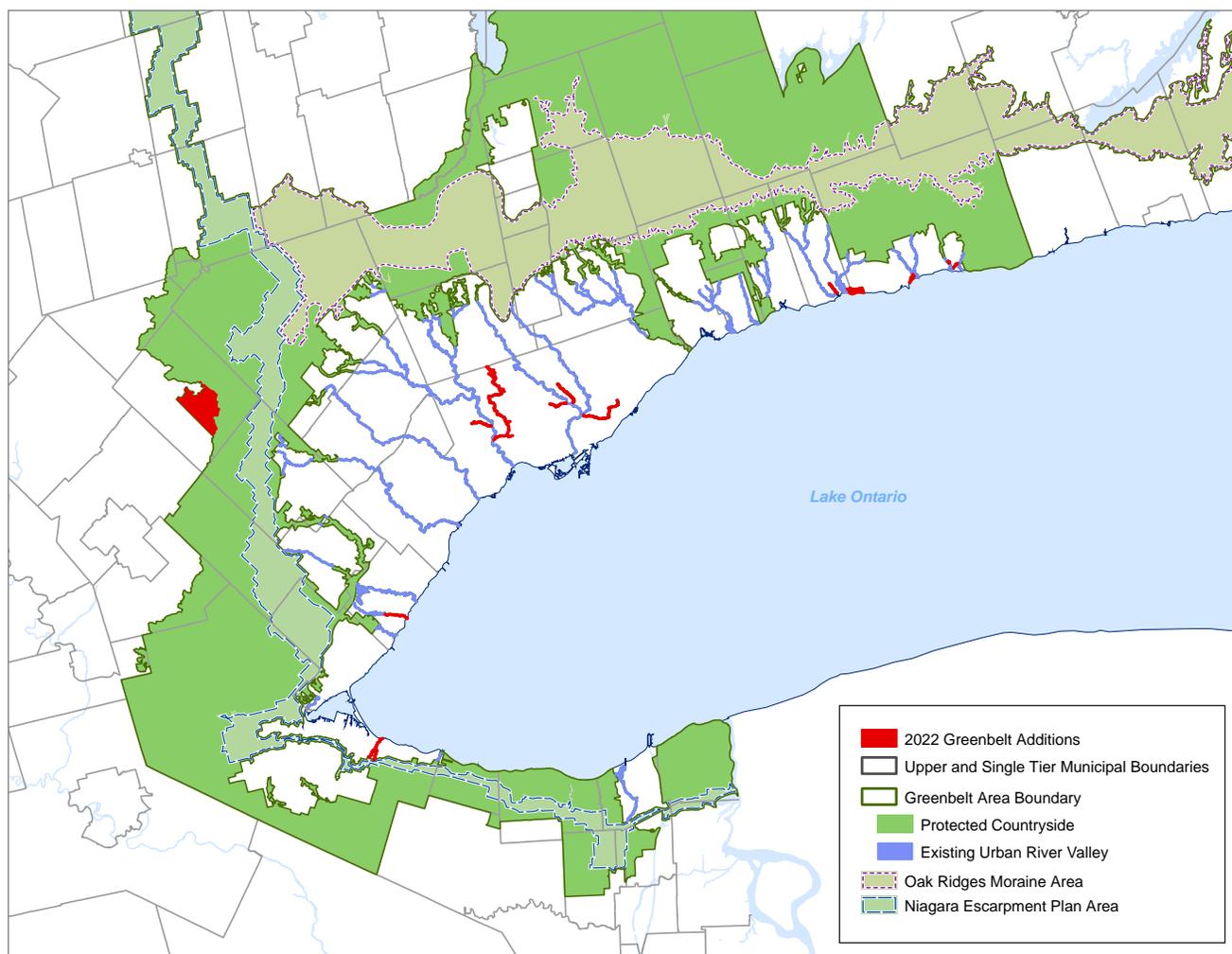
In order to report to the Legislature in a timely manner on the work we have performed to date, we

have chosen to refer this situation of non-compliance with the summons issued in accordance with section 11 of the *Auditor General Act* and under section 33 of the *Public Inquiries Act, 2009* to the Legislature rather than engage in legal challenges with the developers. Should new or additional information come to our attention after the tabling of this report, the Office of the Auditor General of Ontario may consider whether any additional audit work is merited.

We conducted our work between January 2023 and July 2023. We obtained written representation from the former Deputy Minister of Municipal Affairs and Housing, Assistant Deputy Minister of Municipal Affairs and Housing and the Deputy Minister of Natural Resources and Forestry that, effective August 1, 2023, they had provided us with all the information they were aware of that could significantly affect the findings or the conclusion of this report. We also obtained written representation from the Secretary of the

**Figure 5: 2022 Greenbelt Land Additions**

Source: Ministry of Municipal Affairs and Housing



Cabinet that she provided us with all the information that she was aware of that could significantly affect the findings or conclusion of this report. We further obtained written representation from the Premier's Chief of Staff that he provided us with all the information he was aware of that could significantly affect the findings or conclusion of this report.

Our work was conducted primarily at the Housing Ministry's head office in Toronto, and we also spoke with representatives from the Ministry of Natural Resources and Forestry at their head office in Peterborough. In addition, we obtained data extracts and supporting documentation from these locations.

As part of our audit, we interviewed government political staff from the Housing Minister's Office and

the Office of the Premier of Ontario, and non-political public service staff from the Cabinet Office about their involvement in and knowledge of the 2022 project to amend the Greenbelt boundary. We also spoke with stakeholders, including other ministries, municipalities, conservation authorities, representatives from Indigenous communities, environmental organizations, housing developers and housing industry lobbyists to obtain their perspectives on potential issues related to housing development on Greenbelt land and on their involvement in the 2022 project to amend the Greenbelt boundary. We also researched other jurisdictions to identify best practices for land-use planning and issues related to housing.

We conducted our work and reported on the results of our examination in accordance with the applicable Canadian Standards on Assurance Engagements—Direct Engagements, issued by the Auditing and Assurance Standards Board of the Chartered Professional Accountants of Canada. This included obtaining a reasonable level of assurance. The Office of the Auditor General of Ontario applies the Canadian Standards on Quality Management and, as a result, maintains a comprehensive system of quality management that includes documented policies and procedures with respect to compliance with rules of professional conduct, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the Code of Professional Conduct of the Chartered Professional Accountants of Ontario, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

## 4.0 Detailed Audit Observations

### 4.1 Government-Imposed Greenbelt Removals Proceeded Without Evidence They Were Needed to Meet Housing Goals

The government’s reported rationale for removing or re-designating 15 land sites from the Greenbelt in December 2022 was to support its goal of building 1.5 million homes over the next 10 years. Our audit found that the Greenbelt Project Team—the six-person team of non-political public servants assembled to assess specific land sites in the Greenbelt for possible removal—was not asked to assess whether the availability and suitability of land outside the Greenbelt was sufficient for achieving the Province’s housing goals.

As described in **Section 2.2.2**, the provincial government had already adopted the Housing Affordability Task Force’s (Task Force) report as its primary housing strategy, including the Task Force’s recommended goal to build 1.5 million housing units in

Ontario over the following 10 years. We found that the Housing Ministry had already allocated the entirety of the 1.5-million-unit housing target to Ontario’s municipalities in October 2022—one month before the government’s November 2022 proposal to remove land sites from the Greenbelt. The Ministry’s team (below Director level) that allocated these housing targets confirmed to us that it had no knowledge that lands from the Greenbelt would be opened for housing development.

The February 2022 report produced by the Task Force indicated that “a shortage of land isn’t the cause of the problem. Land is available, both inside the existing built-up areas and on undeveloped land outside greenbelts.” Further, the Task Force’s report reinforced the point that “greenbelts and other environmentally sensitive areas must be protected.”

We reviewed other recent reports on the subject and spoke with various subject matter experts across Ontario’s municipalities to obtain their views on whether land from the Greenbelt is needed to solve Ontario’s housing challenges. For example, we spoke with the Chief Planners at the three regions where virtually all of the land area was removed from the Greenbelt in December 2022 (Durham, Hamilton and York). They informed us that sufficiently serviced (or more easily serviceable) land is already available to meet the housing targets assigned to them by the Housing Ministry. The Chief Planners we spoke to also highlighted that the land sites removed from the Greenbelt in December 2022 were largely not serviced, were not in their servicing plans, and that many of the land sites would be challenging to prioritize and service in the near future, with some taking potentially 10 or more years to accomplish.

Further, the Association of Municipalities of Ontario, which represents Ontario’s 444 municipalities, told us that while it recognizes that housing supply is a challenge in Ontario, a shortage of land is not the issue.

Finally, the Regional Planning Commissioners of Ontario (RPCO), a group of senior municipal planning leaders from across Ontario, released a report in March 2023 that indicated that large Ontario municipalities

already have 85% of the 1.5 million housing units in their approval pipelines. The remaining 15% of the Housing Ministry’s allocation will eventually be in the pipeline on non-Greenbelt land. If smaller municipalities are taken into account, the entire 1.5-million housing unit target will likely be exceeded by housing units already in the approval pipeline. The report stated: “RPCO continues to not support in principle the removal of lands from the Greenbelt as a necessary step to address Ontario’s housing needs.”

## 4.2 The Selection of Land Sites for Removal from the Greenbelt was Biased and Lacked Transparency

### 4.2.1 The Housing Minister’s Chief of Staff Directed the Greenbelt Project Team and Provided the Initial Criteria Used to Assess Greenbelt Land Site Removals

Following the June 2, 2022, general election, the Premier directed the Minister of Municipal Affairs and Housing (Housing Minister) in a mandate letter dated June 29, 2022, to “complete work to codify processes for swaps, expansions, contractions and policy updates for the Greenbelt.” The mandate letter also specified that this should “include a comprehensive plan to expand and protect the Greenbelt.” The Premier specified the work should be done “in Fall 2022.” The Chief of Staff of the Housing Ministry was given the responsibility by the Premier’s Office to direct a project to change the Greenbelt’s boundary. In response, in August 2022, the Housing Minister’s Chief of Staff requested information from the Housing Ministry’s public service staff on policy options that the government could explore for making changes to the Greenbelt. (See **Appendix 1** for the Timeline of Key Events.)

In August 2022, Housing Ministry public service staff provided the Housing Minister’s Chief of Staff with options on approaches the government could take to make changes to the Greenbelt. The two options provided by the Housing Ministry’s public service staff were to: conduct a system-wide review or to conduct a site-specific review that only considered boundary

adjustments to specific sites. The Housing Ministry highlighted that a site-specific review carried a much higher risk of negative public and stakeholder reaction and would be more limited in its potential to meet the government’s priorities.

The Housing Minister’s Chief of Staff informed the Housing Ministry on September 16 that the government wished to initiate a site-specific review. This decision ultimately facilitated a focus on only specific developers’ land sites. Housing Ministry staff informed us that, at this time, the Chief of Staff also communicated three priority sites for consideration that included “Cherrywood, a site in King Township, and possibly a site near Hamilton airport”—which, through our work, we determined most likely to be Sites #1, #9 and #4 respectively in **Figure 4**. Ultimately, these three sites accounted for 91% of land removed from the Greenbelt in December 2022.

In the first week of October 2022, the Chief of Staff to the Housing Minister instructed the Housing Deputy Minister to assemble a small team of six to 10 public servants to assess specific land sites in the Greenbelt for possible removal from the Greenbelt Area, and to identify land that could be added to offset the lands removed (see **Section 2.1.2**). The Deputy Minister assembled a team of six people (Greenbelt Project Team) that included members of the Housing Ministry’s Planning and Growth Division and its Assistant Deputy Minister.

During the process, the Housing Deputy Minister believed that the Chief of Staff was working under the authority of the Housing Minister and the Premier’s Office. Typically, a Chief of Staff works under the authority of a minister and the Premier’s Office. Consequently, the ministry’s non-political public service staff believed that directions or instructions provided by the Housing Minister’s Chief of Staff were provided under the authority of the Housing Minister and the Premier’s Office.

The Housing Minister’s Chief of Staff imposed restrictions by requesting higher security measures that limited the Greenbelt Project Team’s ability to follow processes that were used previously when conducting their work prior to recommending alterations to the

Greenbelt boundary. For instance, the Housing Minister's Chief of Staff directed the Greenbelt Project Team not to disclose information related to the Greenbelt Project to any external group, and required the team members to sign security attestation forms confirming their understanding. We found this limitation hampered the Greenbelt Project Team's ability to complete a thorough analysis of the Greenbelt sites.

The Housing Minister's Chief of Staff instructed the Greenbelt Project Team to complete the site assessment portion of the project within less than four weeks of providing the initial site-specific information on October 6, 2022 (although the overall project timeline was about 10 to 11 weeks) so that the announcement of consultation on the proposed Greenbelt land removals and additions could coincide with the Government's fall housing legislation, which would be known as Bill 23, the *More Homes Built Faster Act, 2022*. Within this three-week window, the Housing Minister's Chief of Staff provided the initial criteria to the Greenbelt Project Team (see **Figure 6**). The Greenbelt Project Team was required to conduct a review of land sites to be added and removed, prepare a proposal to Cabinet (described in **Section 2.3.1**) and prepare required Environmental Registry notices (described in **Section 2.3.2**).

The Housing Ministry's Market Housing Division, which generally oversees the implementation of housing bills, told us that the provincial government intends to release housing bills on at least an annual basis, such as one that was introduced in spring 2023. Therefore, the 2022 efforts to change the Greenbelt's boundary could have been delayed to coincide with a subsequent housing bill. Moreover, because Greenbelt boundary amendments are made by regulation, changes can be made—with sufficient public consultation under the *Environmental Bill of Rights, 1993*—independent of the Legislative Assembly's schedule of legislative business. There was no specific requirement that the removal of the 15 land sites through amending regulations (O. Reg. 567/22 under the *Greenbelt Act, 2005* and O. Reg. 568/22 under the *Oak Ridges Moraine Conservation Act, 2001*) had to be part of the government's legislative changes in late 2022.

When we asked the current and former Chiefs of Staff from the Premier's Office about the time frame, both indicated that no time pressure had been imposed by the Premier's Office to complete the Greenbelt boundary changes.

#### 4.2.2 Housing Minister's Chief of Staff Provided the Greenbelt Project Team with All but One of the 22 Greenbelt Sites Assessed for Removal

In the first week of October 2022, the Housing Minister's Chief of Staff provided the Deputy Minister and the Ministry's Greenbelt Project Team with an initial list of eight land sites that could potentially be removed from the Greenbelt, as well as criteria for the team to use to assess the sites. (See **Section 4.2.4** for a fuller description of how the land-assessment criteria were chosen and then modified.)

The Housing Minister's Chief of Staff also asked the Greenbelt Project Team to identify any other land sites that may meet the criteria for removal. The Greenbelt Project Team told us that it advised the Housing Minister's Chief of Staff that a comprehensive assessment of other sites would take longer than the three-week time duration given by the Chief of Staff to conduct the work. As a result, the Greenbelt Project Team identified just one additional land site (Site #11 in **Figure 4**) to be considered for removal. This site was selected because it had already been assessed in detail by the Housing Ministry in relation to a litigation matter. In contrast to what the Greenbelt Project Team told us, the Housing Minister's Chief of Staff told us he was under the impression the Greenbelt Project Team undertook a review of sites other than those he provided.

After beginning its work, the Greenbelt Project Team determined that the initial hardcopy information the Housing Ministry's Chief of Staff had provided about the eight land sites proposed for removal (Sites #1, #3, #4, #9, #12, #14, #15 and one additional site that was not selected for removal) was insufficient for them to map and assess. The Greenbelt Project Team signed confidentiality agreements. While this would not have prohibited conversations with outside parties

Figure 6: Evolution of the Criteria for Removing Land Sites from the Greenbelt in 2022

Source: Ministry of Municipal Affairs and Housing

Subject Area of Criterion	Initial Criteria Provided by Housing Minister's Chief of Staff	Criteria Used to Assess Sites for Removal	Criteria Included in First Cabinet Submission <sup>1</sup>	Criteria Posted in Environmental Registry Notice and Listed in Second Cabinet Submission <sup>2</sup>
<b>Next to an urban area</b>	<ul style="list-style-type: none"> <li>✓ Adjacent to an existing (developed) urban area</li> </ul>	<ul style="list-style-type: none"> <li>✓ Lands are adjacent to existing settlement areas<sup>3</sup></li> </ul>	<ul style="list-style-type: none"> <li>✓ Adjacent to existing settlement areas</li> </ul>	<ul style="list-style-type: none"> <li>✓ Adjacent to existing settlement areas</li> </ul>
<b>On edge of the Greenbelt</b>	<ul style="list-style-type: none"> <li>✓ On the edge of the existing Greenbelt Plan</li> </ul>	<ul style="list-style-type: none"> <li>✓ Adjacent to the edge of the Greenbelt Area boundary<sup>3</sup></li> </ul>	<ul style="list-style-type: none"> <li>✓ Adjacent to the edge of the Greenbelt area boundary</li> </ul>	<ul style="list-style-type: none"> <li>✓ Adjacent to the edge of the Greenbelt area boundary</li> </ul>
<b>Not part of Natural Heritage System or Specialty Crop designations</b>	<ul style="list-style-type: none"> <li>✓ Lands are not in a specialty crop area or part of a natural heritage system</li> </ul>	<ul style="list-style-type: none"> <li>✓ Removes no specialty crop or Natural Heritage Lands<sup>4</sup></li> <li>✗ Dropped after assessment showed that 19 of 22 sites did not meet criterion</li> </ul>		
<b>Lands are serviceable</b>	<ul style="list-style-type: none"> <li>✓ Lands must have the following services available: municipal and regional roads; sanitary trunk mains; regional trunk water mains; gas mains, utilities (hydro communications)</li> <li>✓ Areas can connect to the larger regional infrastructure system</li> </ul>		<ul style="list-style-type: none"> <li>✓ Site has been identified as having potential to yield housing, with potential ability to service in near future<sup>5</sup></li> </ul>	<ul style="list-style-type: none"> <li>✓ Lands have the potential ability to be serviced in near-term with local infrastructure upgrades to be entirely funded by proponents<sup>5</sup></li> </ul>
<b>Lands have characteristics to enable housing to be built in near-term</b>	<ul style="list-style-type: none"> <li>✓ Capacity exists (or can be made to exist) in systems to accommodate potential growth</li> <li>✓ Transit infrastructure (i.e., station(s), transit route(s) (existing and planned))</li> <li>✓ Schools nearby to accommodate growth</li> <li>✓ Police and fire protection services currently available</li> </ul>			<ul style="list-style-type: none"> <li>✓ Lands proposed for removal have the characteristics that would enable housing to be built in the near-term<sup>5</sup></li> </ul>
<b>Infill would complete existing neighbourhoods/communities</b>	<ul style="list-style-type: none"> <li>✓ Infill that would complete existing neighbourhoods and communities (nice to have)</li> </ul>			
<b>Ratio of Greenbelt additions to removals<sup>6</sup></b>				<ul style="list-style-type: none"> <li>✓ Greater than 1:1 offset must be achieved to ensure overall Greenbelt expansion</li> </ul>

1. Cabinet Submission of November 2, 2022.

2. Cabinet Submission of December 14, 2022.

3. These criteria were used instead of assessing whether the lands have the potential to be serviced in the near-term with local infrastructure, and have the characteristics that would enable housing to be built in the near-term. Information included in briefings to the Housing Minister and the Premier's Office (excluding the Premier) stated that 13 of 15 land sites did not meet this criterion.

4. The November 2, 2002 Cabinet submission identified which sites had specialty crop or natural heritage system lands, although it was not used as a criterion for decision-making. These criteria were not assessed by the Greenbelt Project Team.

5. These criteria were not assessed by the Greenbelt Project Team.

6. This factor was considered in aggregate throughout the assessment of sites, given the requirement in the Greenbelt Act, 2005 not to reduce the total Greenbelt Area.

with permission, those conversations did not occur. The Chief of Staff subsequently obtained detailed maps and other information from the site proponents (i.e., the sites' owners, developers or their representatives) including other potential sites for removal and provided this to the Greenbelt Project Team on five USB keys throughout the three-week project.

The Housing Minister's Chief of Staff then personally reached out to the lands' proponents throughout October 2022, requesting and receiving the additional information. Through these exchanges, proponents not only provided the requested information but also suggested the removal of three additional sites (Sites #4, #12 and #13). In all, the Chief of Staff provided 13 additional sites to the Greenbelt Project Team for consideration (Sites #2, #5, #6, #7, #8, #10, #13 and six additional sites that were not selected for removal). By the time the selection of land sites for removal from the Greenbelt was made at the end of October, 21 of the 22 Greenbelt sites that were considered for removal had been provided directly by the Housing Minister's Chief of Staff.

The Housing Minister's Chief of Staff told us that nine sites were brought to his attention by developers or their representatives (Sites #1, #3, #4, #9, #10, #12, #13, #14 and #15); five additional sites were identified by another political staff member in the Minister's Office who was working on the Housing Ministry's consultation on its review of municipal Official Plans (Sites #6, #7, #8 and two additional sites that were not selected for removal); one site was identified by the Greenbelt Project Team (Site #11); and the Housing Minister's Chief of Staff could not recall how and from whom he received information on the additional seven sites that were part of the 22 sites being considered (Sites #2, #5 and five additional sites that were not selected for removal).

Over the course of the project, 93 confidentiality agreements were signed (the majority of which were signed after sites were recommended for removal), including with individuals in various relevant ministries who were involved in consultations or reviewed materials as the project developed.

### 4.2.3 About 92% of the Acreage Ultimately Removed from the Greenbelt Was Land Sites Passed on to the Housing Minister's Chief of Staff from Two Developers, Including a Land Site Associated With a Third Developer

We asked the Housing Minister's Chief of Staff how he selected the initial eight land sites (described in **Section 4.2.2**) provided to the Greenbelt Project Team to be assessed for removal from the Greenbelt. The Chief of Staff to the Housing Minister, who was appointed by the Premier's Office in July 2022 to this position, indicated that he regularly attends industry events and meets with housing developers and their representatives, who at times pass along information about land that they recommend the Ministry consider removing from the Greenbelt.

For example, the Chief of Staff indicated that while attending the Building Industry and Land Development Association's (BILD) Chair's Dinner on September 14, 2022, two prominent housing developers approached him and gave him packages containing information to remove two land sites from the Greenbelt: the Duffins Rouge Agricultural Preserve (DRAP) land site in Durham Region (Site #1 in **Figure 4** and described in **Section 2.1.5**) and the Bathurst-King land site in the York Region (Site #9). The Chief of Staff sat at the same dinner table with one of these two developers.

After the event, during the course of the Greenbelt Project, the Housing Minister's Chief of Staff indicated that the developer for the DRAP site provided him with information and requests to also remove the Book Road site in the City of Hamilton (Site #4), Leslie-Elgin site in the York Region (Site #12) and the Block 41 Lands site in the York Region (Site #13) from the Greenbelt. Altogether, those who had access to the Chief of Staff at the September BILD event ended up with land removals that accounted for 6,784 acres, or 92% (see **Figure 7**) of the 7,412.64 acres ultimately removed from the Greenbelt in December 2022.

The Housing Minister's Chief of Staff told us that whenever he received any packages, he did not immediately open them and review their contents. He said that, instead, he kept them in a stack in his office,

**Figure 7: Housing Developers for the Most Land (by Area) Removed from the Greenbelt in 2022**

Prepared by the Office of the Auditor General of Ontario

Site Housing Developer	Site #	Municipality	Site Name, Acreage	% of Total
<b>TACC Development Inc.</b>	1	Pickering	<b>Duffins Rouge Agricultural Preserve</b> 4,288.78 acres	57.86
	12	Richmond Hill	<b>Leslie-Elgin</b> 15.14 acres	0.20
	13	Vaughan	<b>Block 41 Lands</b> 15.60 acres	0.21
<b>Total TACC Development Inc.</b>				<b>58.27</b>
<b>Fieldgate Homes</b>	4	Hamilton	<b>Book Road</b> 1,809.37 acres	24.41
<b>Green Lane Bathurst Limited Partnership</b>	9	King	<b>Bathurst-King</b> 655.26 acres	8.84
<b>Total Top Three Developers</b>				<b>91.52</b>

adding new packages to the stack as he received them from developers and their representatives. He also noted that he did not tell the developers and land-owners that the government was considering removing land from the Greenbelt, but would consider the requests if it decided to do so.

The Housing Minister's Chief of Staff provided hard-copy information from packages he received on eight sites to the Greenbelt Project Team on October 6, 2022. At that time, the information provided did not include Site #13. However, it did include information on Sites #14 and #15, which was received by email directly from the representative of two developers. Of the eight folders containing information related to the land sites to be assessed for removal by the Greenbelt Project Team, seven sites (Sites #1, #3, #4, #9, #12, #14 and #15) were ultimately chosen for removal. These seven land sites accounted for 93%, or about 6,900 acres, of the 7,412.64 acres of land removed from the Greenbelt in December 2022. The eighth site was not chosen for removal because it did not meet the assessment criteria.

#### 4.2.4 Criteria to Assess Land Were Altered and Facilitated Their Removal

In addition to directing Housing Ministry public service staff to conduct a site-specific review of identified

properties, and providing the Greenbelt Project Team with 21 of the 22 land sites to consider for removal, the Housing Minister's Chief of Staff also provided the team with the initial criteria for discussion for use to assess the lands for potential removal.

These draft criteria, which the Housing Minister's Chief of Staff provided to the Greenbelt Project Team on October 6, 2022, initially included criteria related to the location of the land in the Greenbelt and whether the sites already had, or were near, available municipal services (including roads, transit, utilities, schools and emergency services), or had developed plans to build the infrastructure. In addition, these criteria included provisions intended to protect the Natural Heritage System and specialty agricultural crops in the Greenbelt. See **Figure 6** for a listing of the initial criteria.

During its work in October 2022, the Greenbelt Project Team provided regular updates (at least once per week) to the Housing Minister's Chief of Staff, which included the team's assessment of how closely each of the land sites met the specific criteria. The Greenbelt Project Team typically received information from the Chief of Staff between the update meetings, including additional sites to consider, eventually assessing 22 sites in total. In the course of this work, the Greenbelt Project Team determined that 20 out of the 22 land sites considered for removal (or 13 out of the 15 ultimately removed) either did not meet all

criteria, or the team could not determine whether the sites met certain criteria because of the three-week time frame and the restrictions on whom they could consult.

For instance, the Greenbelt Project Team informed the Housing Minister's Chief of Staff that they could not assess infrastructure services within a three-week time frame and without contacting external parties, such as municipalities, to obtain or confirm details on existing and planned infrastructure services. The Greenbelt Project Team proposed to assess how easily the land sites could be serviced and connected to existing infrastructure by instead determining whether the sites lay adjacent to a developed urban area. The Chief of Staff accepted this limitation and simplified the criteria.

As another example, most of the 22 land sites considered for potential removal failed the only environmental and agricultural criterion, namely, that the site did not contain land designated as Specialty Crop or Natural Heritage System lands. This criterion was intended to consider the presence of the Natural Heritage System and specialty agricultural crop lands (see **Section 2.1.2**) in the Greenbelt. In fact, the Greenbelt Project Team determined that 19 of the 22 land sites were indeed part of the Natural Heritage System and/or had land designated as Specialty Crop lands and therefore did not meet this criterion.

In mid-October, the Greenbelt Project Team communicated to the Chief of Staff that many of the 22 land sites did not meet the environmental/agricultural criterion for removal. He provided direction to drop this criterion. The exclusion of this criterion was not mentioned in the Housing Ministry's information provided to Cabinet, nor was it listed in the Housing Ministry's proposal notice posted on the Environmental Registry of Ontario. However, on October 26, the Minister of Housing was informed by Housing Ministry officials that lands being proposed for removal included acreage that was subject to Natural Heritage System and Specialty Crop designations. On October 27, the same information was presented to the Premier's Office staff. On November 2, Cabinet materials identified which sites contained Natural Heritage System and/or

designated Specialty Crop lands. **Figure 6** shows how the criteria for assessment evolved. Ultimately, based on the Greenbelt Project Team's assessment, 13 of the 15 land sites removed from the Greenbelt contained Natural Heritage System lands and/or were designated as Specialty Crop lands.

In addition, alterations to boundaries and/or land designations were made to proposed sites so that they would better align with the criterion that required sites to be on the edge of the existing Greenbelt. This criterion was designed to prevent the creation of new pockets of urbanized areas within the Greenbelt's protected boundaries. In its work, the Greenbelt Project Team determined that the removal of eight of the 22 sites would have created isolated pockets of housing development within the Greenbelt. In response, the Greenbelt Project Team provided suggestions on how the boundaries and/or designations of land on these sites could be altered to meet this criterion. The Housing Minister's Chief of Staff subsequently directed the Greenbelt Project Team to make changes to the maps for four of the sites. The changes made were as follows:

- The boundaries of two of the land sites (Sites #6 and #8 in **Figure 4**) that were not on the edge of the Greenbelt were expanded beyond the original area proposed for removal in order to connect with the Greenbelt's edge. This affected other landowners who did not request that their lands be removed from the Greenbelt.
- Two sites (Sites #7 and #9 in **Figure 4**) were re-designated from Protected Countryside to Settlement Area within the Greenbelt Area (for Site #9, the re-designation was within the Oak Ridges Moraine Conservation Plan, specifically), effectively allowing for housing development to occur within the Greenbelt Area boundary.

Ultimately, based on the Greenbelt Project Team's final assessment, the Housing Minister's Chief of Staff gave direction to proceed to seek Cabinet approval for the proposed removal of 15 of the 22 land sites.

Of the seven sites that were assessed but not proposed for removal from the Greenbelt, three did not meet the criterion to be on the edge of the Greenbelt,

and site removal for the other four would have required approvals under the Niagara Escarpment Plan or legislative changes deemed outside the scope of the Greenbelt Project. Although these seven sites were not proposed to be removed from the Greenbelt in 2022, political staff in the Minister's Office advised us they were pursuing the possibility of having one site in Pickering (Tribute Homes) to be made available for housing development through other means.

The Greenbelt Project Team provided briefings to the Housing Minister and other political staff in the Minister's Office (on October 26 and November 1, 2022). At these meetings, the Housing Minister reviewed the sites proposed for removal, and we were advised that the Minister agreed with the Greenbelt Project Team's suggested minor changes to the boundaries of Site #11 (see **Figure 4**) to exclude a provincially significant wetland. The Greenbelt Project Team also provided briefings to the Premier's Office political staff (on October 27 and 31, 2022) on the removal of land from the Greenbelt. However, these meetings did not include the Premier.

The Premier stated that he did not know which land sites were going to be removed before he was briefed and shown the lands sites for removal on November 1, 2022, a day before the proposal was provided to Cabinet for approval on November 2, 2022. He also indicated that he had not had any conversations with developers or their representatives about the government's changed plans to remove land sites from the Greenbelt, nor did he instruct political or non-political staff to have certain land sites removed from the Greenbelt.

#### 4.2.5 Government Has Not Been Publicly Transparent About How It Is Carrying Out Greenbelt Land Removals

As noted in **Sections 4.2.2** and **4.2.3**, the 2022 project to remove land from the Greenbelt was not open to all landowners. The Housing Ministry received approximately 630 requests (including the 130 requests received during the public consultation period in

late 2022) to remove land from the Greenbelt between February 2005, when the Greenbelt was established, up until the end of the public consultation to amend the Greenbelt boundary in late 2022. (See **Figure 8** for the number of removal requests received by the Housing Ministry related to the Greenbelt.) However, the Housing Ministry's Greenbelt Project Team only assessed 22 land sites for removal, 21 of which were provided by the Housing Minister's Chief of Staff. The Ministry did not assess any of the 130 requests received during the public consultation to amend the Greenbelt in 2022. Had they considered removing any of the land stemming from these requests, the Ministry would have had to post their potential removal on the Environmental Registry for a minimum of an additional 30 days as required under the EBR Act as well as details of the related regulatory change.

As discussed in **Section 2.1.2**, the Greenbelt was established to give permanent protection to agricultural land and natural features that sustain ecological and human health in the GGH area. However, according to the Housing Chief of Staff, this Greenbelt removal project was intended to be the first of many future rounds to remove land from the Greenbelt; other landowners would have an opportunity to request that

**Figure 8: Number of Removal Requests Received by the Housing Ministry Related to the Greenbelt Area**

Source of data: Ministry of Municipal Affairs and Housing

Time Frame	Estimated Number of Requests Received <sup>1</sup>
<b>As of 2017</b> (at 10-year review)	490
<b>January 2018 to November 2022</b>	10
<b>November to December 2022</b> (during Greenbelt Environmental Registry consultation)	130
<b>Total</b>	<b>630<sup>2</sup></b>

1. Estimated based on Housing Ministry request logs, net of identified duplicate requests (e.g., multiple requests for same property at different times or by different individuals). Excludes 32 requests received prior to 2005.
2. Estimated number of removals also includes proposed land-swaps and re-designations.

their land be assessed for removal in future rounds; and this was an initial attempt to put in place a continuous process that would be evaluated and revised based on lessons learned. While the Chief of Staff of the Premier's Office confirmed the intention was to continue with future land removal from the Greenbelt and that the 2022 process to alter the boundaries of the Greenbelt had not been intended to be a one-time exercise, the Premier's Office's political policy staff and the Housing Minister told us that there is no current intention to prepare for a second round of land site removals, and that the government's focus was on following through with the housing development of the areas already removed from the Greenbelt in 2022.

The provincial government has not transparently communicated with the public about how, if or when it may be carrying out future land removals from the Greenbelt. The housing developers, industry representatives and lobbyists we spoke to during the course of our work told us that they had received no messaging from the government about plans for future removals. These same housing developers (including a few who directly benefitted from the land removals in 2022, see **Section 4.6.1**), and industry representatives, recommended that any future process to remove land from the Greenbelt be transparent and open to all eligible landowners.

We noted that the last time land was removed from the Greenbelt was in 2017, as part of a required review of the Greenbelt Plan (described in **Section 2.1.6**). In contrast to what occurred in 2022, in 2017 the Housing Ministry engaged in a public consultation that began in 2015 and that, among other things, elicited requests for lands to be removed from the Greenbelt. The Housing Ministry assessed all of the approximately 500 requests it had received to that date before making decisions to post any proposed Greenbelt boundary amendment.

### 4.3 The 2022 Greenbelt Boundary Changes Were Inconsistent with the Greenbelt Plan's Vision and Goals, and Deviated from Previous Processes

The *Greenbelt Act, 2005* (Greenbelt Act) sets out the legislated process for amending the Greenbelt Plan and

boundary. In particular, the Greenbelt Act explicitly prohibits any amendment that would reduce the total land area of the Greenbelt Area.

The Greenbelt Plan, established in 2005 by order of the Lieutenant Governor in Council under the Greenbelt Act, sets out the vision and goals of the Greenbelt and provides additional policy direction regarding the processes and principles for growing the Greenbelt Area.

Notably, while the Greenbelt Act implicitly allows for some lands to be removed from the Greenbelt Area (provided that other lands are added to ensure the total land area of the Greenbelt Area is not reduced) the Greenbelt Plan repeatedly states that the Greenbelt is to provide "permanent" protection to the natural features and areas and agricultural lands included in the Greenbelt. The Greenbelt Plan also states that the Province must lead a process, working with municipalities, conservation authorities and other key stakeholders, to identify potential lands to be added and to consider the ecological and hydrological significance of potential lands and their connection with existing agricultural and natural features in the Greenbelt.

We found that the 2022 amendments to remove land from the Greenbelt were inconsistent with the processes and principles that are set out in the Greenbelt Plan for amending the Greenbelt boundaries. In sharp contrast to previous Greenbelt amendments, the 2022 undertaking to identify lands to be removed was not based on the guiding factors, vision and goals set out in the Plan and did not involve collaboration with key stakeholders.

The process used in 2017 for amending the boundary of the Greenbelt involved:

- land removals of approximately 370 acres (see **Figure 2**) in areas where development was already approved and in progress before the Greenbelt's creation or where more precise measurements of the Natural Heritage System could allow for minor refinement of the boundary without affecting environmental features;
- an expert advisory panel to provide recommendations that were used to guide the amendment process and ensure decisions aligned with the objectives of the Greenbelt Plan, such as

avoiding fragmenting farmland and using a broader “systems approach” to protect natural features as well as important linkage areas;

- a technical working group with partner ministries to determine whether and where boundary refinements to the Natural Heritage System were appropriate based on the available data; and
- a review process during which the Housing Ministry also engaged with stakeholders, experts and partner ministries to identify the natural features and functions of areas being considered for removal, including land use, surface and groundwater features, significant wildlife habitat and linkages, wetlands, species at risk and prime agricultural land.

Further, while the 2022 amendments resulted in a net expansion to the Greenbelt of about 2,000 acres, the removal of 7,400 acres of lands is contrary to the overarching purpose of the Greenbelt Plan—to provide for the permanent protection of agricultural land and natural areas and features.

#### 4.4 The Proposal to Cabinet Did Not Clearly Explain How Land Sites Were Identified, Assessed and Selected for Removal from the Greenbelt

The proposal the Minister and Deputy Minister of Municipal Affairs and Housing provided to Cabinet to alter the Greenbelt’s boundaries did not clearly explain how the land sites were identified, assessed and selected for removal. Specifically, it did not explain that the Chief of Staff in the Housing Minister’s Office:

- identified and presented 21 of the 22 land sites for consideration to the Greenbelt Project Team. Instead, the proposal informed decision-makers that the “Government” had identified the land sites, which was intended by the author to communicate that political staff rather than non-political staff had identified the land sites;
- drafted the initial criteria that were used to assess the land sites for removal; and
- made the decision to drop criteria that certain proposed sites did not meet (see **Figure 6**).

While the proposal did identify several risks relating to the limitations of the project and the Housing Ministry’s involvement, the identified risks did not provide sufficient detail for decision-makers to understand the nature of the project. Some of the risks stated in the proposal were:

- Over 700 requests were submitted by land-owners to remove land from the Greenbelt, and the government may face criticism for a lack of transparency in how the sites were selected for assessment.
- The Housing Ministry’s assessment of site potential for infrastructure serviceability consisted of a review of a visual map of the proposed sites to assess their proximity to already-developed areas and whether they were on the edge of the Greenbelt.
- The Housing Ministry noted there was a risk that municipalities will be unable or unwilling to provide servicing to the land sites proposed for removal from the Greenbelt.

We spoke with the Premier, the Housing Minister and political staff in the Premier’s Office (including the current and former Chiefs of Staff) as well as public service staff in the Cabinet Office (including the Secretary of the Cabinet), who reviewed the Greenbelt proposal that was ultimately provided to Cabinet. They expressed different understandings of the site-selection process than what actually took place. Their various understandings were as follows:

- either all or most of the land sites assessed for removal were proposed by Housing Ministry staff, rather than political staff in the Housing Minister’s Office, as described in **Section 4.2.2**;
- the Housing Ministry controlled the development of the criteria used to assess sites for removal (see **Section 4.2.4**);
- additional sites in the Greenbelt that may have met the criteria were considered, rather than just 22 sites as described in **Section 4.2.4**; and
- the 15 land sites ultimately removed from the Greenbelt could be serviced in the near term. Political staff in the Premier’s Office told us that the Housing Minister’s Office was “certain” that

the proposed land sites could be serviced in the near term.

In their submissions to the Integrity Commissioner (as noted in the January 18, 2023 public report of the Integrity Commissioner), the Housing Minister and the Premier advised that “the selection of the affected lands was made by public servants who were subject to an enhanced confidentiality protocol and that the [Housing] Minister was briefed and accepted the proposal only a few days before he presented it to Cabinet and the government made its announcement shortly thereafter.”

We asked the Deputy Minister whether she had communicated any concerns to the Housing Ministry’s Chief of Staff or the Housing Minister about the Greenbelt Project to amend the Greenbelt’s boundary. The Deputy Minister responded that this project used to identify, assess and select land for removal was a government decision. The Deputy Minister noted that the Housing Ministry’s concerns and risks were identified in the information given to government decision-makers. However, as noted above, the identified risks did not make explicit the limitations and bias of the process used. In the opinion of the Deputy Minister, political staff understood that most of the land sites were provided by the Housing Minister’s Chief of Staff, who took direction from the Minister and Premier’s Office. The Deputy Minister noted that if she had thought that this was not understood she would have clarified this at the time.

We were informed that the Housing Minister was made aware through discussions and meetings with the Deputy Minister of the Housing Ministry that there was work being conducted related to the mandate letter issued in June 2022 that gave direction about the Greenbelt.

Throughout the project, the Housing Ministry’s non-political public service staff received instructions provided by the Housing Minister’s Chief of Staff. While non-political public service staff in the Housing Ministry highlighted the risks of considering only specific land sites for removal and the limitations of the criteria being used to assess lands for removal from the Greenbelt during the 10 to 11-week period, we noted

that non-political public service staff and Housing Minister’s Office political staff did not flag these issues to the Secretary of the Cabinet or to the Premier’s Office during the course of the work.

We were advised by the Secretary of the Cabinet that there are commonly used processes in the development of information for Cabinet decision-making to share awareness of project and/or policy risks, limitations and other concerns, or to confirm a common understanding of approach and direction beyond the ministry, including with Cabinet Office and the Premier’s Office. In this respect, we were advised that the non-political public service and/or political staff do, for example, convene “multi-corner” meetings whereby ministry non-political public service staff, Minister’s Office political staff and the Premier’s Office political staff collectively review initiatives/projects and discuss approaches to policy/project work and related risks and mitigations.

We noted that, even though it is a best practice to consult with the Secretary of the Cabinet (who oversees all Deputy Ministers) on politically sensitive matters, the Deputy Minister did not choose to do so in this case. She was not restricted by political staff from doing this. On reflection, she indicated that in the future she would consult with the Secretary of the Cabinet on politically sensitive matters.

Ontario has no process in place to transparently identify and address instances where senior public service ministry staff are not in agreement or have concerns with the direction provided by a minister. In the United Kingdom, the HM Treasury’s handbook, *Managing Public Money*, sets out four standards by which all public money must be handled: regularity (compliance with legislation or agreed-upon budgets); propriety (meeting the high standard of public conduct, including robust governance and transparency); value-for-money (achieving a good-quality outcome for the cost); and feasibility (likelihood of successful implementation).

If a situation arises in which a British minister decides to pursue a course of action that the accounting officer (comparable to a Canadian Deputy Minister) believes fails at least one of these criteria, the

accounting officer is required to write to the minister expressing concern and requesting written direction to proceed. Upon receipt of ministerial direction in the UK, the accounting officer is required to comply with that direction, and a copy of the letter is to be shared with the Treasury, the Comptroller and Auditor General, Parliament's Public Accounts Committee and the public. This process provides for transparency and accountability for government decisions that are being made contrary to advice from the public service.

## 4.5 Most of the Land Removed from the Greenbelt May Not Be Ready for Housing Development in Time to Meet Government Goals

Contrary to public communication, we found that the Housing Ministry's Greenbelt Project Team did not analyze whether the sites proposed for removal from the Greenbelt could support housing development in the near future. Operating under a confidentiality agreement, the Greenbelt Project Team was prevented from contacting partner ministries and external parties such as municipalities (see **Section 4.2**), conservation authorities and developers, and could not assess the existing or planned infrastructure availability and servicing capacity for the sites.

Servicing land with required infrastructure to support housing includes the provision of, at minimum, utilities (e.g., water, sewage, electricity), road networks, and supporting services in the vicinity such as schools, hospitals, fire stations and police stations. Typically, housing developers pay for and provide the necessary utility connections from the main municipal utility lines to the development areas, while the municipalities pay for and provide services related to overall capacity (e.g., water treatment plants, water pumping stations) and supporting services. The costs of these latter services can be recovered from housing developers to varying degrees.

We spoke with the Chief Planners from the regions of Durham, Hamilton and York, where virtually all of the land area removed from the Greenbelt is located. The planners told us their regions would face

significant challenges to provide many of these sites with the infrastructure required to support housing. They indicated that there would need to be significant capital expenditures to add or upgrade the infrastructure needed, and noted that some land sites could take 10 years or longer to fully service. The Chief Planners also noted that they would have to re-prioritize and revise their existing regional plans because they had not contemplated housing development on these land sites. **Appendix 2** sets out the typical process for a proposed development.

The Region of Durham has developed preliminary estimates of the costs and length of time to provide necessary infrastructure to service housing development in the Duffins Rouge Agricultural Preserve lands. These estimates include major capacity upgrades, such as water and sewage treatment plant expansions, and a road and transit network, expected to be rolled out over a 25-year time frame. The Region estimates that the cost of this infrastructure is to be from \$1 billion to \$2 billion and is relying on the provincial commitment that the housing developer would bear this cost—in line with the government's public messaging. In addition, the Region noted that facilities and other services for policing, health care and social services would be needed to create a complete community, the total costs of which are estimated to be more than \$300 million.

As regards the Bathurst-King land site, York Region told us that infrastructure capacity upgrades were needed to prepare the site for housing development. Although, at the time of our audit, the Region had not estimated the cost and time frame to complete these upgrades, the Region noted the upgrades could take as long as 10 years.

We also spoke to the City of Hamilton about the land sites removed from the Greenbelt in this region and noted some of these sites would require considerable infrastructure to prepare them for housing development. In addition, the City of Hamilton noted that one of the sites—Book Road (Site #4), which accounted for nearly 25% of all land removed from the Greenbelt in 2022—is located in an area partially restricted from residential development because of its proximity to the Hamilton International Airport

(though an MZO or City zoning change could permit development in the restricted area). We confirmed that the Greenbelt Project Team was not aware of specific municipal restrictions on building housing on this land because of the proximity of this land site to an airport when it assessed the land site's suitability for removal from the Greenbelt.

## 4.6 Government's Exercise to Alter the Greenbelt Did Not Factor in Financial Impacts or Costs, or Clarify Fiscal Responsibilities

### 4.6.1 Government Decisions to Remove Land Sites from the Greenbelt Resulted in Significant Financial Gains for Select Landowners

We found that the Housing Ministry did not assess how much the value of the Greenbelt land would increase if the Greenbelt Plan restrictions on development were removed. According to the Housing Ministry, this type of financial assessment is not considered when a policy decision is made in land-use planning. As a result, government decision-makers were not made aware in written form that the select few landowners who owned these sites stood to collectively benefit from the Greenbelt boundary changes by at least \$8 billion. **Figure 7** shows the three housing developers with the largest land sites removed from the Greenbelt in 2022.

Rezoning sites in the Greenbelt from undevelopable agricultural land to developable land immediately increased the lands' value. In the absence of a Housing

Ministry assessment, we asked the Municipal Property Assessment Corporation (MPAC), which is responsible for calculating property values for all municipalities in Ontario, to identify the potential financial impact of this decision. A summary of MPAC's estimates of the value changes are presented in **Figure 9**.

MPAC estimated that removing the 15 land sites from the Greenbelt has the potential to increase their value by \$8.28 billion, with the value of the Duffins Rouge Agricultural Preserve (DRAP) site alone potentially increasing by \$6.63 billion. These estimates were based on a valuation date of January 1, 2016, and do not account for additional market increases in land values between 2016 and 2023. In June 2023, properties in the land sites removed from the Greenbelt were selling for about four times their assessed land value per acre before removal.

As noted in **Section 2.1.5**, provincial and regional governments had entered into a Memorandum of Understanding in 1999 to enable the expropriated DRAP lands to be resold by the Province to the original landowners and tenant farmers at agricultural prices, which were substantially lower than prices for developable land. All parties agreed that as a condition of sale, each purchaser would grant conservation or agricultural easements under the *Conservation Land Act*, which were intended to protect the land and limit it to agricultural and conservation uses in perpetuity. Approximately 67% of the acreage of the lands owned by current owners in the DRAP was bought with this condition between 2000 and 2005, before

**Figure 9: Estimated Change in Value of Lands Removed from the Greenbelt in 2022**

Source of data: The Municipal Property Assessment Corporation (MPAC)

Areas Removed	Size (Acres)	Assessed Valuation Before Removal (\$ million) <sup>1</sup>	Estimated Valuation After Removal (\$ million) <sup>2</sup>	Difference in Valuation (\$ million)
Lands removed from the Duffins Rouge Agricultural Preserve (DRAP)	4,289	82	6,713	6,631
Lands removed excluding the DRAP	3,124	158	1,810	1,652
<b>All Lands Removed</b>	<b>7,413</b>	<b>240</b>	<b>8,523</b>	<b>8,283</b>

1. Based on a valuation date of January 1, 2016 and includes existing tax mitigations for eligible properties (e.g., farmland, conservation land).

2. Assumes the parcels are low-density residential development lands based on a valuation date of January 1, 2016, and does not account for any tax mitigations that may be applicable. The actual value impact on individual properties cannot be fully realized until development plans are finalized and actual use is established.

the Greenbelt was put in place. A further 9% was purchased after the Greenbelt Act was enacted in 2005, including 4% between 2018 and 2022. **Appendix 6** provides land sales information from 2018 onwards, showing when parcels of land were last purchased on the sites that were removed or re-designated from the Greenbelt Area in 2022.

By repealing the DRAP Act, the Province allowed for the removal of the easements and covenants that had protected the lands for agricultural use. From our work, we know that the Province recognized that the release or amendment of covenants or easements would allow these lands to be sold at much higher developable land prices going forward. The Province, and by extension the public, gave up potentially billions of dollars in opportunity costs that had been previously forfeited in the name of supporting local agriculture and protecting the environment. Those profits will now flow to the DRAP lands' private owners and developers, with no immediate offsetting compensation to the public.

We found neither the Housing Ministry nor the government took steps to consider the full extent of the potential financial gain for property owners, how the Province could share in this gain, or how this change in land value would affect housing prices and progress toward the Province's housing target. As per the Provincial Land and Development Facilitator, if landowners of the 15 sites removed from the Greenbelt in 2022 sell the land, the future formal condition would be that they sell it to an owner that would start housing development by 2025. This formal condition has not been documented in any final agreement, as of June 30, 2023.

#### **4.6.2 The Greenbelt Project Team Did Not Estimate the Cost to Add Needed Infrastructure to the Greenbelt Sites or Who Would Pay for It**

Our audit found that the Housing Ministry's Greenbelt Project Team did not estimate the potential costs and time requirements to service the 15 land sites proposed to be removed from the Greenbelt with the infrastructure required to support housing, nor was

it asked to make such a determination. It is not yet clear who ultimately will bear the full costs to service the land to support housing development because, as of June 2023, no agreements for these 15 sites have been finalized. Those costs are estimated to be in the billions of dollars. For example, as previously noted, the Durham Region's April 23, 2023, high-level, preliminary estimate for servicing just the Duffins Rouge Agricultural Preserve area was \$1 billion to \$2 billion. York Region and the City of Hamilton had yet to develop estimates by June 30, 2023.

As described in **Section 4.2.2**, the Greenbelt Project Team was restricted from contacting municipalities to obtain relevant information to assess the serviceability of the land sites. Instead, the Greenbelt Project Team assessed whether infrastructure services could be added based on whether the sites were located next to a developed urban area. As a result, when the Greenbelt proposal was approved, government decision-makers had no time to evaluate the potential costs and time requirements to service the 15 land sites. We noted, however, that the Housing Ministry's final documentation regarding amending the Greenbelt's boundaries assumed that there would be minimal cost-related impacts on stakeholders and the general public.

Further, the Housing Ministry's notice on the Environmental Registry of Ontario (Environmental Registry) regarding the proposal to amend the Greenbelt boundary in 2022 stated: "It is the government's expectation that the proponents would fully fund necessary infrastructure upfront." However, during our audit we found that the provincial government had not publicly clarified if this statement meant that the housing developers have been made accountable for all of the potential servicing costs (including required capacity upgrades), to what extent municipalities would be accountable for these costs, or how much financial support the provincial government would provide.

We spoke to the government's Provincial Land and Development Facilitator, who is responsible for facilitating negotiations between housing developers, municipalities and the Province to reach agreements on housing development on these 15 land sites. The

Provincial Land and Development Facilitator noted that although agreements were being negotiated on a site-by-site basis, no agreement would be reached if a developer did not agree to cover all servicing and infrastructure costs upfront. The government has publicly communicated that if expectations were not met then the land would begin to be added back into the Greenbelt. However, the Provincial Land and Development Facilitator indicated that as of June 2023 no agreements had been finalized for any site.

As described in **Section 4.5**, we interviewed municipal Chief Planners from the three regions where virtually all of the land area was removed from the Greenbelt in 2022. In contrast to the Housing Ministry's notice on the Environmental Registry, they told us that servicing many of these areas would require infrastructure capacity upgrades that would demand significant capital expenditure and years to complete.

For example, the DRAP lands in the Region of Durham, which represent 58% of the acreage removed from the Greenbelt in 2022, were identified as particularly challenging to service (potentially taking up to 25 years) and required the most significant capital investment and infrastructure capacity upgrades. The April 2023 Region of Durham's high-level preliminary estimates noted that servicing the DRAP would require major infrastructure upgrades, including expansion of water and sewage treatment plants, and road and transit networks.

The government can propose at any point to publicly consult and subsequently return the removed land sites to the Greenbelt through regulatory changes.

## **4.7 Government Did Not Factor Environmental and Agricultural Implications into Greenbelt Boundary Changes, Which Are Expected to Result in Adverse Impacts**

The Greenbelt Plan was established to permanently protect key agricultural lands and natural features in the Greater Golden Horseshoe. The Plan established large, integrated and inter-connected systems of agricultural land and natural features in order

to preserve connectivity between these areas and support environmental processes that occur across a broader landscape. We found, however, that the 2022 Greenbelt amendments were made without regard for environmental and agricultural risks (see **Section 4.7.1**), were contrary to the Greenbelt Plan's processes and objectives to provide the areas with permanent protection (see **Section 4.3**), and may lead to adverse impacts on natural features and agricultural lands (see **Sections 4.7.2** and **4.7.3**). We also found that the Province's decisions in 2022 to add lands to the Greenbelt were not based on natural boundaries or protecting environmental functions, and the Housing Ministry did not assess whether the added lands were comparable to the lands removed, thus providing a suitable offset (see **Section 4.7.5**).

### **4.7.1 Environmental and Agricultural Risks Not Assessed in Project to Remove Greenbelt Lands**

We found that the 2022 Greenbelt removals were made without consideration for, or a clear understanding of, the environmental and agricultural risks. The Greenbelt Project Team was unable to assess key site-specific and detailed environmental or agricultural risks of the Greenbelt removals in the allotted three-week time frame and no sites were eliminated from consideration based on potential environmental or agricultural impacts. As described in **Section 4.2.2**, the Housing Minister's Chief of Staff had initially provided the Greenbelt Project Team with a criterion for selecting lands for removal to protect important environmental and agricultural lands (i.e., whether or not land was within the Natural Heritage System or a Specialty Crop area). However, when the Greenbelt Project Team determined that the majority of sites considered for removal did not meet this criterion, the Housing Minister's Chief of Staff directed the team to discard it. Though the Housing Ministry noted to Cabinet in November 2022 which of the lands were within the Natural Heritage System or contained a Specialty Crop area, this criterion was not used to qualify sites for removal.

Because the Greenbelt Project was designed to be swift and confidential, the Greenbelt Project Team was

prohibited 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. While a small group of senior staff at the Natural Resources Ministry (working on the proposed repeal of the *Duffins Rouge Agricultural Preserve Act, 2005* and who had signed the Greenbelt project's security attestation forms) were aware that the Housing Ministry was working on a proposal to remove Greenbelt lands (including lands in the Duffins Rouge Agricultural Preserve), these staff were not provided details, were not made aware of other sites proposed for removal, and were not asked to provide feedback or input on the proposed Greenbelt changes before they were posted on the Environmental Registry on November 4, 2022. In the past, an extended and transparent review process was used for proposed Greenbelt amendments during which all affected parties could collaborate and share expertise to inform the decision-making. However, in 2022, partner ministries and organizations only became aware of the suite of proposed changes at the same time and in the same way as the general public: from news releases and the posted proposal notices on the Environmental Registry.

On November 4, after proposal notices were posted on the Environmental Registry for public consultation, the Housing Deputy Minister emailed her Deputy Minister colleagues in other ministries notifying them of the proposal notices and 30-day consultation period. Some partner ministries (the Natural Resources Ministry, and the Ministry of Agriculture, Food and Rural Affairs) and other experts compiled and sent general and site-specific natural heritage, aggregate resources and agricultural information to the Housing Ministry during the November–December 2022 public consultation period. While some select high-level information was incorporated into the December 14 submission to Cabinet, the information provided by subject matter experts on potential environmental and agricultural risks did not ultimately affect the Greenbelt decisions.

For 14 of the 15 land sites removed, the Housing Ministry did not consider any site-specific environmental data or attempt to avoid removing important natural features such as wetlands or woodlands from

the Greenbelt. For one of the 15 land sites removed (Site #11), Ministry staff had ready access to more detailed data as a result of a litigation matter, and so they provided information to the Minister's Office to exclude a provincially significant wetland from the removal of this particular land site.

As of July 1, 2023, the Housing Ministry had not requested from partner ministries any further information that could be used to consider and address environmental and agricultural risks if future development proposals are approved. For our audit, it was not possible to undertake a comprehensive assessment of the environmental impacts of the Greenbelt land removals, as these impacts depend on future development and how other environmental protections will or will not be applied (see **Section 4.7.4**). However, our Office compiled and assessed information and concerns from experts in ministries and other organizations about the environmental and agricultural risks associated with future housing development on these lands (see **Sections 4.7.2** and **4.7.3**).

#### 4.7.2 Important Environmental Features on Lands Removed from the Greenbelt Face Risk of Loss or Degradation

Overall, 11 of the 15 areas removed from the Greenbelt (see **Figure 4**, Sites #1, #3, #4, #7, #9, #10, #11, #12, #13, #14, and #15) contained lands within the Natural Heritage System, seven of which (Sites #7, #10, #11, #12, #13, #14, and #15) were entirely within the Natural Heritage System (see **Figure 4** for details). Of the approximately 7,400 acres removed from the Greenbelt, 2,925 acres (or 39%) were part of the Natural Heritage System, equivalent to approximately 2,200 football fields. Almost 1,000 acres (or 13%) of the total removals are wetlands or woodlands. Without the protection provided by the Greenbelt Plan, the removed lands are at greater risk of: loss or degradation of natural features; fragmentation and loss of wildlife habitat, including for species at risk; increased flooding; and impacts on water quantity and quality. Even natural features on lands that are not developed can become degraded and adversely affected by surrounding development. Below, we summarize some of

the identified environmental risks of the 2022 Greenbelt removals.

### Wetlands and Woodlands

Wetlands and woodlands provide important ecological functions, such as: flood reduction, water filtration, carbon storage and wildlife habitat. The Housing Ministry did not attempt to obtain data on the number or locations of wetlands and woodlands within the 15 areas removed during the course of the Greenbelt project. According to Natural Resources Ministry data,

almost 1,000 acres of wetlands and woodlands have now been removed from the Greenbelt (see **Figure 10**), and are therefore at increased risk of loss or degradation. In some cases (for example, Sites #4, #9, #10 and #12), wetlands or woodlands have been partially removed, with the Greenbelt boundary now passing right through these features. In others (for example, Sites #1, #3, #11 and #13), the boundary is within 30 metres of a natural feature still protected within the Greenbelt, such that the amended boundaries are inconsistent with the Greenbelt Plan's Natural Heritage

**Figure 10: Woodlands and Wetlands on Land Sites Removed from the Greenbelt in 2022**

Source: Ministry of Natural Resources and Forestry

Site #	Site Name (Municipality)	Total Size of Removal (Acres)	Woodland Area Removed (acres)	Wetland Area Removed (acres)	Unevaluated <sup>1</sup> Wetland Area Removed (acres and %)	Wetlands Removed (#)
1	Duffins Rouge Agricultural Preserve (Pickering)	4,289	373	229	171 (74%)	117
2	Kingston Road and Highway 401 (Ajax)	133	2	-	-	-
3	Nash Road (Clarington)	86	16	14	0 (0%)	2
4	Book Road (Hamilton)	1,809	234	56	56 (100%)	27
5	Hamilton Mount Hope (Hamilton)	163	2	-	-	-
6	Cline Road (Grimsby)	73	< 1	-	-	-
7	502 Winston Road (Grimsby)	15	-	-	-	-
8	Barton (Hamilton)	10	-	-	-	-
9	Bathurst-King (King)	655	54 <sup>2</sup>	8	1 (17%)	9
10	Highway 48 (Markham)	88	1	1	1 (100%)	3
11	10379 Kennedy Road (Markham)	37	< 1	-	-	-
12	Leslie-Elgin (Richmond Hill)	15	< 1	< 1	-	3
13	Block 41 Lands (Vaughan)	16	-	< 1	< 1 (100%)	2
14	11861 and 12046 McCowan Road (Whitchurch-Stouffville)	13	-	-	-	-
15	19th Avenue and McCowan Road (Markham)	11	-	< 1	< 1 (100%)	1
<b>Total</b>		<b>7,413</b>	<b>682</b>	<b>308</b>	<b>229 (74%)</b>	<b>164<sup>3</sup></b>

1. Wetland area that has not been evaluated to determine provincial significance for protection. Of the remaining 26% of wetland area that has been evaluated, 19% was not deemed provincially significant (all located within the DRAP lands) and 7% was provincially significant.

2. Includes woodland area in the Oak Ridges Moraine Area re-designated to Settlement Area.

3. Individual wetlands are defined by outer boundaries and types of wetland area. Includes 22 wetlands that were partially removed from the Greenbelt.

System methodology to allow wildlife to travel between habitats.

### Wildlife Habitat and Species at Risk

Many wildlife species depend on intact, connected habitat to feed, reproduce and maintain genetic diversity. However, development can break up previously connected habitat into smaller, more isolated fragments. Habitat fragmentation can reduce the number and diversity of organisms and, in turn, alter species communities and ecosystems. Fragmentation can also reduce the quality of remaining habitat, as adjacent development can introduce pollution, invasive species and other threats.

Several expert bodies have identified potential risks to wildlife habitat and wildlife corridors, and to the species that depend on them, that may result from the 2022 Greenbelt removals (see key examples in **Figure 11**). While the purpose of Ontario's *Endangered Species Act, 2007* is to protect Ontario's most vulnerable species (e.g., endangered and threatened species), our 2021 value-for-money audit *Protecting and Recovering Species at Risk* found that the Province's systems and process for approvals now facilitate and enable harm to species at risk and their habitats.

As discussed in that report, if the federal Minister of Environment and Climate Change is of the opinion that a province's laws do not effectively protect the critical habitat of a federally listed species at risk, the federal government can issue orders under its own *Species at Risk Act*. For example, to protect the habitat of the nationally threatened western chorus frog, the federal government issued orders in 2021 with prohibitions on residential development in Longueuil, Quebec. The federal Minister of Environment and Climate Change has commented in January 2023 that, if similar projects were to be proposed on lands that were part of the Greenbelt, he would have a legislative obligation to intervene. Staff at Environment and Climate Change Canada are reported to have identified that at least 29 species at risk live, or are likely to live, in the areas removed from the Greenbelt.

In March 2023, the federal Minister of the Environment and Climate Change requested that the Impact

Assessment Agency of Canada work with Parks Canada and Environment and Climate Change Canada to develop a proposed approach and scope of a study to understand the potential effects, including cumulative effects, of past, ongoing and potential future nearby development projects on the integrity of the Rouge National Urban Park and its management objectives. Rouge National Urban Park borders the Duffins Rouge Agricultural Preserve and is one of the largest urban parks in Canada. In May 2023, the Impact Assessment Agency of Canada indicated that a committee would be appointed to carry out the study.

### Flooding and Water Quantity and Quality

Green spaces, such as wetlands, woodlands, meadows and farmland, provide permeable (porous) surfaces that help absorb rainwater. Flood risk increases when green spaces are replaced with impermeable surfaces such as roads, driveways and parking lots. Land-use changes can also adversely affect groundwater and surface water, which in turn can have impacts on drinking-water supplies and natural features that depend on these water sources. Seven of the 15 areas removed from the Greenbelt are within the Toronto and Region Conservation Authority's (TRCA's) watershed jurisdiction. The TRCA noted that development within the Greenbelt removals have the potential to increase flooding hazards, and may have negative impacts on the groundwater system and functions in these areas (see key examples in **Figure 12**).

#### 4.7.3 Greenbelt Area Removals Are Expected to Have a Significant Adverse Land Impact on the Agricultural System

While the total Greenbelt Area was increased by the 2022 Greenbelt amendments, Agriculture Ministry staff concluded in an internal Information Note that the protected countryside area would be reduced, and, as a result, overall "the net change in quantity and quality of agricultural land would be considerably lower." For example, the net impact of the land removals and additions resulted in a loss of over 4,700 acres of land designated and protected by municipalities

**Figure 11: Key Risks to Wildlife Habitat and Species at Risk from 2022 Greenbelt Removals**

Prepared by the Office of the Auditor General

Site #	Site Name (Municipality)	Wildlife Habitat and Species Identified	Potential Risks of Removal
1	<b>Duffins Rouge Agricultural Preserve (Pickering)</b> 4,289 acres	<ul style="list-style-type: none"> <li>Land is adjacent to a provincially significant wetland complex that is “arguably the most ecologically sensitive area of [Rouge National Urban Park] and is home to dozens of federally and provincially endangered and threatened species.”<sup>1</sup></li> <li>22 species at risk (including the endangered red-headed woodpecker and butternut tree and the threatened Blanding’s turtle) have been reported within one kilometre of the preserve.<sup>1</sup></li> <li>The preserve forms “necessary linkages” to adjacent natural areas and creeks, and the connection to the Rouge National Urban Park is especially important for wildlife passage.<sup>3</sup></li> </ul>	<ul style="list-style-type: none"> <li>May cause negative impacts to species at risk in the preserve by creating barriers to suitable habitats.<sup>1</sup></li> <li>May have negative impacts on biodiversity, species at risk and fish habitat, as well as the neighbouring park’s ecological integrity.<sup>2</sup> (The Assessment Agency of Canada is studying the potential effects of development on the park).</li> <li>The removal reduced the width of the connection between the remaining protected area in West Duffins Creek valley and the rest of the Greenbelt to approximately 45 metres (see Site #1 in <b>Appendix 4</b>.) The width of this corridor, which protects only the west side of the creek, is inconsistent with the Greenbelt Plan’s Natural Heritage System methodology of providing 60 metres on each side of a river or creek to protect these valley corridors and the habitats they provide.<sup>3</sup></li> <li>May be detrimental to a currently unimpeded east-west corridor between Rouge National Urban Park and the Natural Heritage System in Pickering’s Seaton community.<sup>4</sup></li> </ul>
3	<b>Nash Road (Clarington)</b> 86 acres	<ul style="list-style-type: none"> <li>Entire area is recognized as a “Wildlife Movement Habitat Network,” and includes areas designated as “core habitat” and corridors that support the movement of sensitive plants and animals.<sup>5</sup></li> <li>A portion of the provincially significant wetland within the removal is a candidate Life Science Area of Natural and Scientific Interest (a provincial designation of areas with significant representation of biodiversity and natural landscapes).<sup>3</sup></li> </ul>	<ul style="list-style-type: none"> <li>May cause negative impacts on the provincially significant wetland area and function, woodland cover, and wildlife habitat and movement.<sup>5</sup></li> <li>May cause negative impacts on a tributary of Black Creek, which could increase risks of downstream flooding and erosion and further degrade wildlife habitat.<sup>5</sup></li> </ul>
12	<b>Leslie-Elgin (Richmond Hill)</b> 15 acres	<ul style="list-style-type: none"> <li>Area straddles a wildlife corridor and the Rouge River tributary, which provides habitat for species moving north-south adjacent to Highway 404.<sup>4</sup></li> <li>Area contains or is immediately adjacent to diverse wildlife habitats, including meadows, woodlands, marshes, swamps and a sensitive coldwater stream that provides important fish habitat.<sup>3,4</sup></li> </ul>	<ul style="list-style-type: none"> <li>The removal reduces the corridor width from 160 to 90 metres, which is inconsistent with an Ontario Municipal Board settlement that requires a minimum width of 120 metres for the Natural Heritage System for major tributaries in this area (such as this Rouge River tributary).<sup>4</sup></li> <li>An additional road will likely be required on the removed lands to support future development, which “would result in a loss of [provincially significant wetland] habitat and potential impacts to reddsides dace habitat,” an endangered species of minnow.<sup>4</sup></li> </ul>
13	<b>Block 41 Lands (Vaughan)</b> 16 acres	<ul style="list-style-type: none"> <li>Identified as a priority area for maintaining habitat connectivity for various species that depend on forests and wetlands.<sup>4</sup></li> </ul>	<ul style="list-style-type: none"> <li>The removal reduces the corridor from 690 to 265 metres, which “would have a significant impact on the intended landscape connectivity and the species using the area.”<sup>4</sup></li> </ul>

1. Feature or risk identified by Parks Canada.

2. Feature or risk identified by Environment and Climate Change Canada.

3. Feature or risk identified by the Ministry of Natural Resources and Forestry.

4. Feature or risk identified by the Toronto and Region Conservation Authority.

5. Feature or risk identified by the Central Lake Ontario Conservation Authority.

**Figure 12: Key Risks to Water Quantity and Quality from 2022 Greenbelt Removals**

Prepared by the Office of the Auditor General

Site #	Site Name (Municipality)	Potential Risks
1	<b>Duffins Rouge Agricultural Preserve (Pickering)</b> 4,289 acres	<ul style="list-style-type: none"> <li>Development is expected to increase flood risk within the area and for downstream lands already prone to flooding. Additional studies and flood mapping will be necessary if development proceeds in this area, “potentially including long term and costly flood hazard remediation projects to protect the downstream lands from the impacts of development.” Preliminary reviews show that downstream infrastructure will need to be retrofitted if this area is developed.<sup>1</sup></li> <li>The preserve includes the old Lake Iroquois shoreline, which is a highly sensitive “prominent discharge area” where groundwater seeps close to the surface. It “provides one of the key sources [of freshwater] for creeks in the eastern half of the Greater Toronto Area,” as well as for “highly significant downstream coastal marshes.”<sup>2</sup></li> </ul>
10	<b>Highway 48 (Markham)</b> 88 acres	<ul style="list-style-type: none"> <li>Area removed is partially within and immediately adjacent to a regulatory floodplain, an area identified as prone to flooding when water levels rise in nearby river tributaries or streams.<sup>1</sup></li> </ul>
11	<b>10379 Kennedy Road (Markham)</b> 37 acres	<ul style="list-style-type: none"> <li>The removal is adjacent to a flooding and erosion hazard area. The TRCA noted that it “would not support development within the area” and that “high groundwater could impede development” or require lands to be dewatered, which could impact natural features in this area.</li> <li>This removal includes land identified as a candidate Life Science Area of Natural and Scientific Interest and is only 18 metres from a provincially significant wetland deemed important for flood control and groundwater supply in this area, inconsistent with the Greenbelt Plan’s Natural Heritage System methodology of providing at least 30 metres around natural features.<sup>2</sup></li> </ul>
12	<b>Leslie-Elgin (Richmond Hill)</b> 15 acres	<ul style="list-style-type: none"> <li>This removal includes a provincially significant wetland that helps regulate water quantity and quality in the Rouge River tributary, and protects a sensitive cold-water stream, a water feature that provides special habitat to certain fish communities.<sup>1</sup></li> </ul>
15	<b>19th Ave and McCowan Road (Markham)</b> 11 acres	<ul style="list-style-type: none"> <li>Area removed is partially within and immediately adjacent to a regulatory floodplain, an area identified as prone to flooding when water levels rise in nearby river tributaries or streams.<sup>1</sup></li> </ul>

1. Risk identified by the Toronto and Region Conservation Authority (TRCA).

2. Risk identified by the Ministry of Natural Resources and Forestry.

as prime agricultural area. The Agriculture Ministry staff also noted internally that the 2022 amendments conflict with one of the Greenbelt Plan’s stated goals: to provide permanent protection to the agricultural land base.

As of 2021, only about 5% of Ontario’s land area (or 11.8 million acres) is farmland, which is vulnerable to ongoing loss to urban development. The federal Census of Agriculture indicated that, from 2016 to 2021, the total farm area actively farmed in Ontario declined by 319 acres a day, on average. Staff from the Agriculture Ministry noted that additional farmland loss may

result from recent decisions by the Housing Ministry to expand urban settlement boundaries (for example, the City of Hamilton and Wellington County) as well as proposed changes to provincial land-use planning policy that could further reduce restrictions for new development on agricultural land and reduce municipalities’ need to prioritize intensification and meet population-density targets.

The agricultural community and municipalities have expressed concerns over the recent removal of properties from the Greenbelt due to the precedent they create for future removals and increased real

estate speculation on agricultural land. Removing farmland from the Greenbelt for development fragments farmland which can trigger impacts on the surrounding agricultural land base. For example, paving over farmland and natural features can degrade neighbouring farmlands that may be of higher quality, through increased soil erosion, changes in water storage or increased pollution runoff from urban areas.

After Greenbelt amendments were proposed on the Environmental Registry, Agriculture Ministry staff prepared, for their own purposes, a desktop analysis of the agricultural implications of the proposed Greenbelt changes using existing, readily available information. This analysis was sent to the Housing Ministry during the public consultation period. Agriculture Ministry staff have estimated that 76% of the total land removed from the Greenbelt was in active agricultural use in 2022. About 83% of the area removed is classified as Class 1-3 prime agricultural lands, which is of the highest quality and capability for agriculture.

Agriculture Ministry staff concluded that removing three of the 15 areas (Sites # 1, #4 and #9) 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 connectedness to the surrounding agricultural landscape (see **Figure 13**). The Agriculture Ministry staff determined that two additional removals (Sites #2 and #5) are likely to have moderate adverse impacts.

Agriculture Ministry staff further noted that the removal of lands in the Duffins Rouge Agricultural Preserve (DRAP) is the most significant removal in terms of expected adverse impacts due to its size, agricultural production and connectivity with the surrounding agricultural system. According to the Agriculture Ministry, the DRAP has been the only “agricultural preserve” in Ontario, and the legacy of protecting these lands has resulted in minimal non-agricultural development in this area, increasing the quality and connectivity of the agricultural land. The Agriculture Ministry conducted additional analysis for our Office and estimated that the removed preserve lands contributed approximately

\$14.7 million to Ontario’s gross domestic product in 2021.

While the Agriculture Ministry found that the removal of the other 10 areas (5% of total area removed) will likely have only minor impacts on agriculture, this assessment was based largely on the annual agricultural production of those lands. However, protecting high-quality agricultural land, regardless of current agricultural production, preserves valuable soil resources, helps to meet future agricultural needs and promotes long-term food security. In addition, developing surrounding farmland may impact the productivity or future potential of high-quality agricultural land. For example, the Agriculture Ministry staff have noted that three (Sites #6, #7 and #8) of the Greenbelt removals (98 acres) are entirely within specialty crop areas, which are the highest priority for protection due to their scarcity, unique soil and climate conditions, and ability to support fruit and vegetable production. Although these particular removals are expected to affect agricultural production, the incremental impacts are expected to be minor, partially because of previous fragmentation and development on the surrounding lands.

#### 4.7.4 Recent Changes to Other Environmental Protections May Increase Risks to Natural Features Removed from the Greenbelt

The Housing Minister’s Office has stated that developments on the removed Greenbelt lands will require municipal planning approvals and that the Province will require that environmentally sensitive areas be set aside and protected before any construction begins. Environmental protections for lands removed from the Greenbelt will default to the normal land-use planning framework, including the Provincial Policy Statement, the Growth Plan for the Greater Golden Horseshoe, and regulatory and legislative protections (such as through the *Conservation Authorities Act* and *Endangered Species Act, 2007*). Land-use planning outside of the Greenbelt Plan area (or other area-specific provincial land-use plans) is subject to the Provincial Policy

**Figure 13: 2022 Greenbelt Removals Characterized as Having Significant or Moderate Adverse Agricultural Impacts by the Ministry of Agriculture, Food and Rural Affairs**

Source of data: Ministry of Agriculture, Food and Rural Affairs

Site #	Site Name (Municipality)	Active Agricultural Use <sup>1</sup> (% of Site)	Prime Agricultural Land Class 1-3 <sup>2</sup> (% of Site)	Agricultural Significance
<b>Assessed as Likely to Have Significant Adverse Impacts on Agricultural System</b>				
1	<b>Duffins Rouge Agricultural Preserve (Pickering)</b> 4,289 acres	73	92	<ul style="list-style-type: none"> <li>• Extensive agricultural operations, including production of cash crops, nurseries, vineyards and vegetables</li> <li>• 86% of the area classified as the highest quality (Class 1) soil<sup>2</sup></li> <li>• Important connections to the surrounding agricultural system, including Rouge National Urban Park</li> </ul>
4	<b>Book Road (Hamilton)</b> 1,809 acres	77	67	<ul style="list-style-type: none"> <li>• Part of a continuous land base for agriculture to the south and west</li> <li>• Supports diverse agricultural operations including cash crops, fruit and vegetable production and two livestock operations</li> </ul>
9	<b>Bathurst-King (King Township)</b> 655 acres	88	83	<ul style="list-style-type: none"> <li>• Part of a continuous land base for agriculture to the west and north</li> <li>• 83% of the area classified as the highest quality (Class 1) soil, supporting cash crop production<sup>2</sup></li> <li>• Includes three livestock operations</li> </ul>
<b>Assessed as Likely to Have Moderate Adverse Impacts on Agricultural System</b>				
2	<b>Kingston Road and Highway 401 (Ajax)</b> 133 acres	72	100	<ul style="list-style-type: none"> <li>• 98% of the area classified as the highest quality (Class 1) soil, supporting cash crop production<sup>2</sup></li> <li>• Priority area to maintain Greenbelt connectivity within the Ajax/Whitby corridor</li> </ul>
5	<b>Hamilton Mount Hope (Hamilton)</b> 163 acres	90	70	<ul style="list-style-type: none"> <li>• Entirely in municipal prime agricultural area<sup>3</sup></li> <li>• Land used for pasture, cash crops and sod</li> <li>• Priority area to maintain connectivity of the agricultural land base</li> </ul>

1. Estimates based on Agriculture and Agri-Food Canada's 2022 annual crop inventory.

2. The Canada Land Inventory divides land into seven classes according to inherent quality and capability for agriculture, as opposed to existing land use. Classes 1-3 are considered prime agricultural land, which are given the second-highest priority for protection, following Specialty Crop areas.

3. Prime agricultural area designated in the municipality's Official Plan.

Statement (PPS), which provides policy direction on matters of provincial interest.

However, protections provided for natural features under the PPS are generally weaker than under the Greenbelt Plan. While municipalities and conservation authorities can implement stronger protections

for natural features, in practice their policies often align with the PPS. Moreover, the Province has recently directed Natural Resources Ministry staff to undertake a number of changes that will limit municipalities and conservation authorities' ability to protect natural features (see **Figure 14**).

## Figure 14: Recent and Proposed Provincial Changes that Could Reduce Protections of Natural Features on Removed Greenbelt Lands

Prepared by the Office of the Auditor General of Ontario

### Ontario Wetland Evaluation System

The Natural Resources Ministry developed this science-based scoring system in 1983 to aid in determining the provincial significance of wetlands based on their ecological and societal functions.

#### Recent Changes

In December 2022, the Natural Resources Ministry made the following major changes to the wetland evaluation system:

- eliminated two categories that allocated points to wetlands for providing habitat to endangered or threatened species for reproduction, migration, feeding or hibernation;
- removed consideration of wetland complexes, which can reduce the total size of the area evaluated, and therefore the points scored, for an individual wetland. (A wetland complex is a group of wetland units that are functionally linked to one another and located within 750 metres of at least one other wetland in the complex);
- allowed wetland complexes already designated as provincially significant to be re-evaluated as individual units; and
- removed the Natural Resources Ministry's role in oversight of wetland evaluations and final approval of wetland status.

### Ecological Offsetting Policy

Ecological offsetting allows natural features to be removed or degraded if these negative impacts cannot be avoided or mitigated during development, provided that restoration or creation of natural features occurs elsewhere.

#### Proposed Changes

The Natural Resources Ministry posted a proposal on October 25, 2022, on the Environmental Registry seeking feedback on developing an offsetting policy for natural heritage features. An offsetting policy could include a compensation amount that developers pay into a fund used to implement an offset, including construction, monitoring or management of a new or restored natural feature. As of July 2023, this proposal was still under consideration.

### Conservation Authorities Act

Conservation authorities are mandated under the *Conservation Authorities Act* to help protect people and property from natural hazards, such as flooding and erosion. Conservation authorities have historically protected natural features within their watersheds to reduce risks from natural hazards, as well as to promote broader watershed conservation goals, such as protecting habitat and increasing resilience to climate change.

#### Recent Changes

Between 2020 and 2022, the Province made several amendments to the *Conservation Authorities Act* that limit conservation authorities' abilities to conserve and protect natural features. These changes prohibit conservation authorities from:

- denying a development permit to a development that is authorized by a Minister's Zoning Order;
- providing municipalities with comments on development applications under certain legislation (e.g., the *Planning Act*), unless related to natural hazards or protecting sources of drinking water;
- requiring developers to obtain permits for certain activities (this will come into effect once the regulation is finalized); and
- placing conditions on development for reasons other than controlling natural hazards or protecting public safety, thus limiting their ability to minimize other negative impacts, such as habitat degradation or pollution.

In addition, the Housing Minister can issue a Minister's Zoning Order (MZO) to override the normal land use planning process. MZOs are not required to be consistent with the PPS, conform to provincial plans or follow the usual municipal planning processes. (For more information on the Housing Ministry's use of MZOs, see our 2021 report, *Land-Use Planning in the Greater Golden Horseshoe*). Since the release of our report in 2021, when we reported that 78 MZOs had been issued between January 2000 and August 2021, an additional 58 MZOs have been issued up to July 11, 2023. Prior to 2019, MZOs were used only in special circumstances, and were issued about once a year from 2000 to 2019. The Housing Ministry public service staff expect that the Housing Minister intends to use MZOs on lands removed from the Greenbelt to expedite development.

Despite the potential risks to natural features (such as wetland and woodlands) and surrounding lands associated with the Greenbelt removals, Housing Ministry public service staff confirmed that there is no plan in place to monitor the status of natural features on these lands or the degree to which they are protected during future housing development.

The recent changes to the Ontario Wetland Evaluation System could make it harder for wetlands to achieve provincially significant status, which is how they receive formal protection under the PPS. In addition, wetlands that are already designated as provincially significant can now be re-evaluated for removal of that designation at the request of a municipality or landowner with no provincial review or oversight of evaluations. Further, the PPS does not require a wetland to be evaluated for provincial significance before a municipality approves land-use changes that could damage or destroy it. Therefore, natural features that have not yet been evaluated and deemed significant are particularly vulnerable to development pressures.

With respect to the 2022 Greenbelt removals, 7% of the wetland area removed is designated as provincially significant. However, the majority (74%) of wetland area removed has not yet been evaluated, and

an additional 19% has been evaluated but not deemed provincially significant. As a result, a total of 93% of wetland area removed from the Greenbelt in 2022 is not protected under the PPS. A total of 117 wetlands removed from the Greenbelt were within the DRAP lands, 110 of which have never been evaluated.

In its assessment of site-specific environmental considerations related to the Greenbelt amendments, the Natural Resources Ministry noted that the Natural Heritage System for the DRAP lands was based on "providing connection linking the wetlands, woodlands and streams" to manage waterflow and support wildlife movement. It cautioned that "many of these features have not been evaluated or assessed given that they are provided protection by the [Natural Heritage System] and these natural heritage features should not be considered of less value or significance."

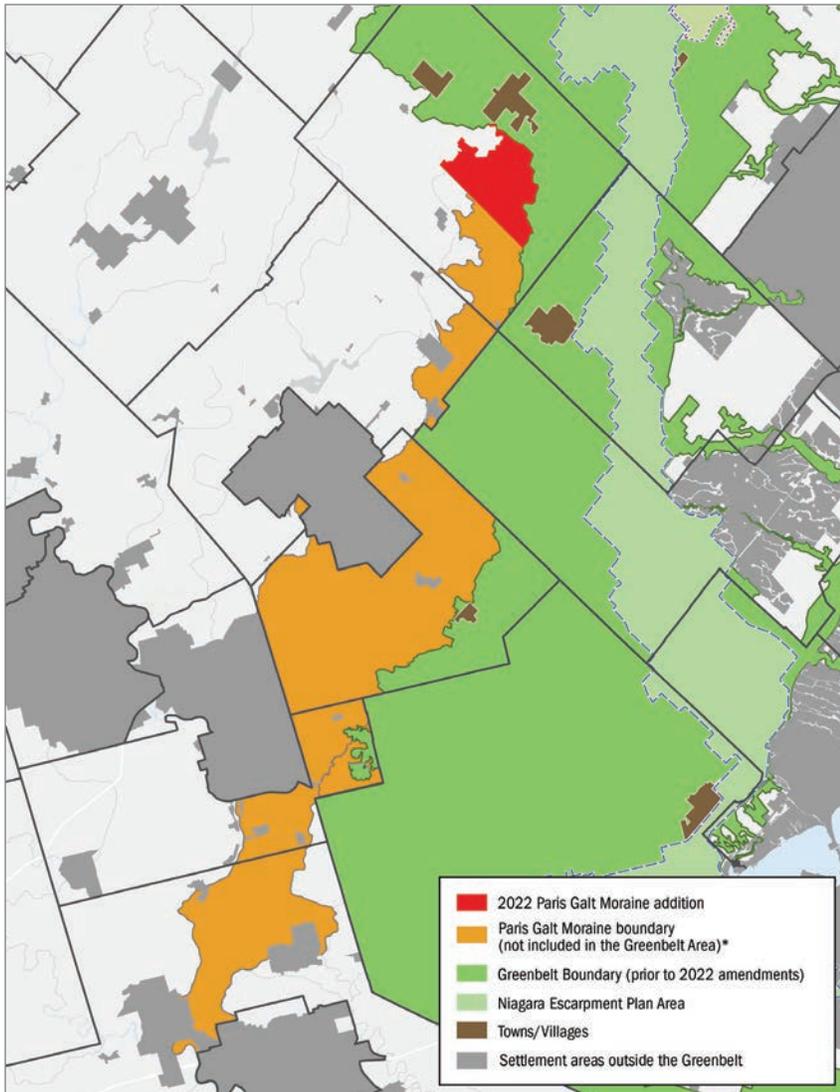
#### 4.7.5 Greenbelt Additions Were Not Based on Natural Boundaries and Protecting Environmental Functions

In October 2022, the Housing Minister's Chief of Staff requested that the Greenbelt Project Team identify land that could be added to the Greenbelt to offset the potential removals with the goal of increasing the overall size of the Greenbelt. This offset was necessary because the *Greenbelt Act, 2005* prohibits a reduction to the total area of the Greenbelt. The Greenbelt Project Team identified certain Urban River Valleys (URVs) and a portion of the Paris Galt Moraine (described in **Section 2.3.5**) to offset the approximately 7,400 acres removed, on the basis that the Housing Ministry had already assessed these sites and held public consultations on them in 2021 and had mapping available. (See **Figure 15** for a map of the Paris Galt Moraine addition.) The Greenbelt Project Team advised the Housing Minister's Chief of Staff that assessing and mapping any other areas was not possible given the project's three-week timeline.

However, the Housing Ministry's 2021 assessment and consultation on potential Greenbelt additions were based on fundamentally different circumstances

**Figure 15: Boundary of the Paris Galt Moraine and the 2022 Addition to the Greenbelt**

Source: Ministry of Municipal Affairs and Housing



\* The orange colour shows the draft boundary of the Paris Galt Moraine prepared by Ministry of Municipal Affairs and Housing staff in response to the consultation that occurred in 2021 on an initial study area.

than the actual 2022 Greenbelt amendment. The 2021 assessment and consultation were in the context of solely growing the Greenbelt, whereas the 2022 decision was in the context of offsetting the land removals. Despite this fundamental change, the Housing Ministry did not re-assess the suitability of adding these lands to the Greenbelt as a comparable and reasonable offset to the removals.

The Housing Ministry had held a 61-day public consultation from February to April 2021 on initial

areas to grow the Greenbelt, and proposed 13 new Urban River Valleys (URVs) and a study area for a Paris Galt Moraine addition. The proposal included a list of the Ministry's "Principles for Growing the Greenbelt Expansions," which included "no consideration of removal requests or land exchanges." The principles that were used align with the Housing Ministry's "Growing the Greenbelt" document, published and sent to municipalities in 2008, which outlined the process and criteria for municipal requests to expand

the Greenbelt. In keeping with these principles and the objectives of the *Greenbelt Act, 2005* (Greenbelt Act), the Housing Ministry engaged with partner ministries and other relevant stakeholders on the 2021 proposed additions and carried out an evidence-based process for identifying URVs and establishing a boundary for the Paris Galt Moraine. This followed a similar process to the one used in 2017 to select the 24,932 acres of land added.

In March 2022, the Housing Ministry announced that it had been decided not to proceed with expanding the Greenbelt into the Paris Galt Moraine area. The rationale provided was that the Ministry needed to understand how the proposed addition may impact growth in housing and employment areas. The Ministry did, however, move forward with the next phase of consultation to add 13 URV areas to the Greenbelt, and Housing Ministry staff prepared maps for the new URVs and boundary amendments.

However, on April 27, 2022, the day that Housing Ministry non-political public service staff were scheduled to submit the proposal to government decision-makers for final approval, they were informed that the government was no longer proceeding with the Growing the Greenbelt project. Six months later, in November 2022, the 13 URVs and a portion of the Paris Galt Moraine were proposed again as Greenbelt additions, but this time in the context of offsetting proposed removals.

### Paris Galt Moraine Addition

The Housing Ministry based the boundaries of the 2022 Paris Galt Moraine addition largely on the goal of meeting a 1:1 ratio to offset the removed Greenbelt lands (in line with the Greenbelt Act requirement that amendments cannot reduce the total Greenbelt Area), rather than on prior goals of respecting natural boundaries and protecting environmental functions within the entire moraine.

In 2017, the Province identified the Paris Galt Moraine, along with six other areas, as potential Greenbelt additions to protect important water resources in the outer ring of the Greater Golden Horseshoe. To that

end, in spring 2021, the Housing Ministry conducted extensive engagement to gather detailed information on the Paris Galt Moraine's geology, hydrology (distribution and movement of water) and natural features to inform the proposed boundary. The Ministry stated that there was "consensus across stakeholders and partner ministries that any legal boundary of the Paris Galt Moraine must be defensible and supported by the best available provincial scientific data."

In the summer of 2021, the government directed Housing Ministry non-political public service staff to establish a proposed legal boundary for the entire Paris Galt Moraine for consideration of its addition to the Greenbelt, which would respect both the landform and the important functions it provides in regulating water quality and quantity. As a result, the proposed boundary was further expanded from the original study area to align with the objectives of the Greenbelt Plan by incorporating adjacent natural features and prime agricultural land (see **Figure 15**).

However, in December 2022, the Housing Ministry added only a segment of the Paris Galt Moraine to the Greenbelt, representing only about 6% of the moraine's proposed boundary established in 2021. While the Housing Ministry relied on the natural boundary of the moraine drawn in 2021 for the northwestern boundary of the addition, the boundary along the western edge bisects the Paris Galt Moraine, following municipal concession roads. Although Housing Ministry staff initially recommended adding a larger portion of the Paris Galt Moraine to encompass important natural features and agricultural land, the Housing Minister's Chief of Staff gave direction to proceed with the proposal that only added an area closer to the 1:1 ratio necessary to offset the proposed removals (when combined with URV additions; see below). As such, this straight boundary was based on adding the minimum amount of Paris Galt Moraine land needed to meet that ratio, with no consideration of the boundaries of hydrological, ecological or geological features.

In addition, the Housing Ministry's 2022 decision on which particular segment to add was not based on the relative environmental or agricultural value of

protecting these lands. The Greenbelt Project Team noted that the particular segment of the Paris Galt Moraine added to the Greenbelt was chosen because it maintained connectivity with the rest of the Greenbelt, and because it was “less desirable” than areas further south on the moraine that might be more suited for future housing development and employment opportunities.

As noted above, one of the Housing Ministry’s key objectives for adding the moraine to the Greenbelt was to protect important water resources that contribute to drinking water supply in this region and that support natural features and wildlife habitat. However, the Greenbelt Project Team did not assess the locations of key surface or groundwater features or their relative vulnerability when they proposed which segment of the moraine should be added. Furthermore, the Greenbelt Project Team did not assess the comparative agricultural value of the 2022 Paris Galt Moraine addition. In 2021, the Housing Ministry found that some portions of the moraine, particularly northeast of Guelph and Rockwood (immediately west of the 2022 addition), contain higher quality agricultural land than others; however, these lands were not added to the Greenbelt, in part due to the Greenbelt Project Team identifying higher housing and development pressures further south along the Paris Galt Moraine.

### Urban River Valley Additions

Our Office found that the 2,400 acres of URVs added to the Greenbelt in 2022 do not provide a meaningful offset for the natural features and agricultural lands removed from the Greenbelt’s Protected Countryside. The Housing Ministry has acknowledged that the designation of URV lands in the Greenbelt Plan is largely symbolic and does not carry the same policy protections as land designated as Protected Countryside. Numerous stakeholders asserted that, while URV additions may serve to promote education and awareness around the Greenbelt, adding them to the Greenbelt provides no new protection to the land.

We found that the URV additions do not result in meaningful protection for the following reasons:

- URVs are considered largely undevelopable due to their steep terrain and increased risks of flooding and erosion in these areas.
- Most publicly owned lands in URVs are typically already protected by existing provincial land-use planning policies and conservation authority regulations, and through municipal Official Plan designations as parks, open space, or recreation, conservation and/or environmental protection areas.
- The Greenbelt Plan’s policies for URVs are weaker than most existing provincial and municipal policies, as they only encourage protection rather than require it, and defer to the protections provided in municipal Official Plans.
- The Greenbelt Plan’s policies for URVs do not apply at all to privately owned URV lands added in 2022 or during previous amendments.

While the Province added the URVs, along with Paris Galt Moraine lands, to reach an area equal to or greater than the approximately 7,400 acres of removals, numerous stakeholders expressed concerns that the URV additions do not contribute to the objectives and goals of the Greenbelt Plan, and are inappropriate offsets to balance removals of natural heritage and agricultural lands. For example, the City of Markham noted that “replacing lands in the Greenbelt intended to ensure the persistence of natural features in a connected natural heritage system with other lands that already have protection from development, such as river valleys, is a clear reduction in the protection offered by the Greenbelt Plan.”

Further, due to their urban location and steep terrain, URVs also do not help protect agricultural land, one of the core objectives of the Greenbelt Plan. The Housing Ministry had previously compiled feedback from the 2021 consultation on the URVs, and noted that the agricultural sector believes that it is unacceptable for URVs to be included in Greenbelt Plan area calculations to maintain the total Greenbelt area if agricultural lands are removed for development. For example, the Ontario Federation of Agriculture, which represents more than 38,000 farm family members

across the province, has commented to the Ministry that URVs “do not contribute to the Greenbelt Plan’s objectives, vision and goals of providing permanent protection to the Agricultural Land Base. In no circumstance should ‘greenbelting’ the [URVs] be considered an acceptable means of maintaining the Greenbelt’s total land area in order to balance the loss of protected agricultural lands to development.”

## 4.8 The Public and Municipalities Were Not Effectively Consulted on the Greenbelt Boundary Changes

### 4.8.1 Public Consultation on Greenbelt Changes Was Undermined by Incomplete and Inaccurate Notices

On November 4, 2022, the Housing Ministry posted notices on the Environmental Registry of Ontario (Environmental Registry) relating to the proposed Greenbelt amendments, and provided a 30-day public consultation period. The notices outlined proposals to:

- amend the Greenbelt boundary regulation;
- amend the Greenbelt Plan;
- re-designate land in the Oak Ridges Moraine Conservation Area; and
- revoke a 2003 Minister’s Zoning Order limiting land use in the Duffins Rouge Agricultural Preserve (DRAP) to agriculture.

The Ministry had earlier, on October 25, 2022, posted another notice related to the DRAP, proposing to revoke the Central Pickering Development Plan.

We found that some of the information in these notices was incomplete and inaccurate—limiting the public’s ability to fully understand and comment on the proposed changes and their potential impacts. To meet the EBR Act’s purposes, notices should describe a proposal and its environmental implications in sufficient detail to enable Ontarians to provide informed comments. In addition, under the EBR Act, notices that provide a regulatory impact statement are required to include a preliminary assessment of the environmental, social and economic consequences of implementing the proposal. However, we found that the proposal notices

relating to the 2022 Greenbelt changes did not describe the environmental implications of the proposals or provide an assessment of the environmental, social and economic consequences of implementing them. On the contrary, the notices simply informed the public that the anticipated regulatory impact of the proposals was “positive.” They did not, for example, identify that 13 of the 15 land sites (the two exceptions are Sites #2 and #5) proposed to be removed from the Greenbelt contained Specialty Crops and Natural Heritage System lands, the removal of which could impact wetlands, species at risk and flooding, as outlined in **Section 4.7**.

In addition, one of the Environmental Registry notices listed the criteria the Housing Ministry said it had used to evaluate land sites for removal from the Greenbelt (see **Figure 6**), including whether:

- the lands have the potential ability to be serviced in the near-term with local infrastructure upgrades to be entirely funded by proponents; and
- the lands proposed for removal have the characteristics that would enable housing to be built in the near-term.

However, as described in **Section 4.2**, we found that the Greenbelt Project Team was not able to assess whether the land sites met these criteria. Also, as we outlined in **Section 4.5**, Chief Planners confirmed to us that most of the land removed from the Greenbelt may not be ready for housing development for many years.

### 4.8.2 The Government Did Not Meaningfully Consult the Public about the Greenbelt Changes, Analyze or Respond to Feedback

We found that the Housing Ministry 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 EBR Act. The Housing Ministry did not make any changes to the proposed removals to address any of the concerns raised during the consultation.

The Housing Ministry posted notices on the Environmental Registry concerning amendments to the

Greenbelt’s boundary, and provided a 30-day consultation period, the minimum time required under the EBR Act. The EBR Act requires the Housing Minister to consider providing more than the 30-day minimum for public consultation based on factors like the complexity of the proposal, the level of public interest and the period of time the public may require to make informed comment. To satisfy this requirement for proposed Greenbelt amendments, the Housing Ministry had developed internal guidance for the Housing Minister’s Office in 2020 that advised that public consultation for such amendments include “posting on the Environmental Registry for a minimum of 45 days.”

We found that 30 days of public consultation was provided even though the Housing Ministry was aware that 30 days was insufficient to effectively consult the public. Before posting notices on the Environmental Registry to initiate the public consultation process, the Housing Ministry’s non-political public service staff expressed concerns to political decision-makers about the proposed length of the consultation. Specifically, the Housing Ministry anticipated broad criticism on the consultation approach and the limited paths for engagement, and expected that many stakeholders, including municipalities, would not be able to provide comprehensive responses in a 30-day window. The Housing Ministry was also concerned that the condensed timeline increased the risk that owners of lands being added to the Greenbelt as part of the Paris Galt Moraine addition would not even be aware that their lands were being added to the Greenbelt and that there would be insufficient time for staff to meet with landowners.

The Housing Ministry cautioned that the proposed timelines to finalize changes to the Greenbelt’s boundary immediately after the consultation period were “very aggressive” and would not allow for substantive changes to the proposal. The Housing Ministry noted that any analysis of comments by staff could only be high-level and likely only include a cursory review of submissions by impacted property owners and not a submission-by-submission review of the received comments.

The 30-day consultation period relating to amending the Greenbelt’s boundary was significantly shorter than the consultation periods provided by the Ministry for past changes to the Greenbelt. For example, the 2017 amendments to the Greenbelt (described in **Section 2.1.6**) went through three consultations over a 27-month period, ranging in duration from 47 to 174 days in length.

We also found that the 30-day consultation period was particularly challenging for affected municipalities. The Housing Ministry posted notices on the Environmental Registry related to the proposed changes to the Greenbelt’s boundary on November 4, 2022, just 11 days after municipal elections. Some municipal councils were not sworn in until weeks after the election date, limiting their ability to provide comments related to these notices by December 4, 2022, when the consultation period ended. For example, the Durham Regional Council, which governs the region with the majority of the proposed Greenbelt land removals, was not sworn in until November 30, 2022, and first discussed comments relating to the Greenbelt proposal notices on December 14, 2022—after the consultation period had already ended. Similarly, the York Regional Council was not sworn in until November 17, 2022, and first considered comments relating to the Greenbelt proposal notices on December 15, 2022.

The Association of Municipalities of Ontario, and several individual municipalities, including the cities of Toronto and Oshawa, asked the Housing Ministry for additional time to review, analyze and provide comments on the proposed changes to the Greenbelt’s boundary. Nevertheless, the consultation period was not extended.

Although the consultation period was limited to just 30 days, the Housing Ministry received more than 35,000 comments in response to proposal notices for the 2022 amendments to the Greenbelt boundary. This number of comments is among the highest submitted on any proposal notice posted on the Environmental Registry in the past four years. The EBR Act requires the Housing Minister to take every reasonable step to ensure that all relevant comments received are

considered when making decisions about the proposal. We found that, consistent with the warnings it had provided to government, the Housing Ministry's Greenbelt Project Team could not complete a comprehensive analysis of all the comments it received in time to fully inform decision-making. Instead, the Greenbelt Project Team only summarized the main themes. The team noted that this constraint was because of the limited time it had to review the large number of comments received.

Feedback received on the proposals was overwhelmingly negative, and many commenters included similar feedback on related proposals (for example, on Bill 23, the *More Homes Built Faster Act, 2022*). Themes included: concerns for protection of environmental and agricultural lands; opposition to land swaps and perceived partisan approaches to Greenbelt amendments; and demands for policies to address the affordability of housing and densification of existing settlement areas. There was also criticism of the short timeline of the consultation.

Affected conservation authorities expressed opposition to the proposed removals and were unsupportive of the approach taken to the Greenbelt amendments. Agricultural groups were also opposed, with many requesting a complete withdrawal of the proposal. Their concerns were mainly about the loss of viable agricultural land and the impact that the proposed changes would have on the agricultural system. The building and development sector was supportive of the proposal, with most of these commenters expressing interest in more opportunities for Greenbelt removals. Environmental groups were extremely critical. They opposed a land-swap approach, and identified a wide range of potential negative impacts related to the loss of agricultural lands, loss of biodiversity and increased sprawl at a cost to the environment. See **Section 4.7.2** for some of the key environmental risks raised.

The Housing Ministry communicated to the government that the feedback it received on the proposal notices relating to amending the Greenbelt's boundary was overwhelmingly negative. Nevertheless, the Housing Ministry stated that no changes were made to

any of the proposed land removals as a result of public consultation.

### 4.8.3 The Public Was Not Effectively Consulted on the Repeal of the *Duffins Rouge Agricultural Preserve Act, 2005*

On November 16, 2022, the Minister of Municipal Affairs and Housing introduced a bill in the Legislature to, among other things, repeal the *Duffins Rouge Agricultural Preserve Act, 2005* (DRAP Act), as described in **Section 2.3.4**. However, we found that the Ministry of Natural Resources and Forestry (Natural Resources Ministry), which was responsible for the DRAP Act, did not consult the public on this proposal.

The EBR Act requires a minister to consult on proposals to amend or repeal environmentally significant acts, unless an exception under the EBR Act applies. In this case, the Natural Resources Minister deemed that an exception applied, on the basis that the environmentally significant aspects of the proposal to repeal the DRAP Act had already been considered in the public consultation process to amend the Greenbelt's boundary. Accordingly, on November 22, 2022, the Natural Resources Ministry posted an exception notice on the Environmental Registry explaining that consultations had been undertaken or were under way on the Housing Ministry's Environmental Registry notices for the 2022 proposal to amend the Greenbelt's boundary, and included links to those notices.

We found, however, that none of the Environmental Registry notices to amend the Greenbelt's boundary referred to the DRAP Act by name, any of the agricultural and conservation easements protected under it, or its potential repeal. Therefore, members of the public who reviewed those notices could not have known from their content that the DRAP Act was also going to be repealed.

Moreover, the exception notice stated that there would be no additional environmental impacts that would result from the proposed repeal of the DRAP Act that had not already been outlined in the proposal notices to amend the Greenbelt's boundary. However,

neither the exception notice nor the Greenbelt proposal notices communicated to the public that there were any environmental impacts at all, even though the Greenbelt Project Team knew that the DRAP land site contained approximately 2,600 acres of Natural Heritage System lands.

Through our work, we determined that the government was aware that development on these lands could negatively affect agriculture and natural heritage features, and that the natural heritage system in the DRAP lands connects to other natural heritage systems in the Greenbelt and surrounding area.

Because of the Natural Resources Ministry's use of the exception notice, the public did not have complete information or an effective opportunity to provide comments on the proposal to repeal the DRAP Act. Moreover, the Housing Ministry did not consider all of the comments it received on the Greenbelt proposals (see **Section 4.8.2**). On the basis of the exception notice, the Natural Resources Ministry did not consider any of the comments submitted on the Greenbelt proposals prior to the enactment of the DRAP Act's repeal on December 8, 2022.

## 4.9 Indigenous Communities and Leaders Say the Province Failed to Properly Consult Them on Greenbelt Changes

According to First Nations leaders we spoke to, the extent and timing of the Housing Ministry's consultation with Indigenous communities was insufficient to meet the Province's Duty to Consult with regards to treaty rights and other rights that apply to the areas removed from the Greenbelt in 2022.

### Duty to Consult and Accommodate Obligations

The "duty to consult and accommodate" refers to the Crown's, including Ontario's, constitutional obligation to consult with and accommodate the concerns of Indigenous peoples where it contemplates decisions or actions that may adversely impact asserted or established Indigenous or treaty rights. Treaties are

formal agreements governing the relations between First Nations or other Indigenous peoples and Canadian governments. Historical and modern treaties define ongoing rights and obligations on all sides, and may address:

- title or rights to land;
- rights to use and manage lands and resources, such as hunting and fishing rights;
- self-government; and
- economic, cultural and social rights.

The Supreme Court of Canada has consistently confirmed that the Crown must act honourably in discharging its Duty to Consult, and that fulfilment of the duty must be meaningful.

The Greenbelt Plan specifies that "this Plan must be implemented in a manner that is consistent with the recognition and affirmation of existing Aboriginal and treaty rights under section 35 of the *Constitution Act, 1982*. The Ontario government shall consult with First Nations and Métis communities on decisions concerning the use of Crown land and resources that may affect Aboriginal and treaty rights within the area of the Greenbelt Plan."

### Greenbelt Removals and Indigenous Treaty Lands

The majority of the land removed from the Greenbelt in 2022 is covered by the 1923 Williams Treaties and multiple treaties with the Mississaugas of the Credit First Nation (MCFN). Rights under these treaties include harvesting rights in certain areas (such as rights to hunt, fish, trap and gather). After lengthy litigation about the terms and implementation of the Williams Treaties, the Government of Canada, the Province of Ontario and the Williams Treaties First Nations (Alderville First Nation, Beausoleil First Nation, Chippewas of Georgina Island, Chippewas of Rama, Curve Lake First Nation, Hiawatha First Nation and Mississaugas of Scugog Island) reached a settlement agreement in 2018 that reaffirmed continuing treaty harvesting rights, entitled each First Nation to add up to 11,000 acres of land to their reserve land, and provided an apology and financial compensation to the First Nations.

### Specific First Nations Perspectives

In the course of our audit work, we spoke with representatives of four First Nations affected by the Greenbelt changes, namely the Mississaugas of the Credit and the Alderville First Nation (in person), the Mississaugas of Scugog Island (MSIFN) and the Six Nations of the Grand River (virtually). We met the Chiefs of three of the First Nations, the elected council of one First Nation, as well as, in some cases, other members of each community. All First Nations that we met with reiterated that they were unsupportive of the removals from the Greenbelt and that the process undertaken by the Housing Ministry did not represent effective or meaningful consultation.

According to the First Nations representatives that we spoke to, the Province's decision to remove certain lands from the Greenbelt for housing triggers the Duty to Consult and accommodate, as housing development on treaty lands may impact the First Nations' harvesting rights. Moreover, the terms of the Williams Treaties Settlement allow each of the First Nations party to the treaty to add 11,000 acres to their reserve lands, which could be acquired from Canada, Ontario or private landowners. All First Nations that we spoke to also stressed the importance of consultation occurring before action is taken that may impact Indigenous rights and treaty lands, not during or afterwards.

The Chief and other members of the Mississaugas of the Credit First Nation told us that treaty rights are being disregarded, and that the government's Duty to Consult obligation was not fulfilled in relation to the 2022 Greenbelt removals. They told us that there is a high standard to meet for consultation with them due to the size of their lands and since many removals affect their treaty lands, and that a 30-day comment period cannot replace a consultation process since the obligation is with the government to consult, not with First Nations. Members of the community told us there was neither sufficient consultation nor a meaningful opportunity to examine potential impacts. They asserted that this process should ideally involve a complete assessment of impacts to MCFN rights, and should consider risks, mitigative measures or accommodations. The Chief and community members explained

that while they received a notification letter from the government, they received no meeting requests, and there was no attempt to conduct risk mitigation. MCFN noted that consultation should begin when the thought of a strategic idea is created, and notice should be given at the earliest opportunity.

We also met with the elected council of the Six Nations of the Grand River, who told us that the legal Duty to Consult and accommodate must occur prior to changes being passed if First Nations' interests are to be addressed. However, they expressed that they were not consulted nor engaged in this process, and that effective consultation would begin when an idea for land-use changes is first formulated, not after a decision is made. Representatives we spoke to told us that these Greenbelt removals also go against their Nation's climate change initiatives and that the process undertaken by the Housing Ministry fails to meet their environmental standards.

Overall, members of First Nations we met with told us that the Province does not seem open to discussing the adverse impacts of Greenbelt removals to treaty lands and rights, and that, should development occur on these lands, the removals could have profound impacts on treaty rights, especially in terms of harvesting crops such as wild rice. We were told that, in order to meet the Duty to Consult, the Crown must go beyond notice of an intended decision, ensuring that each impacted Indigenous community is given ample time to review the matter and provide comment, and that the Crown must consider the concerns of each impacted Indigenous community. Moreover, we were told that development on these lands removed from the Greenbelt did not prepare communities for major climate change risks, such as loss of ecosystems and flooding.

Another First Nation mentioned it is important to protect biodiversity and water resources across the Greenbelt and the Oak Ridges Moraine, and that more development compromises the environment. Some First Nation members we spoke to felt that there was insufficient time to consult on these Greenbelt amendments, and the process was not meaningful, as the First Nation did not feel it could influence the decision at

all. Moreover, it was raised that First Nations under the Williams Treaties have a right to 11,000 acres of land to be added to their reserve lands, and that these Greenbelt removals may impact those prospects.

### Extent of Ministry Consultation with First Nations

The extent of the Housing Ministry's consultation with First Nations communities consisted of: sending emails to 12 First Nation Chiefs and Indigenous leaders in November 2022 with links to information about the 2022 Greenbelt boundary amendment proposals that were posted on the Environmental Registry of Ontario during the public consultation period (November 4 to December 3, 2022); inviting First Nations communities to contact a Ministry Director to discuss or provide feedback or meet with them; having virtual meetings with three First Nations; and sending another email in December 2022 informing the First Nations of the Greenbelt amendment decision.

Several First Nations communities responded to the Housing Ministry's letter, opposing the removals of lands from the Greenbelt and criticizing the Ministry for failing to consult in a meaningful way. Among the concerns raised were that the removals will have an adverse impact on Indigenous and treaty rights. This is because the proposal would remove the permanent protection for natural heritage and water systems that sustain ecological health. Removing lands from the Greenbelt would reduce the lands available to the First Nations to exercise their treaty harvesting rights, inhibit the movement of wildlife, potentially fragment or destroy wildlife habitat, and lead to potential loss of many of the species the First Nations rely on. Indigenous leaders also told the Ministry of their strong objections to the lack of prior notice of the proposed Greenbelt changes and the Ministry's failure to request meaningful consultation with them. They also noted that the Ontario government's constitutional Duty to Consult with Indigenous governments must occur before, not after, action is taken that could affect their rights and lands.

The Housing Ministry met (virtually) with only two of the seven Williams Treaties First Nations, and one of those meetings took place in January 2023, after

land was already removed from the Greenbelt. While the Housing Ministry wrote to the MCFN and offered to meet with them in November 2022, as of June 30, 2023, the MCFN and Housing Ministry had not yet met. The MCFN told us that the Housing Ministry has not attempted to engage with their community on potential impacts to MCFN rights and risk mitigation. MCFN told us that poor consultation has resulted in a situation where the Ontario government's decisions are vulnerable to challenge, including costly and lengthy court proceedings to protect their rights.

## 4.10 No Formal Framework Established to Monitor Whether Developers Are Fulfilling Government Conditions on Greenbelt Land Removals

Although the government publicly communicated its expectations for housing to be built on the land sites removed from the Greenbelt in December 2022, we found that a performance measurement framework has not been developed to monitor whether developers will be able to start housing before 2025 and continue to build on this land. Moreover, the Province has not fulfilled a commitment to develop, monitor and report on performance indicators to measure the effectiveness of the Greenbelt Plan's policies themselves in achieving the goals in the Greenbelt Plan.

The government's expectations related to the land sites removed from the Greenbelt in December 2022 were communicated publicly through the Ministry's notice on the Environmental Registry of Ontario and included stipulations that:

- the government would begin to return lands back to the Greenbelt should developers not show sufficient progress on building homes on the removed lands;
- the proponents would pay, upfront and in full, for the infrastructure to service these lands;
- the removed lands would result in at least 50,000 housing units; and
- construction of new homes will begin on these lands by no later than 2025, and significant

progress on approvals and implementation will be achieved by the end of 2023.

However, we found that as of June 2023, the Housing Ministry and the government have not further defined these expectations so that they can be measured, nor have they established performance indicators to do so.

As noted in **Section 4.6.2**, the Office of the Provincial Land and Development Facilitator is responsible for facilitating negotiations between housing developers, municipalities and the Province for the 15 land sites removed from the Greenbelt in 2022, with the goal of reaching a signed and binding agreement. The Provincial Land and Development Facilitator identified the framework that the negotiation and agreements are being conducted under, including that:

- progress milestones will be built into the development agreements on a site-by-site basis, and at a minimum, will include substantial commencement of construction of services for the initial phase of development on every site by 2025;
- infrastructure and related costs will be paid by developers in full and upfront; and
- a minimum number of housing units is to be included in each development agreement, and this number is being negotiated on a site-by-site basis. As of July 2023, the Provincial Land and Development Facilitator projected that the government's minimum target of 50,000 housing units will be met.

However, as of June 2023, agreements had not been finalized for any of the 15 land sites removed from the Greenbelt in 2022. Under the *Helping Homebuyers, Protecting Tenants Act, 2023*, the Minister has the power to make an order requiring an owner of land to enter into an agreement with the Minister or a municipality in matters where the Provincial Land and Development Facilitator or the Deputy Facilitator has been directed by the Minister to advise, make recommendations or perform any other functions with respect to the land. Until an owner has entered into an agreement required by order, they cannot use the land for a new purpose, but existing uses can continue.

Furthermore, both the 2005 Greenbelt Plan and the 2017 updated Greenbelt Plan include provincial commitments to develop, monitor and report on performance indicators to measure the effectiveness of the Plan's policies. To this end, in 2015, the Housing Ministry released a report titled *Performance Indicators for the Greenbelt Plan – Part 1, 2015* with a partial set of performance indicators, including indicators for the Niagara Escarpment Plan and Oak Ridges Moraine Conservation Plan. This report found that the rate of housing construction outside the settlement areas had tripled over time, and less growth proportionally was occurring within settlement areas. In other words, development was spreading over a larger area over time rather than being concentrated in select areas. The Housing Ministry committed in the 2015 report to future reporting on Greenbelt Plan performance indicators on infrastructure, rural communities, the agricultural economy, aggregates, tourism, recreation and cultural heritage. However, no subsequent reports have been publicly released.

#### 4.11 Developers and Their Representatives Lobbied for Removal of 12 of 15 Greenbelt Sites in the Few Months Leading up to Site Removals

As the events laid out in **Section 4.2** detail, political staff working in the Minister's Office selected and ensured the removal of specific parcels of land from the Greenbelt Area.

We found that 12 of the 15 parcels of land chosen for removal from the Greenbelt had been, as noted by the Housing Minister's Chief of Staff, requested for removal by developers or their representatives. Many of these individuals had advocated for the removal in emails and in-person meetings within a few months prior to their removal. For example, one lawyer representing three housing developers emailed the Chief of Staff on September 27 and 29, 2022, providing site-specific details for the land they sought to develop.

About 92% of the land that was ultimately removed from the Greenbelt was requested to be removed by the developers the Chief of Staff dined with at the Building

Industry and Land Development Association's (BILD's) Chair's Dinner on September 14, 2022.

At this event, the Housing Minister's Chief of Staff and Deputy Chief of Staff were seated at the same table as prominent housing developers and a registered lobbyist. The Chief of Staff told us two developers provided him with packages at this event containing information about two sites from the Greenbelt: the DRAP lands in Durham Region (Site #1 in **Figure 4**) and the Bathurst-King site in York Region (Site #9).

We were told that, later, when the Greenbelt Project Team advised the Chief of Staff of the need for more detailed information about the initial eight sites proposed for removal, and the Chief of Staff contacted the housing developer for the DRAP site, the developer provided the Chief of Staff with requests to remove additional sites: the Book Road site in Hamilton (Site #4), Leslie-Elgin (Site #12) and Block 41 Lands (Site #13) from the Greenbelt. These three sites were ultimately removed from the Greenbelt.

Lobbyists are paid to try to influence the decision-making of those in positions of government authority and public office. They act on behalf of themselves, an employer or client who may seek such actions as the introduction or repeal of particular laws, regulations, policies, programs, funding and contracts. Developers are considered lobbyists when lobbying on behalf of their organizations.

Lobbying is a practice available to those who have the means to fund it and who know how to contact politicians or their political public service staff. The private interests that lobbyists are paid to advance can be at odds with the public's interest. Thus, lobbying has the potential to influence government to make decisions that do not represent the interests of the majority. Although it is a driver of political change and has always been part of Canadian politics, lobbying is closely related to patronage (the exchange of personal gifts or favours) and carries with it the potential for conflict of interest. Therefore, it is usually closely scrutinized and regulated.

For example, those who lobby the Ontario government, including its elected officials or their staff, or

the staff of a ministry or the Ontario Provincial Police, must register with the Office of the Integrity Commissioner of Ontario. The Integrity Commissioner has the power, through the *Member's Integrity Act* (Integrity Act) to investigate potential non-compliance with the *Lobbyists Registration Act, 1998*. Notably, a lobbyist cannot knowingly place a public office holder in a position of real or potential conflict of interest.

The Office of the Integrity Commissioner issues annual reports. Those annual reports highlight many areas that could be considered to strengthen lobbyist registration and regulatory powers of the Office of the Integrity Commissioner.

#### **4.12 Potential Contravention of the Public Service of Ontario Act, 2006 by the Housing Minister's Chief of Staff**

During our work, we noted extensive involvement of the Housing Minister's Chief of Staff in what we would have expected to have been an operational process led by the Housing Minister's public service staff. We were advised by the Secretary of the Cabinet that it is not unusual in the development of materials for the Cabinet decision-making process to involve both the non-political public service and Minister's Office political staff, namely the Chief of Staff or Directors of Policy, to work iteratively in developing a Cabinet submission. Although the Housing Ministry highlighted the risks of considering only specific land sites for removal and the limitations of the criteria being used, senior public service staff in the Housing Ministry continued to work with the Housing Minister's Chief of Staff. Their view was that certain land sites were to be removed from the Greenbelt; hence selection criteria were modified to achieve this end.

As previously noted, almost all of the properties removed from the Greenbelt were identified and were provided to the Greenbelt Project Team directly by the Housing Minister's Chief of Staff after he received material from or on behalf of certain developers. These developers who had direct access to the Chief of Staff

stood to significantly benefit financially by having received preferential treatment through the use of a biased process that was non-transparent to the public.

Although the Housing Minister informed us that he was unaware of what his Chief of Staff was working on, and his Chief of Staff told us that he did not inform his Minister of what he was working on, the Minister ought to have known that the Chief of Staff was the primary recipient and provider of lands to the Greenbelt Project Team, especially given the high-profile, politically sensitive and controversial nature of the Greenbelt Project.

We spoke with the Secretary of the Cabinet, who informed us that the general practice in Ontario is for the Premier, the Executive Council and its ministers to make policy decisions that are then operationalized by the public service and typically overseen by Deputy Ministers. However, we were told that in Ontario, there is no standard legislated divide between the policy and operational responsibilities of ministers and political staff working in their offices, and deputy ministers and staff working in the permanent public service. The Secretary of the Cabinet told us that the degree to which a publicly elected minister or that minister's staff, or regular public servants, participate in the administration and implementation of policy decisions "can vary depending on the complexity of the matter and whether certain of the implementation decisions attract public policy considerations that may require the weighing of economic, social and political factors."

While there are some examples of statutory responsibilities being assigned to specific individuals who then work independently of others in a ministry, Ontario contemplates a model where all work together to support the mandate of the ministry, with the minister having overall responsibility and charge of that ministry.

In this leadership model, non-political public sector employees (permanent public sector employees) work to support the mandate of their ministry, and may do so under the direction of political public service staff. The minister, who is in charge of and responsible for a ministry, is an elected politician appointed to the portfolio by the Premier. Political public service employees

are not elected, yet they are politically partisan. They work on behalf of the elected politicians and the party that is in power, in paid public service positions such as Chiefs of Staff and Directors of Policy within a Minister's Office or Premier's Office. Refer to **Appendix 7** for an organizational chart distinguishing political staff from public service employees, and showing the relationships of those involved in decision-making about the Greenbelt boundary changes.

The participation of political staff employed in Ministers' Offices in operational and administrative decisions is not unprecedented; their participation is governed by the rules in the *Public Service of Ontario Act, 2006* (political activity rules and conflict of interest rules) that also apply to regular public servants, and the particular rules under Part IV (sections 66 to 70) that have been established to provide specific operational guidance to them. Minister's staff are appointed under section 47 of the *Public Service of Ontario Act, 2006* by the Premier's designate. This is the Chief of Staff and the Director of Human Resources in the Premier's Office.

Staff in the Premier's Office and Ministers' Offices, and public servants, are bound by ethical standards for the performance of their jobs and are governed by the *Public Service of Ontario Act, 2006* and O. Reg. 382/07—Conflict of Interest Rules for Public Servants (Minister's Offices) and Former Public Servants (Ministers' Offices)—under this act.

The ethics executive for public servants employed in Ministers' Offices is the Integrity Commissioner of Ontario. Public servants employed in Ministers' Offices are required to comply with the conflict of interest regulation made under the *Public Service Act of Ontario, 2006*. Section 6 of O.Reg.382/07 states:

6. (1) When performing his or her duties to the Crown, a public servant shall not give preferential treatment to any person or entity, including a person or entity in which the public servant or a member of his or her family or a friend has an interest.

(2) When performing his or her duties to the Crown a public servant shall endeavour to avoid creating the appearance that preferential treatment is being given to a person or entity that could benefit from it.

(3) A public servant shall not offer assistance to a person or entity in dealing with the Crown other than assistance given in the ordinary course of the public servant's employment.

#### 4.13 Risk of Additional Non-Compliance by Political Public Service Staff with *Public Service of Ontario Act, 2006*

During the course of our audit, we found several examples where it appears that political public service staff gave preferential treatment to lobbyists, potentially in violation of the *Public Service of Ontario Act, 2006* (see **Section 4.12**). This included providing information about the ownership and purchasing of lands, setting up investment-opportunity meetings with Minister's Office staff, and the consideration of draft legislative and regulatory changes.

As well, during the course of our audit, we found situations where lobbyists working for developers emailed political staff to suggest amendments to legislation. In these cases, political staff copied and pasted the wording of the lobbyists' proposed amendments into a new document, which they then forwarded on to Deputy Ministers for inclusion in legislative packages. Senior non-political public servants, who were directed by political staff to carry the proposal forward, appeared unaware that the proposed amendments had originated from a lobbyist.

#### 4.14 Use of Personal Email Accounts Contrary to Public Service Cybersecurity Guidelines

During the course of our audit, we noted that political staff received emails from lobbyists and other external parties on their personal email accounts that they then forwarded to their government email. Conversely, there were occasions when government emails were forwarded by political staff from their government accounts to their personal email accounts.

According to the Ontario Public Service (OPS) *Securing Your Workplace Guidebook* and the

Information and Information Technology (I&IT) resource guidelines, forwarding government information to personal accounts is not appropriate because of cybersecurity concerns. It also outlines that using non-government resources to conduct government business is unacceptable.

Under the OPS Acceptable Use I&IT Guidelines: "only the work email account (e.g., @Ontario.ca) should be used for government work." The use of non-OPS managed platforms and services including Zoom for government work also requires prior approval from an OPS manager.

Communication between lobbyists and political staff using their personal email accounts also creates the perception of preferential access and treatment, and thereby an unfair advantage to those receiving unauthorized confidential information from political staff.

It is important to note that any communication between lobbyists and political staff about government business is still subject to the *Freedom of Information and Protection of Privacy Act*, and is not excluded from this act even if the communication occurred on a personal email account.

#### 4.15 Record-Retention Policies for Political Staff Communications Needs Reinforcing

During the course of our audit, we observed that emails were regularly being deleted by political staff. However, email correspondence relating to the undertaking to make changes to the Greenbelt was not exempt from the *Archives and Recordkeeping Act, 2006*, (Recordkeeping Act) and should not have been deleted. We also noted that descriptions of meetings on political public service employees' calendars were not fulsome and clear so as to be able to ascertain the purpose of various meetings.

The Recordkeeping Act governs the management, destruction and preservation of the electronic and paper records of public bodies. This ensures that records related to the activities of all public bodies are available and fosters government accountability and

transparency. The records schedule outlined in the Recordkeeping Act dictates how and when relevant public records are to be maintained, transferred, altered or destroyed.

The obligations around retaining and destroying public records apply to ministers, their political and office staff as well as ministry program area staff. Excluded records include ministers' personal, political caucus and constituency records. Exemptions to the records schedule are possible for: an access request made under the *Freedom of Information and Protection of Privacy Act*; requests by the Legislative Assembly; legal discovery or other proceedings; or public inquiries through the *Public Inquiries Act, 2009* (Inquiries Act).

Any information used to document, support or direct government decision-making, policy development, activities or operations is captured by the retention and final disposition schedule outlined in the Inquiries Act. Relevant records must not be transferred, altered, destroyed or otherwise disposed of until such time that one has been notified that the matter is concluded.

Files that relate to the development and delivery of the government's policy and legislative agenda, including issues under consideration by the minister that may form part of the government's policy agenda, must also be retained. This includes submissions from the public. With regard to stakeholder relations, any correspondence, notes, meeting agendas or minutes, and messages including phone calls must also be retained. Ministers' correspondence and communications records need to be retained while the minister is in office and four years after the file closes, at which point the records transfer to the Archives of Ontario.

## Appendix 1: Timeline of Key Events

Prepared by the Office of the Auditor General of Ontario

<b>1971</b>	Progressive Conservative Party of Ontario forms majority government.
<b>1972</b>	Land that would later become the Duffins Rouge Agricultural Preserve (DRAP) is expropriated by the Province from private owners for the purpose of supporting a proposed federal airport.
<b>1973</b>	<i>Niagara Escarpment Planning and Development Act</i> passes, with the purpose “to provide for the maintenance of the Niagara Escarpment and land in its vicinity substantially as a continuous natural environment, and to ensure only such development occurs as is compatible with that natural environment.”
<b>1985</b>	Province approves the Niagara Escarpment Plan to guide land-use planning within the Niagara Escarpment Plan Area.
<b>1999</b>	Regional Municipality of Durham, the City of Pickering and the Province begin to sell back previously expropriated preserve land to the original landowners or tenant farmers after the airport was never built.  Purchasers are required to agree to a conservation easement under the <i>Conservation Land Act</i> to protect the land for agricultural uses in perpetuity. The easements are held by the City of Pickering, and the prices are based on the value of lands used for agricultural purposes.
<b>2001</b>	<i>Oak Ridges Moraine Conservation Act, 2001</i> passes, providing authority for the creation of the Oak Ridges Moraine Conservation Plan for the Oak Ridges Moraine Area (an environmentally sensitive, geological landform in southcentral Ontario that stretches 160 kilometres from the Trent River in the east to the Niagara Escarpment in the west, covering approximately 470,000 acres).
<b>2002</b>	Oak Ridges Moraine Conservation Plan is established, providing direction on land use and resource management for the land and water located within the moraine.
<b>2000 to 2004</b>	Approximately 3,000 acres of the 4,700 acres of land in the Duffins Rouge Agricultural Preserve is purchased, mainly by developers.
<b>2003</b>	Liberal Party of Ontario forms majority government.
<b>2004</b>	<i>Greenbelt Protection Act, 2004</i> passes and the Ontario government creates the Greenbelt Task Force to assess and provide recommendations on the potential Greenbelt boundary.
<b>2005</b>	<ul style="list-style-type: none"> <li>Without consulting the Province, the City of Pickering removes the conservation easements on two-thirds of the properties sold by the Province in the Duffins Rouge Agricultural Preserve.</li> <li><i>Greenbelt Act, 2005</i> passes, defining and approving the Greenbelt boundary, and establishing the Greenbelt Plan. The Greenbelt Area includes areas covered by the Niagara Escarpment Plan and the Oak Ridges Moraine Conservation Plan.</li> <li><i>Duffins Rouge Agricultural Preserve Act, 2005</i> passes, reinstating the easements on the Duffins Rouge Agricultural Preserve.</li> </ul>
<b>2005 to 2007</b>	Large housing developer seeks to develop lands in the DRAP and takes the Province to court. The court rules against the developer.
<b>2013</b>	Housing Ministry creates a new Urban River Valley (URV) designation in the Greenbelt Plan and adds 630 acres in the Glenora Lands to the Greenbelt as URVs.

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## Appendix 1: Timeline of Key Events (continued)

Prepared by the Office of the Auditor General of Ontario

- 2015 to 2017** As part of the Province's Co-ordinated Land Use Planning Review of Ontario's four provincial land-use plans in the Greater Golden Horseshoe, the Housing Ministry undertakes the required 10-year review of the Greenbelt Plan, with the participation of municipalities, staff within the Ministry of Municipal Affairs and Housing and the Ministry of the Environment and Climate Change, developers, Indigenous communities, environmentalists and other stakeholders. The review includes three rounds of public consultation on the Environmental Registry of Ontario (Environmental Registry) for 90 days, 174 days and 47 days respectively, resulting in:

  - the addition of 24,958 acres to the Greenbelt (including 21 URVs); and
  - the removal of 371 acres across 17 areas from the Greenbelt (minor boundary refinements).
- 2018** • **June:** Progressive Conservative Party of Ontario forms a majority government.
- 2020** • **December:** More than half of the members of the Greenbelt Council resign over the Province's decision to fast-track development on the Lower Duffins Creek wetland east of Toronto and the intent to disempower conservation authorities. (Chair resigns December 7.)
- 2021**

  - **February:** Housing Ministry posts a proposal notice on the Environmental Registry for a 61-day consultation period to expand the Greenbelt by adding 13 URVs and lands from the Paris Galt Moraine.
  - **March:** New rules are implemented to make the Greenbelt Council's advice confidential and restrict its members, ability to talk to journalists as per a new media protocol. The Chair becomes restricted to only answering questions about the Council's mandate and processes, while other members can answer questions about their roles and professional backgrounds—but are bound to keep Council deliberations confidential.
  - **December:** Ontario government establishes the Housing Affordability Task Force, with a mandate to provide the Minister with recommendations to accelerate progress in closing the housing supply gap to improve housing affordability.
- 2022**

  - **February 8:** Housing Affordability Task Force concludes in its report that Ontario needs to build 1.5 million new homes over the next 10 years to fill the housing gap.
  - **March:** Greenbelt Council's terms of reference are changed to weaken its mandate to protect the environment, including to make its advice confidential.
  - **March 24:** Housing Ministry decides not to proceed with expanding the Greenbelt into the Paris Galt Moraine area and posts its decision on the Environmental Registry. The Ministry's rationale is that it needs to understand how the proposed addition may impact growth in housing and employment areas. The Ministry moves forward with the next phase of consultation to add 13 URV areas to the Greenbelt, and Ministry staff prepared maps for the new URVs and boundary amendments for the Greenbelt Regulation.
  - **March 24:** Housing Ministry posts a proposal notice on the Environmental Registry for a 30-day consultation period to expand the Greenbelt by adding or expanding the 13 URVs consulted on in the first phase of consultation.
  - **April 27:** On the day they are scheduled to submit the proposal to government for final approval, Ministry staff receive direction that the Province is no longer proceeding with the proposal to expand the Greenbelt by adding or expanding the 13 URVs.
  - **June 2:** Progressive Conservative Party of Ontario forms a second consecutive majority government.

*Continued on page 71*

## Appendix 1: Timeline of Key Events (continued)

Prepared by the Office of the Auditor General of Ontario

2022

Continued

- **June 29:** Minister of Municipal Affairs and Housing (Housing Minister) receives a mandate letter from the Premier outlining the government's priorities and policy directions for the Housing Ministry. The stated goals include: "In Fall 2022, complete work to codify processes for swaps, expansions, contractions and policy updates for the Greenbelt," and "This should include a comprehensive plan to expand and protect the Greenbelt."
- **July 4:** Housing Minister's Chief of Staff is appointed by the Premier's Office Chief of Staff.
- **August 9:** The Building Industry and Land Development Association (BILD) and the Ontario Home Builders' Association (OHBA) release a five-point plan to address the housing crisis in Ontario. Number three on the plan is to "make new land available to build housing."
- **August 11:** Premier's daughter's stag and doe party. News media report that developers attend the party.
- **August 30:** Upon request, Housing Ministry briefs the Housing Minister's Chief of Staff on potential tools available to amend the Greenbelt boundary, comparing system-wide and site-specific approaches.
- **September 14:** BILD holds its Chair's Dinner. Two prominent housing developers approach the Housing Minister's Chief of Staff and provide him with packages that contain information on two sites in the Greenbelt (Sites #1 and #9 in **Appendix 4**). Shortly thereafter, one of the developers provides the Chief of Staff with additional information plus information related to Sites #4, #12 and #13. These five sites ultimately make up 92% of all land removed from the Greenbelt in 2022.
- **September 15:** Sale of Site #9 in King Township (next to the Newmarket boundary) is finalized and the title is transferred to the housing developer. The final sale price is \$80 million.
- **September 16:** Housing Minister's Chief of Staff informs the Housing Ministry that the government wants to consult on removing lands from the Greenbelt using a site-specific approach. Housing Ministry indicates that the Housing Minister's Chief of Staff communicates three priority sites for removal from the Greenbelt: Sites #1, #4 and #9 as listed in **Appendix 4**.
- **September 25:** Premier's daughter's wedding. News media report that developers attend the wedding. Photographs of the seating arrangements for the wedding include the developer for Sites #10 and #14 in **Appendix 4**.
- **September 27:** Law firm sends requests directly to the Housing Minister's Chief of Staff, by email, to have Site #15 removed from the Greenbelt.
- **September 29:** Same law firm sends letter to Housing Minister in an email to the Housing Minister's Chief of Staff requesting that Site #10 be rezoned through the Official Plan review of York Region.
- **September 29:** Same law firm sends another request directly to the Housing Minister's Chief of Staff, by email, to have Site #14 removed from the Greenbelt.
- **October 3-5:** Greenbelt Project Team is formed. Its six members are non-political public service staff in the Housing Ministry.
- **October 6:** Housing Minister's Chief of Staff provides Greenbelt Project Team with hardcopy information from packages he received on eight proposed land sites (Sites #1, #3, #4, #9, #12, #14, #15 and one not chosen for removal) as well as the initial criteria for removal.
- **October 6-13:** Greenbelt Project Team members are required to sign confidentiality agreements. Site #11 is identified by the Greenbelt Project Team as a proposed property for removal.

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## Appendix 1: Timeline of Key Events (continued)

Prepared by the Office of the Auditor General of Ontario

2022

*Continued*

- **October 7:** Housing Minister's Chief of Staff receives correspondence addressed to him from same law firm that corresponded on September 29, regarding the same property (Site #10). This letter requests Site #10 be removed from the Greenbelt and does not mention the Official Plan review.
- **October 13-31:** Five USB keys are provided to Greenbelt Project Team by the Housing Minister's Chief of Staff containing information on proposed sites for removal (includes Sites #2, #5 and #13) and additional information on previously identified sites.
- **October 19:** Sites #6, #7 and #8 and two sites that were not removed are provided by Housing Deputy Chief of Staff to the Housing Minister's Chief of Staff. These properties had been assessed through the Official Plan review and were proposed for removal because they are in the Greenbelt.
- **October 24:** Municipal elections are held, 11 days before notices related to the changes to the Greenbelt's boundary are posted on the Environmental Registry on November 4, 2022. Some municipal councils are sworn in weeks after the election, limiting their ability to provide comments related to these notices by December 4, 2022, when the consultation period ended.
- **October 25:** Housing Ministry posts a proposal notice on the Environmental Registry to revoke the Central Pickering Development Plan, a provincial land-use plan that established policies for development in a designated area in Central Pickering as well as protecting the Duffins Rouge Agricultural Preserve from development.
- **October 26:** Chair of Greenbelt Council resigns, replaced by Hazel McCallion as new Chair.
- **October 26:** Housing Minister is briefed in person by Housing Ministry and Minister's Chief of Staff on proposed removal of land sites from the Greenbelt.
- **October 27:** Housing Ministry briefs staff in the Premier's Office and Cabinet Office on proposed removal of land sites from the Greenbelt. (Premier is not present for briefing.)
- **October 31:** Housing Ministry provides second briefing to the Premier's Office and Cabinet Office on Greenbelt Project. (Premier is not present for briefing.)
- **November 1:** Housing Ministry briefs Housing Minister/Associate Minister of Housing on the proposed removal of land sites from the Greenbelt.
- **November 1:** Premier is briefed by political staff on the proposed removal of land sites from the Greenbelt.
- **November 2:** Cabinet approves Housing Ministry's proposal to begin public consultation process to amend the Greenbelt. (Cabinet members receive proposal material shortly before Cabinet meeting.)
- **November 3:** Property owners/developers are notified their land is being proposed for removal from the Greenbelt.
- **November 4:** Housing Ministry's Deputy Minister and staff provide a briefing on Greenbelt land removal to Caucus.
- **November 4:** Housing Ministry posts four proposal notices on the Environmental Registry and initiates a 30-day public consultation period to amend the Greenbelt by removing or re-designating 15 sites (including the Duffins Rouge Agricultural Preserve in Pickering), adding or expanding 13 Urban River Valleys and adding a portion of the Paris Galt Moraine.
- **November 4:** Mayors of affected municipalities are notified lands in their jurisdictions are being proposed for removal from the Greenbelt.
- **November 7:** Briefing on the Greenbelt Project is provided to the recently appointed Greenbelt Council.

*Continued on page 73*

## Appendix 1: Timeline of Key Events (continued)

Prepared by the Office of the Auditor General of Ontario

### 2022

Continued

- **November 16:** *Duffins Rouge Agricultural Preserve Repeal Act, 2022* is introduced in the Legislature. The proposed act removes additional protection from development for the majority of the area affected by the proposed Greenbelt amendments.
- **November 22:** Ministry of Natural Resources and Forestry posts an exception notice on the Environmental Registry exempting the *Duffins Rouge Agricultural Preserve Repeal Act, 2022* from the public consultation process, citing reliance on the ongoing public consultation for proposed Greenbelt amendments.
- **November 28:** Legislature passes Bill 23, the *More Homes Built Faster Act, 2022*, which makes significant changes to the *Planning Act*, the *Conservation Authorities Act*, the *Ontario Heritage Act* and the *Ontario Land Tribunal Act* to support the implementation of the government's housing strategy.
- **November 28:** Member of Provincial Parliament requests Integrity Commissioner of Ontario investigate as to whether the Housing Minister and the Premier have contravened the *Members' Integrity Act, 1994*.
- **December 4:** During the 30-day public consultation period from November 4 to December 4, 2022, the Ministry receives over 35,000 responses, overwhelmingly in opposition to any removals or land swaps in the Greenbelt.
- **December 8:** Legislature passes the *Duffins Rouge Agricultural Preserve Repeal Act, 2022*.
- **December 12:** Housing Minister is briefed by the Housing Ministry on Greenbelt Project and the Premier's Office political staff is briefed by the Housing Ministry.
- **December 14:** Housing Ministry files O. Reg. 567/22 under the *Greenbelt Act, 2005* and O. Reg. 568/22 under the *Oak Ridges Moraine Conservation Act, 2001*, implementing the Ministry's proposed Greenbelt boundary changes, and O. Reg. 566/22, revoking Minister's Zoning Order 154/03, which had protected the Duffins Rouge Agricultural Preserve from development, all of which were approved by the Cabinet earlier that day. The amendments remove approximately 7,400 acres from 15 areas of land, while adding approximately 9,400 acres of land elsewhere. No changes are made to the proposal to address the public's concerns.
- **December 14:** On the recommendation of the Housing Minister, Cabinet revokes the Central Pickering Development Plan.
- **December 15:** Lieutenant Governor proclaims the *Duffins Rouge Agricultural Preserve Repeal Act, 2022* in force, repealing the *Duffins Rouge Agricultural Preserve Act, 2005*.
- **December 21:** Housing Ministry posts decision notices on the Environmental Registry to notify the public of its decision to approve the 2022 Greenbelt changes, with no revisions, following the consultation period.

### 2023

- **January 11:** Auditor General of Ontario receives 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.
- **January 18:** Auditor General of Ontario announces her Office will conduct a value-for-money audit into the financial and environmental impacts of the recent Greenbelt changes.
- **January 18:** In submissions to the Integrity Commissioner of Ontario (as noted in the Office of the Integrity Commissioner's January 18, 2023, report), the Housing Minister and Premier "advised that the selection of the affected lands was made by public servants who were subject to an enhanced confidentiality protocol and that the minister was briefed and accepted their proposal only a few days before he presented it to Cabinet and the government made its announcement shortly thereafter."
- **January 18:** Integrity Commissioner of Ontario initiates an investigation based on the November 28 MPP complaint.

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## Appendix 1: Timeline of Key Events (continued)

Prepared by the Office of the Auditor General of Ontario

### 2023

*Continued*

- **March 9:** Regional Planning Commissioners of Ontario (RPCO) releases a report indicating Ontario's municipalities already have 85% of the 1.5 million housing units in their approval pipelines. The report states that "RPCO continues to not support in principle the removal of lands from the Greenbelt as a necessary step to address Ontario's housing needs."
- **March 16:** Office of the Integrity Commissioner launches an investigation as to whether the Minister of Municipal Affairs and Housing contravened sections 2 and 3 of the *Members' Integrity Act, 1994* with respect to the decision to allow development on lands in the Greenbelt and Duffins Rouge Agricultural Preserve.
- **April 6:** Government's new housing Bill 97, *Helping Homebuyers, Protecting Tenants Act, 2023* is tabled to make amendments to several acts.
- **April 6:** Government's new housing bill has its first reading in the Legislature and receives royal assent on June 8. The Housing Ministry's Market Housing Division, which generally oversees the implementation of the Ministry's housing bills, tells our Office the government intends to release housing bills at least annually.
- **June 8:** Bill 97 receives royal assent. It amends the *Planning Act*, giving the Housing Minister the power to require a landowner to enter into an agreement with the Minister or a municipality in matters where the Provincial Land and Development Facilitator has been directed by the Minister to advise, make recommendations or perform any other functions with respect to the land. It also amends the *Planning Act* to give the Housing Minister the power to exempt lands subject to Minister's Zoning Orders from complying with provincial policies and Official Plans where other planning approvals are applied for, such as subdivision plans.

## Appendix 2: Typical Application Process for a Proposed Development

Prepared by the Office of the Auditor General of Ontario

### 1. Pre-application consultation

Developer provides basic proposal information to municipal staff. Consultation helps identify key issues.

### 2. Application submission

Developer submits development application and pays corresponding fees.

### 3. Application deemed complete/incomplete

Within 30 days of receiving an application, municipal staff advise the developer if the application meets the requirements.

### 4. Circulation to internal departments, external agencies and councillors

The application is circulated to relevant internal departments, external agencies and councillors.

### 5. Public notice

A sign with details of proposed development is put in place and must remain on the site until a decision is rendered on the application.

### 6. Public informal open house

Depending on the response to the public notice, an informal open house may be held in order to hear comments and concerns from the public.

### 7. Public meeting

Municipal staff hold public meeting (notice must be given at least 12 days prior to the date of the meeting).

### 8. Planning and Development Committee issues report

The report summarizes all comments received from the public, the Committee's position on the application (approve or refuse) and conditions that must be satisfied if application is approved.

### 9. Decision on Official Plan Amendment and/or Zoning Bylaw Amendment

If an application receives approval by City Council, all of the conditions required in the previous step must be satisfied. If an application is refused, an applicant has the opportunity to appeal if Council refuses or neglects to decide within the required time frame.

### 10. Notice of decision by Planning and Development Committee or Council

People who have requested to be notified of the adoption will be notified within 15 days of the Council passage of the Official Plan Amendment/Zoning Bylaw Amendment/Plan of Subdivision.

### 11. Post application

- If no appeals are received after notification of decision, the Official Plan or Zoning Bylaw Amendment comes into effect.
- If no appeals are received after the Notice of Decision of Draft Approval of the Plan of Subdivision has been sent, the owner must satisfy all of the conditions of the draft approval.

## Appendix 3: Select Amendments Enacted by Bill 23, the *More Homes Built Faster Act, 2022*

Prepared by the Office of the Auditor General of Ontario

Act Affected	Description of Amendments
<p><i>Planning Act</i></p>	<ul style="list-style-type: none"> <li>• Expands the Housing Minister's power to amend an Official Plan if it is likely to adversely affect a matter of provincial interest.</li> <li>• Expands private landowners' ability to build additional units on existing residential lots in urban areas and prohibits the appeal of related official plan policies.</li> <li>• Removes the planning role of seven upper-tier governments (e.g., Regions) in the Greater Golden Horseshoe.</li> <li>• Prohibits conservation authorities from appealing planning decisions.</li> <li>• Prohibits public appeals of consents and minor variances.</li> <li>• Changes parkland dedication provisions (except for certain types of projects, and reduces the amount of parkland to be dedicated) and requires municipalities to spend/allocate 60% of funds each year that can only be used for the purchase or upgrade of parks.</li> <li>• Narrows application of site plan control for residential buildings.</li> <li>• Removes the restriction on applying for an Official Plan or zoning bylaw amendment within two years of municipal adoption.</li> </ul>
<p><i>Conservation Authorities Act</i></p>	<ul style="list-style-type: none"> <li>• Removes the requirement for the Minister of Natural Resources and Forestry to approve the sale, lease or disposition of certain lands. (Under amendments to the regulations, conservation authorities will have to identify which lands in their land inventory could support housing development by December 31, 2024.)</li> <li>• Prohibits conservation authorities from reviewing or commenting on proposals or applications under prescribed acts (including the <i>Planning Act</i>; <i>Aggregate Resources Act</i>; <i>Condominium Act, 1998</i>; <i>Drainage Act</i>; <i>Endangered Species Act, 2007</i>; <i>Environmental Assessment Act</i>; <i>Environmental Protection Act</i>; <i>Niagara Escarpment Planning and Development Act</i>; <i>Ontario Heritage Act</i>; and the <i>Ontario Water Resources Act</i>), unless related to natural hazards where protecting sources of drinking water.</li> <li>• Changes the factors that conservation authorities may consider in their decisions on development permits, by removing consideration of the effects of the development on "pollution" or the "conservation of land," and adding the effects on "unstable soil or bedrock", while maintaining consideration of the effects on "flooding", "erosion" and "dynamic beaches."</li> <li>• Extends the requirement for mandatory issuance of development permits when Minister's Zoning Orders are issued by the Housing Minister under s. 47 of the <i>Planning Act</i> to the new type of Minister's Zoning Order in s. 34.1 of the <i>Planning Act</i>.</li> <li>• Expands Cabinet's/Natural Resources Minister's powers to exempt lands, activities, types of development and types of authorizations from the need for a conservation authority development permit.</li> </ul>

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**Ontario Heritage Act**

- Authorizes Cabinet to exempt a ministry or public body from having to comply with the heritage standards and guidelines in respect of a particular property, if in the Cabinet's opinion such an exemption could advance a provincial priority, such as transit or housing.
- Authorizes the Minister of Citizenship and Multiculturalism to review the determination of heritage value of a provincial heritage property and confirm or revise the determination.
- Prohibits a municipality from designating a heritage property unless it is listed in the municipality's heritage register.
- Limits properties that can be listed in a municipality's heritage register to those that meet two or more of the prescribed criteria (as outlined in the regulations).
- Requires a municipality to remove a property from its heritage register if notice of intention to designate is not given within two years of listing.

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**Ontario Land Tribunal Act,  
2021**

- Expands the Ontario Land Tribunal's authority to dismiss a proceeding without holding a hearing.
- Gives authority to Cabinet to make regulations requiring the Tribunal to prioritize the resolution of specified classes of proceedings.
- Gives authority to the Attorney General to make regulations prescribing timelines for Tribunal decision-making.

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**Development Charges Act,  
1997**

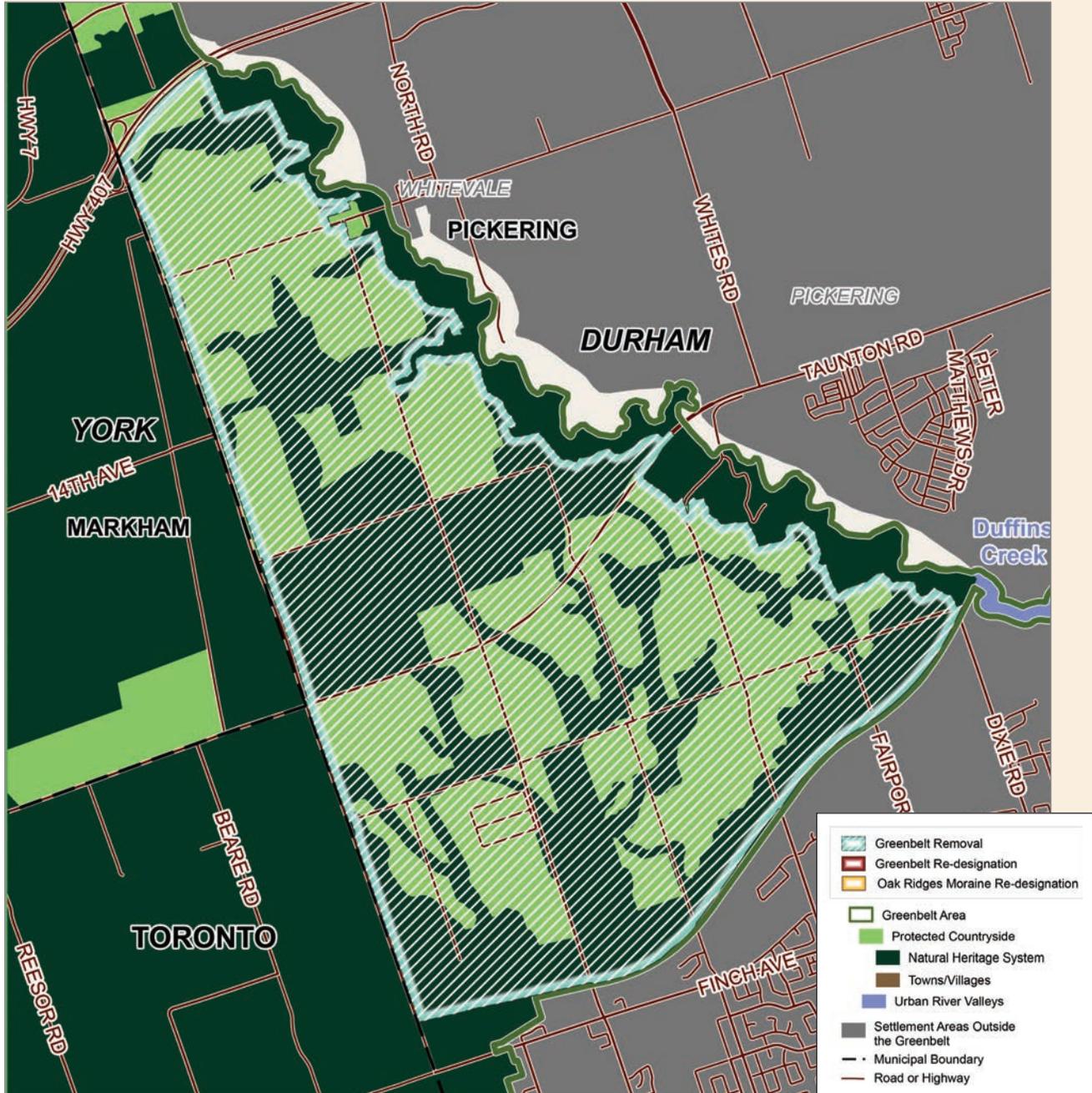
- Exempts "affordable"/"attainable" residential units, non-profit housing and inclusionary zoning units from development charges.
  - Discounts development charges for rental housing.
  - Makes changes to the method for determining the amount of development charges.
  - Requires a municipality to spend or allocate 60% of its reserve fund each year for water supply, wastewater and highway services.
-

## Appendix 4: Maps of Land Sites Removed from or Re-designated within the Greenbelt

Source of data: Ministry of Municipal Affairs and Housing

### SITE 1 | DUFFINS ROUGE AGRICULTURAL PRESERVE

4,288.78 acres (57.86% of the 7,413 acres removed)



#### Duffins Rouge Agricultural Preserve

South of Highway 407, west of West Duffins Creek, north of the CP Belleville rail line, in Pickering.

**SITE 2 | KINGSTON ROAD AND HIGHWAY 401**

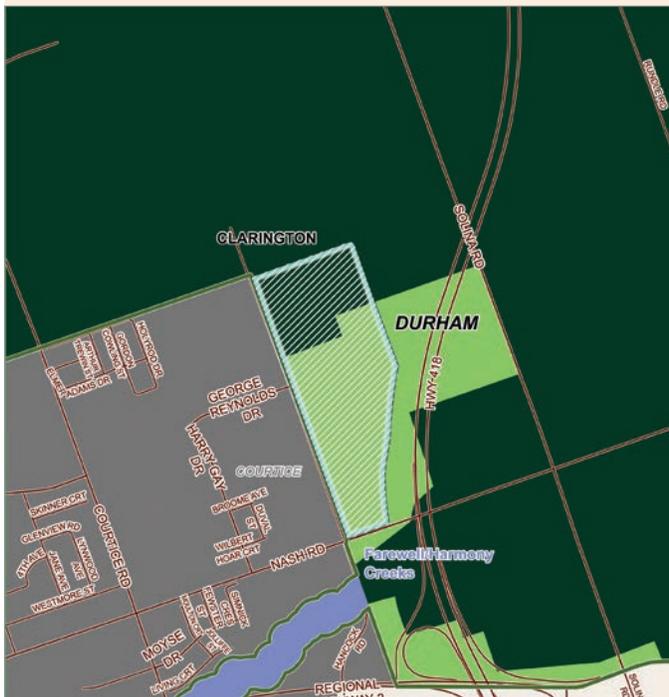
133.01 acres (1.79%)



765 and 775 Kingston Road E, Ajax

**SITE 3 | NASH ROAD**

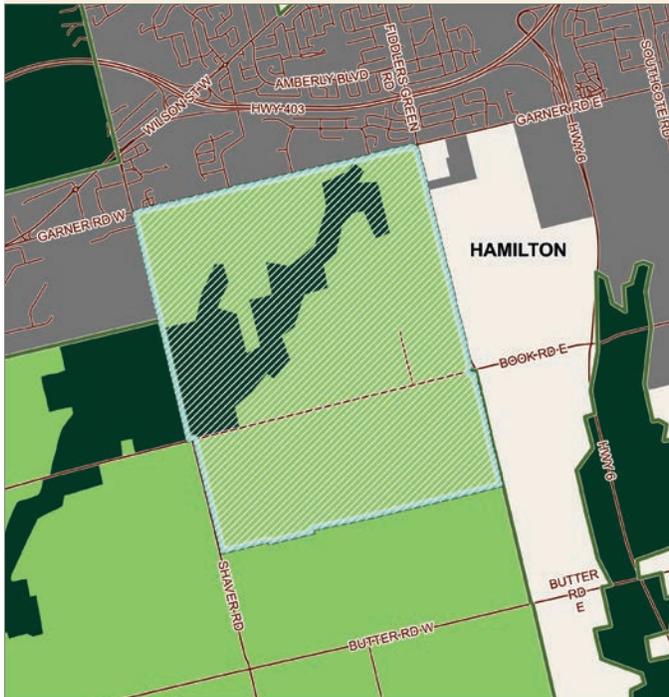
85.78 acres (1.16%)



Northeast corner of Nash Road and Hancock Road, Clarington

**SITE 4 | BOOK ROAD**

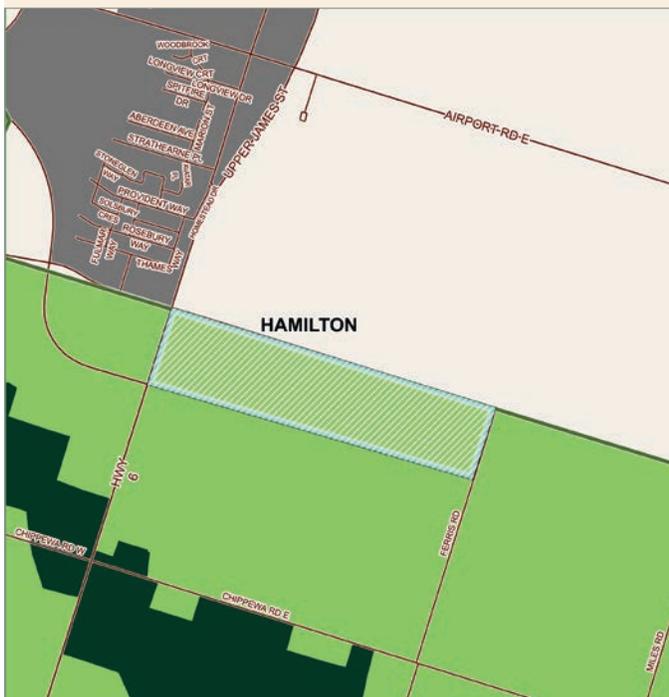
1,809.37 acres (24.41%)



South of Garner Road W, west of Fiddlers Green Road, east of Shaver Road in the vicinity of Book Road, Hamilton

**SITE 5 | HAMILTON MOUNT HOPE**

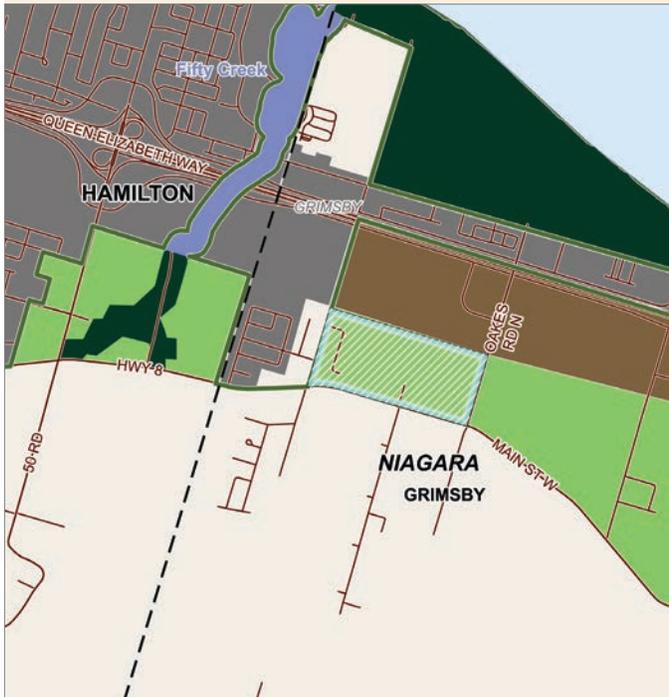
162.77 acres (2.20%)



South of White Church Road E, west of Miles Road, north of Chippewa Road E, east of Upper James Street, Hamilton

**SITE 6 | CLINE ROAD**

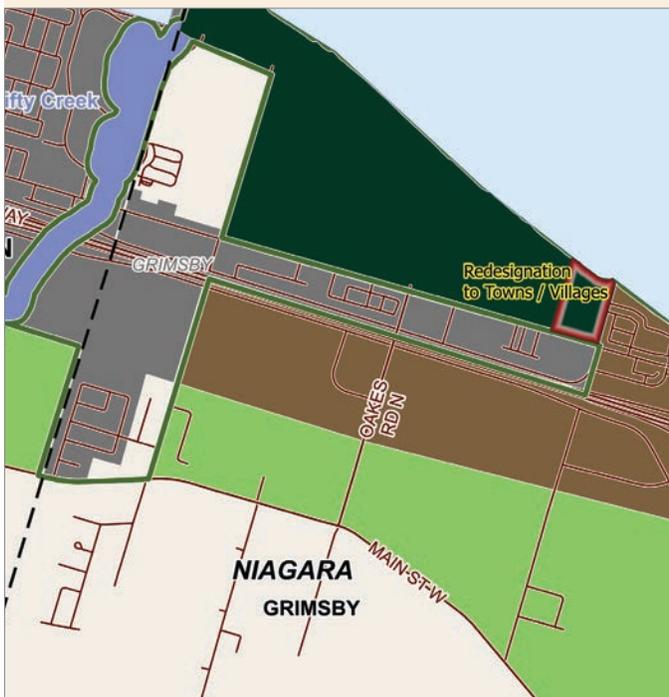
73.45 acres (0.99%)



South of the GO rail line, west of Oakes Road N, north of Main Street W, east of Kelson Avenue N, Grimsby

**SITE 7 | 502 WINSTON ROAD**

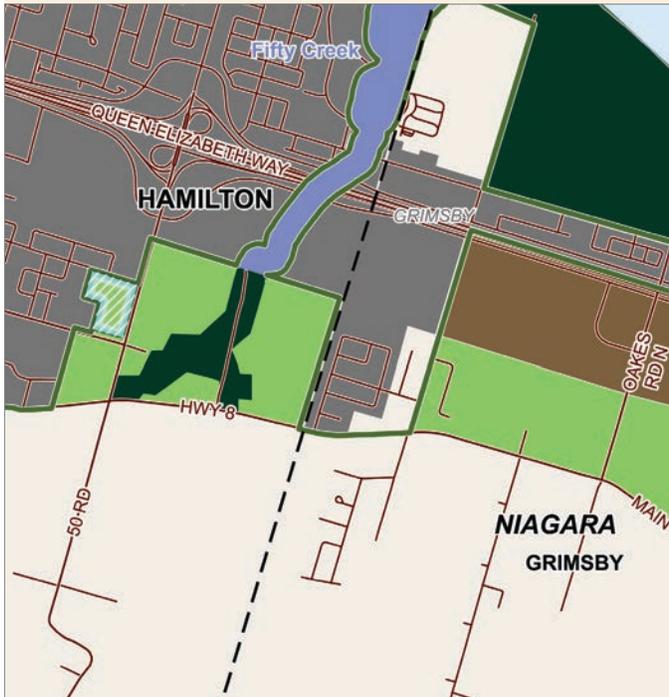
14.94 acres (0.20%)



502 Winston Road, Grimsby

**SITE 8 | BARTON**

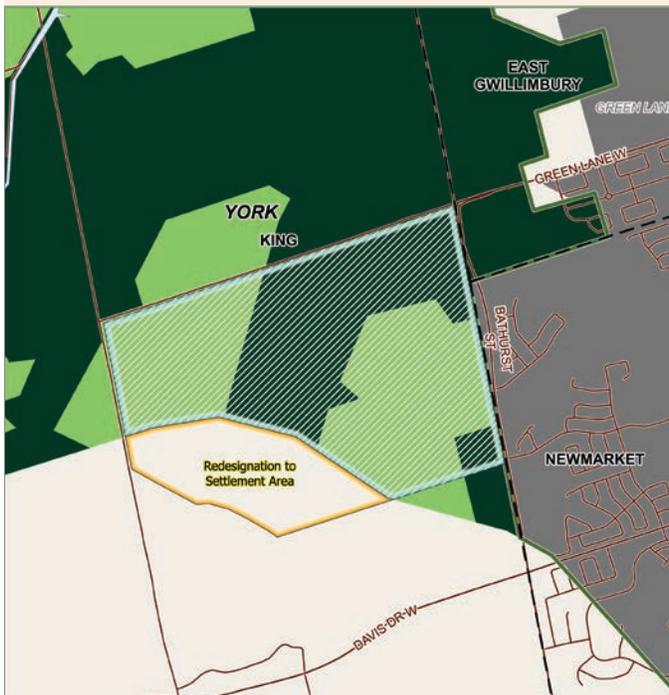
9.82 acres (0.13%)



331 and 339 Fifty Road, Hamilton

**SITE 9 | BATHURST-KING**

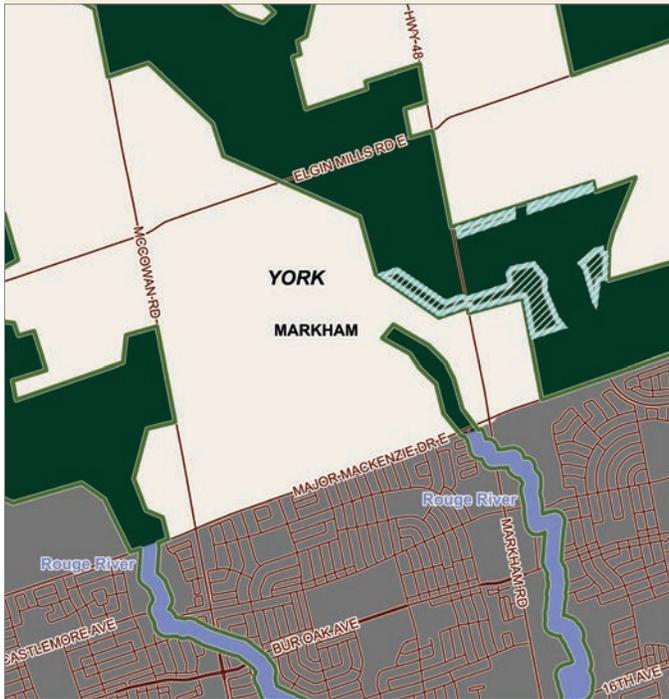
655.26 acres (8.84%)



East of Dufferin Street, south of Miller's Sideroad, west of Bathurst Street, King Township

**SITE 10 | HIGHWAY 48**

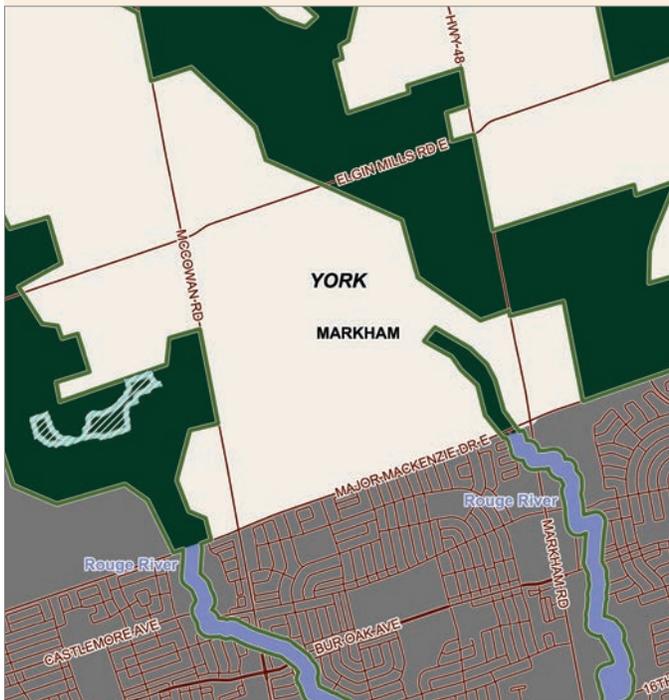
88.34 acres (1.19%)



**10235, 10378 and 10541 Highway 48, Markham**

**SITE 11 | 10379 KENNEDY ROAD**

36.99 acres (0.50%)



**10379 Kennedy Road, Markham**

**SITE 12 | LESLIE-ELGIN**

15.14 acres (0.20%)



East of Leslie Street, north of Elgin Mills Road E, west of Highway 404, Richmond Hill

**SITE 13 | BLOCK 41 LANDS**

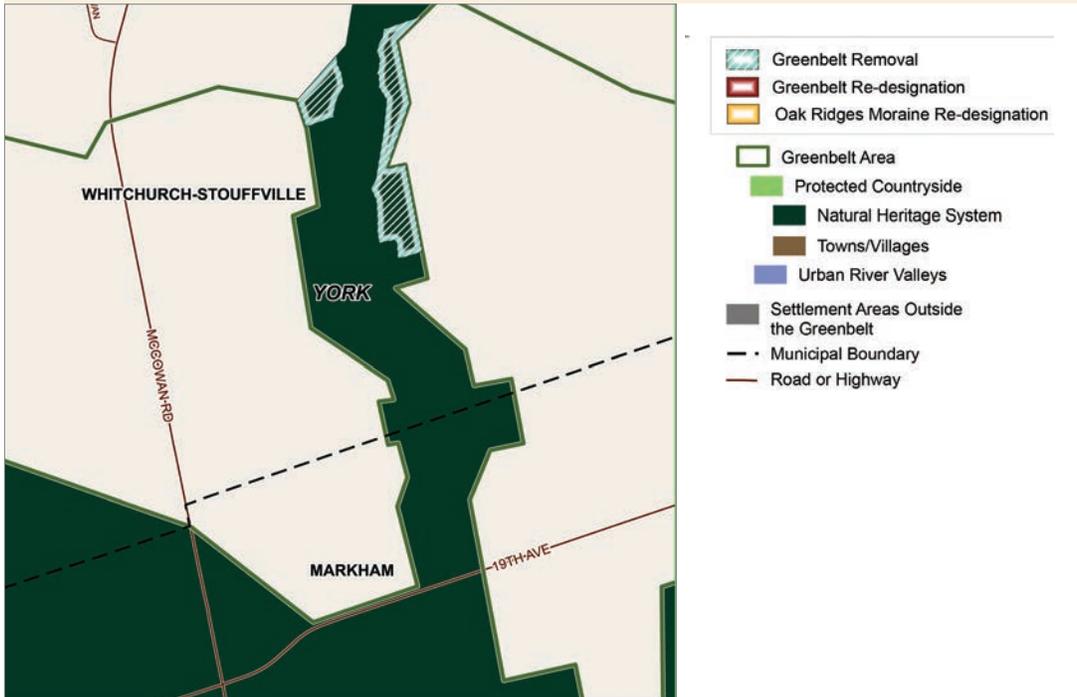
15.60 acres (0.21%)



North and east of Teston Road and Pine Valley Drive, Vaughan

**SITE 14 | 11861 AND 12046 McCOWAN ROAD**

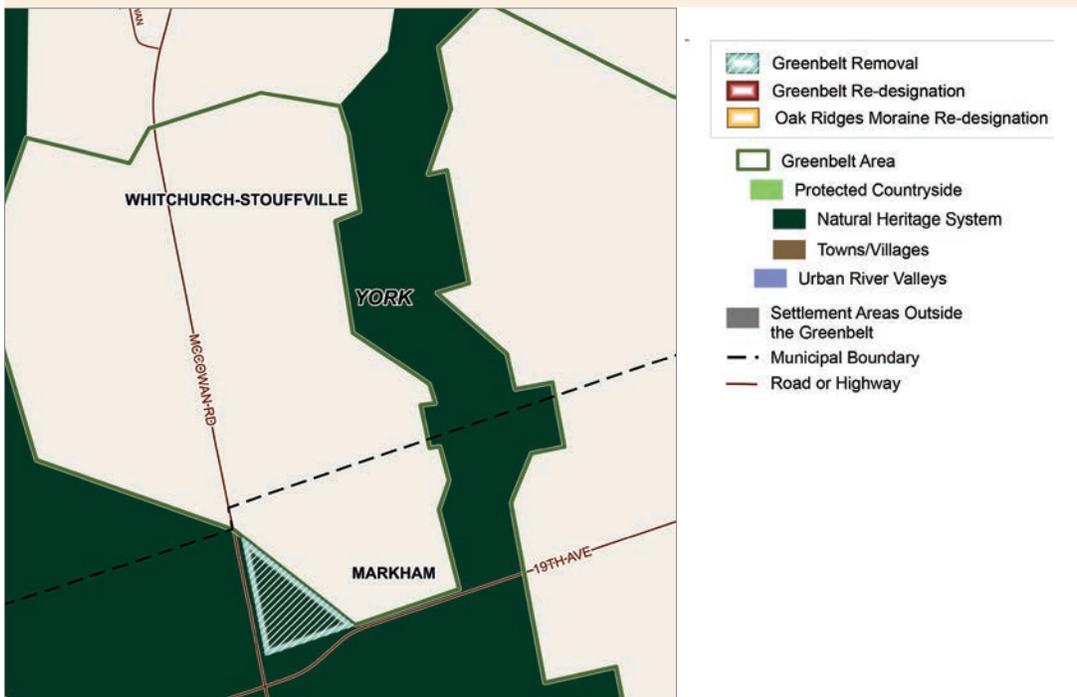
12.81 acres (0.17%)



11861 and 12045 McCowan Road, Whitchurch-Stouffville

**SITE 15 | 19TH AVENUE AND McCOWAN ROAD**

10.58 acres (0.14%)



5474 19th Avenue, at the northeast corner of 19th Avenue and McCowan Road, Markham

## Appendix 5: Audit Criteria

Prepared by the Office of the Auditor General of Ontario

- 
1. A complete and objective analysis of Greenbelt boundary changes was undertaken based on provincial needs, goals and priorities, and with regard to the potential impacts on the province, municipalities and Ontarians across relevant factors such as environmental, agricultural and economic.

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  2. Greenbelt boundary changes were executed in accordance with applicable provincial legislation, regulations, land-use plans, agreements and policies.

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  3. Accurate, timely and complete information (including financial, environmental and demographic data) was collected, analyzed and used to prepare proposals to amend the Greenbelt's boundary and to support informed decision-making.

---

  4. The criteria used to support decisions to change the Greenbelt's boundary were transparent to Ontarians and unbiased.

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  5. Measurable performance indicators and targets were established for the implementation of the Greenbelt boundary changes and were reported publicly. Appropriate mechanisms were developed for monitoring and comparing results against targets, so that timely corrective action can be taken when issues are identified.
-

## Appendix 6: Ownership of Land Sites Removed from or Re-designated within the Greenbelt

Prepared by the Office of the Auditor General of Ontario

Note: The table shows the most recent transaction for each registered parcel of land since 2018 (for the 15 land sites removed from the Greenbelt in 2022). In a case where there were no transactions since 2018, the earliest recorded transaction is noted.

Site #	Site Name	Primary Developer/Landowner	Size of Land (Acres) <sup>1</sup>	Owner	Date of Last Purchase
1	Duffins Rouge Agricultural Preserve	TACC Development Inc.	47.73	Whittan Acres Inc.	31-Jul-20
			19.15	Samir, Shafiq and Noor-Mohammed Adam Patel	22-Apr-20
			9.09	Pydel Properties Inc.	2-Aug-22
			5.02	Akkina Developers Inc.	30-Nov-21
			2.50	Pedram Maghsoudi Ghjlou	9-Dec-21
			2.15	Syed Rabi Alam, Sabrina Sabah	29-Oct-19
			2.15	Tom Burt	9-May-19
			2.02	Rajani and Rathai Rajendran	14-Oct-21
			2.01	Salvatore and Rosanna Modica	31-Oct-19
			2.01	Jaswinder and Amarjit Jaswal	19-Feb-20
		2.01	Sathiyaseelan Muthulingam, Nagula Rajarathnam	5-Oct-20	
2	Kingston Road and Highway 401	Buena Vista Development Corp.	104.15	2615898 Ontario Inc.	18-Jun-18
			20.25	Not available <sup>2</sup>	Not available <sup>2</sup>
			3.96	Not available <sup>2</sup>	Not available <sup>2</sup>
3	Nash Road	Streamliner Properties	86.00	1000366391 Ontario Inc. (bought from Nash Road Developments Inc.)	8-Dec-22
4	Book Road	Fieldgate Homes	49.95	256 Book Road Developments Ltd.	28-Feb-23
			29.37	Knollwood Real Estate Holdings Inc., David and Jessica Finn	9-Feb-23
			12.40	Barbara Ann Smith, Wendy Ann Height	27-Aug-20
			12.22	Book Shaver Developments Ltd.	6-Oct-22
			10.16	Ralph, David Allen and Erin Leigh Vyn	7-Dec-18
			5.63	Tibor and Anna Anghi	23-Feb-21
			4.40	563 Shaver Holdings Inc.	28-Sep-21

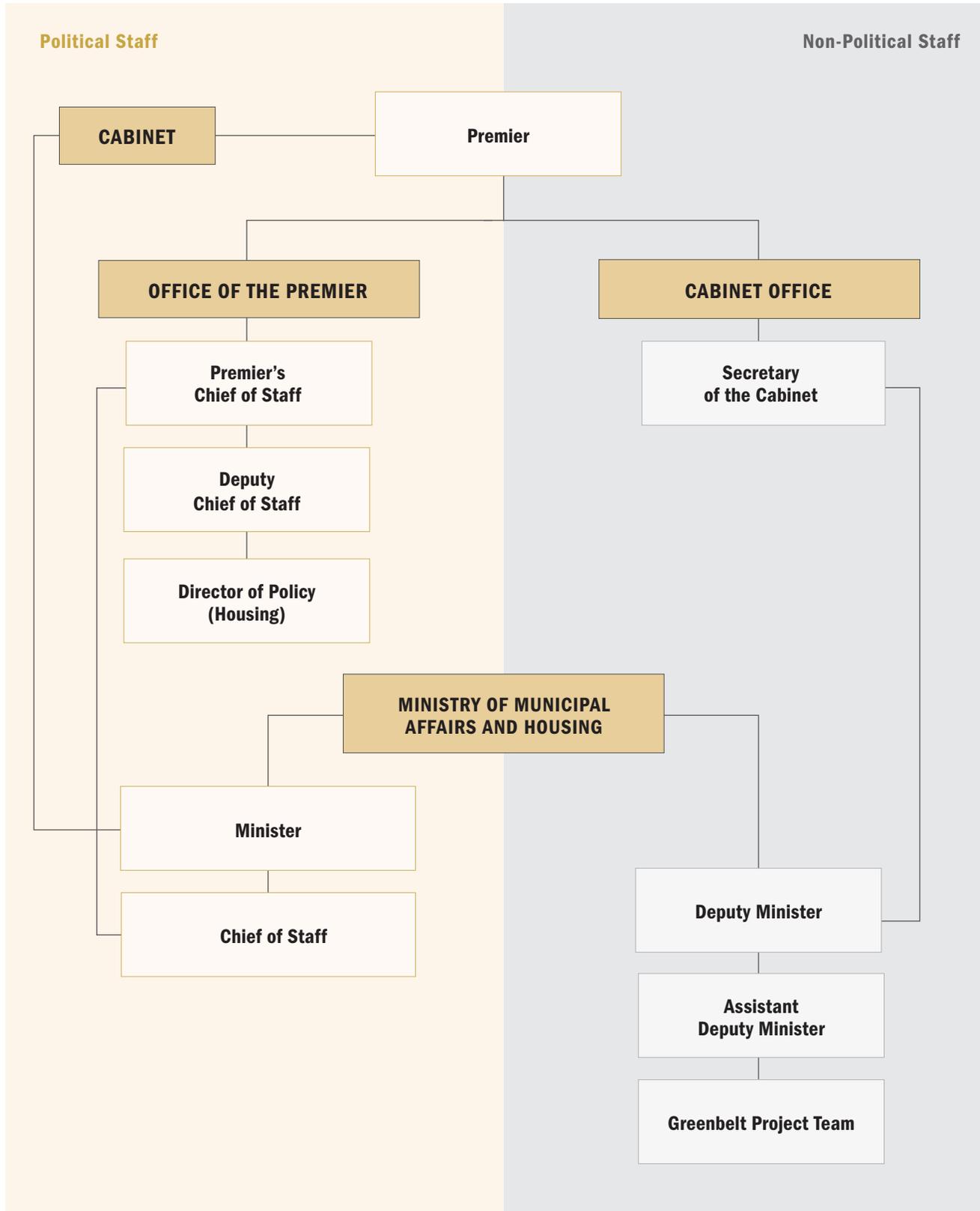
Site #	Site Name	Primary Developer/Landowner	Size of Land (Acres) <sup>1</sup>	Owner	Date of Last Purchase
			3.00	Norma Gladys and Paul Rowe Chapman	21-Apr-21
			1.01	2363823 Ontario Inc.	27-Aug-21
			1.00	Anna and Marek Szeliga	14-May-19
			1.00	Darren Joseph and Michelle Maxine Julian	14-Jun-19
<b>5</b>	<b>Hamilton Mount Hope</b>	Penta Properties	6.90	Sarbjit Singh, Kuldip Dosanjh	22-Dec-20
			6.15	Shelley Christine Moscardini	19-Dec-18
			3.85	Michael and Dianne Bernacci	20-Sep-19
			2.01	Michael Leblanc, Kaitlyn Walsh	27-Jul-18
<b>6</b>	<b>Cline Road</b>	DeSantis Homes, Melrose Investments, Valery Homes	11.24	Sukhminder Singh, Kashmir Kahlon, Yasmeem Kahlon	1-Oct-20
			0.86	Not available <sup>3</sup>	Not available <sup>3</sup>
			0.85	Not available <sup>3</sup>	Not available <sup>3</sup>
			0.65	Not available <sup>3</sup>	Not available <sup>3</sup>
<b>7</b>	<b>502 Winston Road</b>	New Horizon Development Group	14.43	502 Winston Road Inc.	15-May-19
<b>8</b>	<b>Barton</b>	155090933 Ontario Inc.	9.28	5000933 Ontario Inc.	8-Nov-06
			0.44	Not available <sup>3</sup>	Not available <sup>3</sup>
<b>9</b>	<b>Bathurst-King</b>	Green Lane Bathurst Limited Partnership	596.21	Green Lane Bathurst GP Inc.	15-Sep-22
			88.14	Green Lane Bathurst GP Inc.	15-Sep-22
<b>10</b>	<b>Highway 48</b>	Wyview Group	123.39	2724265 Ontario Ltd.	19-Oct-21
			107.20	2724270 Ontario Ltd.	12-Mar-21
			104.39	2714791 Ontario Ltd.	20-Dec-21
			19.84	2594231 Ontario Inc.	15-Mar-18
<b>11</b>	<b>10379 Kennedy Road</b>	Minotar Holdings Inc., Beechgrove Estates Inc., Halvan 5.5 Investments Inc.	109.43	Beechgrove Estates Inc.	3-Jul-13
<b>12</b>	<b>Leslie-Elgin</b>	TACC Development Inc.	4.86	Leslie Elgin Developments Inc.	Not available
			1.88	The Regional Municipality of York	24-May-18
<b>13</b>	<b>Block 41 Lands</b>	TACC Development Inc.	107.37	TACC Developments Inc.	7-May-21

Site #	Site Name	Primary Developer/Landowner	Size of Land (Acres) <sup>1</sup>	Owner	Date of Last Purchase
14	11861 and 12046 McCowan Road	Torca Inc., Flato Developments	73.27	Torca II Inc	3-Sep-21
			47.64	2743903 Ontario Inc.	8-Apr-22
15	19th Avenue and McCowan Road	Flato Upper Markham Village Inc.	102.02	Flato Upper Markham Village Inc.	26-Oct-17

1. Certain parcels of land had a percentage of their total area removed from the Greenbelt, while other parcels were entirely removed. For example, a property may be 102 acres in size but only some of that acreage included a Greenbelt removal.
2. This area was a road, so our Office did not purchase a land registration to review this property.
3. Our Office did not purchase a land registration to review this property due to the property's small size.

## Appendix 7: Reporting Relationships of Political and Non-Political Staff

Prepared by the Office of the Auditor General of Ontario



## Appendix 8: Recommendations for the Secretary of the Cabinet and Chief of Staff in the Office of the Premier

Prepared by the Office of the Auditor General of Ontario

We recommend that:

### Clarification of Roles and Responsibilities

1. Given the extensive influence and direct involvement of non-elected political public service staff in the operational decision-making of the Ministry of Municipal Affairs and Housing, and the demonstrated impact this has had on what should have been an objective and unbiased decision-making process, the Secretary of the Cabinet and the Chief of Staff to the Premier:
  - clarify and document the role of Chiefs of Staff and the role of Deputy Ministers in policy development and operational decision-making;
  - clarify and document the distinction between policy development and operational decision-making aligned with normal business processes;
  - establish a formal process whereby Deputy Ministers seek the advice and direction of the Secretary of the Cabinet when Chiefs of Staff or other political staff limit or affect the operational decision-making of a ministry;
  - establish a formal process whereby a letter from the Deputy Minister can be provided to government, agreed to by the Secretary of the Cabinet, that distinctly highlights that the ministry was not able to provide a recommendation informed by sufficient supporting documentation and analysis.

### Limiting the Use of Confidentiality Agreements

2. In view of the oath of secrecy all public servants take, the use of confidentiality agreements should be limited to only those circumstances requiring a high degree of confidentiality. The agreements should not be a barrier to the ability of public servants to consult and collaborate with other staff and experts as may be necessary, including public servants employed in other ministries and offices. Given public service employees are expected to maintain confidentiality in the conduct of their work, the use of confidentiality agreements by ministries:
  - be limited and not serve as a barrier to the effective conduct of work by public service employees;
  - procedures be put in place that are transparent as to when it would be appropriate to ask a public service employee to sign a confidentiality agreement.

### Compliance with the *Public Service of Ontario Act, 2006*

3. A request be made to the Integrity Commissioner of Ontario to determine whether the Chief of Staff to the Minister of Municipal Affairs and Housing acted contrary to the requirements of the *Public Service of Ontario Act, 2006* with respect to his liaisons with land developers and their representatives.

### Controls over the Receipt of Third-Party and Lobbyist Material

4. In order to reduce the risk of actual and the appearance of conflict of interest, and so that both the non-political public service staff and non-elected political staff in ministers' offices are aware of materials provided by third parties, the government develop a procedure to ensure that any materials received from third parties, and that have been considered in the process of decision-making in a ministry or minister's office, are centrally recorded and shared with the relevant senior leadership in both a ministry and minister's office.

### Conflict of Interest and the Appearance of Conflict of Interest

5. To reduce the risk of the appearance of conflict of interest, and consistent with the authority of Deputy Ministers under the *Public Service of Ontario Act, 2006*, to refer conflict of interest matters to the Integrity Commissioner of Ontario and seek his advice, processes be put in place for Deputy Ministers to proactively raise matters with the Secretary of the Cabinet, as their ethics executive, and that the Secretary of the Cabinet and the Deputy Ministers consult with the Integrity Commissioner on matters that may lead to reputational harm or public distrust of the Ontario Public Service.

### Records Retention (with a Focus on Emails)

6. Non-elected political public service staff receive formal training on records retention policy as per the *Archives and Recordkeeping Act, 2006*, clarifying which types of emails and other documents are required to be retained and what information needs to be included on meeting calendars.

### Restriction on the Use of Personal Email Accounts for Government Business

7. Non-elected political public service staff receive reinforced communications on the inappropriate use of personal email accounts for government business with annual, formal documented attestation that this policy is being followed.
8. Non-political public service staff receive reinforced training from the Integrity Commissioner of Ontario on the requirements of the *Public Service of Ontario Act, 2006*, providing situational examples on how they should appropriately liaise with parties external to the government who have self-serving interests (e.g., developers, lobbyists and other representatives of developers), also ensuring that the information received is handled appropriately by decision-makers.

### Consultation under the *Environmental Bill of Rights, 1993*

9. In conjunction with the Deputy Minister of the Environment, Conservation and Parks, review and clarify the purpose of the public consultation period required under the *Environmental Bill of Rights, 1993* so that the consultation process respects public input within a time frame that supports and enables meaningful consultation about significant decisions impacting the environment.

### Consultation with Indigenous Leadership

10. That Deputy Ministers be required to follow established protocols for appropriate and effective consultation with Indigenous leadership when proposing any initiatives that have the potential to affect their communities.

### Consultation with Stakeholders

11. To assist ministries in their consultation with stakeholders that may be impacted by government decisions, Deputy Ministers establish and follow consistent protocols for engagement and consultation with affected groups.

### Cabinet Submission Material

12. For good governance that enables fully informed decision-making on significant issues, that:
  - procedures be put in place so that Deputy Ministers raise to the Secretary of the Cabinet's attention submissions for which they have not been able to fully conduct unfettered work;
  - the Deputy Minister, with a copy to the Secretary of the Cabinet, sign off on the submissions indicating where work has not been able to be fully performed by public service employees in a comprehensive and effective manner as expected by the people of Ontario, which as such could tarnish trust in the public service and trust in government; and
  - sufficient time be given to Cabinet members to fully read and review any material provided around significant and higher-risk decisions.
13. That Deputy Ministers:
  - sign a notification to Cabinet, with a copy to the Secretary of the Cabinet, that the public service has not been able to fully perform work and analysis supporting the submission consistent with public expectations of the role of the public service and which could result in diminished trust in the public service and the government; and
  - the notification outline any concerns with the process, information and evidence or time provided to prepare the submission.

### Re-evaluation of 2022 Decision to Change the Greenbelt Boundaries

14. Given that the Premier and the Minister of Housing have communicated to us that they were unaware that the pre-selection of lands for removal from the Greenbelt was biased, controlled and directed by the Housing Minister's Chief of Staff (a political public servant) rather than informed by environmental, agricultural and infrastructure considerations, we recommend that the government request that the Housing Ministry, in conjunction with the Ministry of Natural Resources and Forestry, the Ministry of the Environment, Conservation and Parks and the Ministry of Agriculture, Food and Rural Affairs, Indigenous communities and relevant stakeholders, such as impacted municipalities, re-evaluate the 2022 decision to change the Greenbelt boundaries.

### Strengthening Oversight by the Office of the Integrity Commissioner of Ontario

15. Based on our work during this audit, an independent and comprehensive overall review be conducted of the *Lobbyists Registration Act, 1998*, *Members' Integrity Act, 1994* and *Public Service of Ontario Act, 2006* to strengthen lobbyist registration and regulatory oversight powers of the Office of the Integrity Commissioner.



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## Errata: October 6, 2023 – Notice of Changes/Updated Edition

On October 6, 2023, the following changes were implemented in this report. New text is highlighted; deleted text is noted with strikethrough. Hard copies provided, or copies printed from the OAGO website prior, to October 6, 2023 represent the previous version tabled with the Legislature on August 9, 2023.

### Page 8

According to the government's Housing Affordability Task Force, the Housing Ministry, and the Chief Planners of the three ~~most~~-affected regions, the removal of the Greenbelt lands was not needed to meet the government's housing goals.

Further, the Chief Planners in the regions of Durham, Hamilton and York – which are home to ~~virtually all 15 land-sites were~~ ~~of the land area~~ removed from the Greenbelt – told us that Greenbelt land was not needed to meet the current housing targets assigned to them by the Housing Ministry.

### Page 29

Additional note for **Figure 4**:

Note: Developer information primarily provided by the Office of the Provincial Land Development Facilitator, and reflects their negotiations as of August 1, 2023. In some cases, the developer has an ownership stake in the land. For details, see **Appendix 6**.

### Page 31

For example, we spoke with the Chief Planners at the three regions where ~~virtually all 15 land-sites were~~ ~~of the land area~~ was removed from the Greenbelt in December 2022 (Durham, Hamilton and York).

### Page 42

We spoke with the Chief Planners from the regions of Durham, Hamilton and York, where ~~virtually all 15 of the land area removed~~ ~~selected from the~~ Greenbelt land removals are located.

### Page 45

As described in **Section 4.5**, we interviewed municipal Chief Planners from the three regions where ~~virtually all 15 land-sites were~~ ~~of the land area was~~ removed from the Greenbelt in 2022.

### Page 46

Almost 1,000 acres (or ~~14~~ 13%) of the total removals are wetlands or woodlands.

## Page 49 (Figure 11)

In Block 41 Lands (Vaughan), in Potential Risks of Removal

The removal reduces the corridor from 600 ~~690~~ to 265 metres, which “would have a significant impact on the intended landscape connectivity and the species using the area.”<sup>4</sup>

## Page 56

~~Less than~~ Six months later, in November 2022, the 13 URVs and a portion of the Paris Galt Moraine were proposed again as Greenbelt additions, but this time in the context of offsetting proposed removals.

## Page 84 (Appendix 4)

Site 13, Block 41 Lands (Location information at the bottom of the map), North and ~~west~~ ~~east~~ of Teston Road and Pine Valley Drive

## Page 87 (Appendix 6)

- 1 Duffins Rouge Agricultural Preserve

Delete line:

~~2.77 — Ashburton Asset Group Inc. 9-Dec-21~~

Change Date of Last Purchase information:

2.50	Pedram Maghsoudi Ghjlou	<del>29-Oct-19</del>	9-Dec-21
2.15	Syed Rabi Alam, Sabrina Sabah	<del>9-May-19</del>	29-Oct-19
2.15	Tom Burt	<del>14-Oct-21</del>	9-May-19
2.02	Rajani and Rathai Rejendran	<del>31-Oct-19</del>	14-Oct-21
2.01	Salvatore and Rosanna Modica	<del>19-Feb-20</del>	31-Oct-19
2.01	Jaswinder and Amarjit Jaswal	<del>5-Oct-20</del>	19-Feb-20

## Page 88 (Appendix 6)

- 7 502 Winston Road

Change Owner:

~~The Trustees of St. Vladimir’s Congregation of Hamilton Ukrainian Greek Orthodox Church of Canada~~ 502 Winston Road Inc.