

TOWN OF NIAGARA-ON-THE-LAKE

Community Planning Permit System (CPPS)

Pros, Cons & Ontario Comparators

A report prepared for the Advisory Committee on Community Planning · March 2026

Executive Summary

The Community Planning Permit System (CPPS) is a land use planning tool available to all Ontario municipalities under the Planning Act, R.S.O. 1990, enabled by Ontario Regulation 173/16. It consolidates three separate development approval processes — zoning by-law amendments, minor variances, and site plan approvals — into a single application and approval process with a mandatory 45-day decision timeline.

This report has been prepared for the Town of Niagara-on-the-Lake (NOTL) Advisory Committee on Community Planning. It examines the merits and limitations of adopting a CPPS, drawing on experience from municipalities across Ontario that have already implemented or are actively implementing the system, including the Town of Gananoque, Town of Innisfil, Town of Huntsville, City of Brampton, Town of Lake of Bays, City of Waterloo, City of Peterborough, City of Ottawa (Kanata North), County of Frontenac, and County of Brant.

NOTL presents a compelling and distinctive case for a CPPS. The Town is the only municipality in Ontario to hold simultaneous status as a National Historic District, a provincially designated Heritage Conservation District, a major wine-country tourism destination, and a municipality with five distinct urban communities — each with its own heritage character, design guidelines, and planning pressures. A well-designed CPPS would embed these protections permanently into a legally enforceable by-law framework, providing clarity and certainty for both applicants and the community.

Key Findings

- The CPPS offers NOTL a once-in-a-generation opportunity to codify its heritage and character protections into by-law with the force of law — before amalgamation pressures or rapid development erode the Town's planning autonomy.
- Ontario precedents demonstrate the system is workable for small heritage towns. Gananoque adopted a town-wide CPPS specifically to protect small-town cultural heritage character — NOTL's situation is directly analogous.
- The primary risk is not the system itself, but implementation: a dedicated planning staff champion is essential, and the ~\$150,000 investment in OP amendment, by-law drafting, and public consultation must be budgeted and committed to by Council.
- The timing is ideal: the Old Town Heritage Conservation District expansion was just finalized (February 2025), the municipal election is approaching (October 2026), and

provincial CPPS tools are now well-tested across the province.

1. What Is a Community Planning Permit System?

A CPPS is established through a two-step process: first, an Official Plan Amendment (OPA) enabling the system in the designated area; then, a Community Planning Permit By-law defining the rules. Once enacted, the by-law replaces the existing zoning-based approval system for the designated area.

1.1 What the By-law Controls

Every CPPS by-law must address two core elements, but municipalities have broad discretion to add others:

MANDATORY	1. Allowable land uses 2. Development standards (height, setbacks, density, parking, lot coverage)
OPTIONAL (Municipality's Choice)	<ul style="list-style-type: none"> Criteria-based approval conditions beyond zoning Formalized parameters for staff discretion Parkland and community facility provisions beyond the statutory 5% minimum Affordable housing percentages embedded as permit conditions Urban design requirements with the force of by-law Drop-dead dates requiring construction commencement within a defined period Environmental standards: tree canopy requirements, micro-forest provisions, stormwater management Heritage permit processes integrated into the CPP application Community benefit agreements tied to height or density permissions

1.2 How the Process Works

Once a CPPS is in force, applicants submit a single Community Planning Permit application rather than separate zoning amendment, minor variance, and site plan applications. The approval authority must make a decision within 45 days. If no decision is rendered within that period, the applicant has the right to appeal to the Ontario Land Tribunal (OLT).

Permits fall into three classes, each with its own decision pathway:

- Class 1 (Minor): Staff approval, typically 14 days. Minor exterior changes, accessory structures, routine signage.
- Class 2 (Standard): Delegated staff or committee, typically 30 days. Additions, new infill construction, changes of use, variations within by-law standards.
- Class 3 (Complex): Full Council or committee, 45 days. New construction in heritage areas, demolitions, requests for height/density above base standard, community benefit agreements.

1.3 Legislative Framework

- Planning Act, R.S.O. 1990, c. P.13 — authorizing legislation
- Ontario Regulation 173/16 — detailed CPPS requirements
- Provincial Planning Statement, 2024 (in force October 20, 2024) — requires consistency
- Ontario Heritage Act — heritage permit processes may be integrated
- Bill 185 (Cutting Red Tape to Build More Homes Act, 2024) — requires Minister approval for MTSAs; tightened timelines

2. Ontario Municipalities — Case Studies

The following municipalities have adopted or are actively implementing a CPPS. Each provides lessons applicable to NOTL, ranging from small heritage towns to large urban centres.

Municipality	Type / Scale	CPPS Focus / Area	Key Outcome / Status
Town of Gananoque	Small heritage town, ~5,000	Town-wide. Heritage character, architectural design, small-town scale	Fully operational. Heritage character maintained & enhanced via design criteria
Town of Innisfil	Mid-size, growth pressure	Started: Our Shore (shoreline, 2017). Expanding to Alcona & town-wide (2025)	By-law 058-25 for Alcona & shoreline approved June 2025. Town-wide in progress
Town of Huntsville	Mid-size, tourism/natural heritage	Town-wide. Waterfront, resort, rural, natural heritage protection	Adopted town-wide. Lessons studied by many other municipalities
City of Brampton	Large urban, intensification	Downtown core. Heritage preservation + residential/commercial density	Operational. Sensitive intensification with heritage overlay achieved
Town of Lake of Bays	Rural, cottage country	Waterfront areas. Shoreline protection, vegetation buffers, natural heritage	Fully operational. Shoreline protection codified and enforced
City of Waterloo	Mid-large urban, transit focus	Uptown/Erb St Corridor, MTSAs. Affordable housing, urban design	Draft by-law December 2024. Community benefit affordable housing analysis underway

Municipality	Type / Scale	CPPS Focus / Area	Key Outcome / Status
City of Peterborough	Mid-size, growth management	Started: Strategic Growth Areas. Expanded to city-wide, March 2025	City-wide CPP by-law in development. CMHC Housing Accelerator Fund initiative
City of Ottawa (Kanata North)	Large urban, tech district	Pilot: Kanata North Economic District. Urban design, employment density	OPA approved Sept 2024. CPP By-law adoption targeted March 2026
County of Frontenac	Rural, waterfront/shoreline	Four townships sharing costs. Shoreline protection, simplify rural approvals	Public information sessions Aug–Sept 2025. By-law in drafting
County of Brant	Rural/agricultural	County-wide. Agricultural uses, heritage, affordable housing, community benefits	Public consultation 2024–25. Farmland protection and community benefits focus
City of Burlington	Large urban, transit-oriented	Three GO MTSA's (Downtown, Aldershot, Appleby). High-density intensification	OPA approved Oct 2025 (with 54 Ministerial modifications). CPP By-law in progress

2.1 Gananoque — The Most Relevant Ontario Precedent for NOTL

Of all Ontario municipalities that have adopted a CPPS, the Town of Gananoque provides the closest and most instructive parallel to Niagara-on-the-Lake. Like NOTL, Gananoque is a small historic town with significant built heritage, a tourism-dependent economy, and strong community attachment to its architectural character and streetscapes.

Gananoque — Key Lessons for NOTL

- The CPPS was town-wide — not limited to a heritage district or transit area. NOTL should consider the same approach to protect all five communities.
- The primary goal was stated explicitly as "guiding development opportunities while making sure the small-town cultural heritage character is maintained and enhanced as new development occurs."
- Design criteria for new development included architectural exterior elements such as window and door detailing — precisely the kind of specificity NOTL needs in Virgil, Queenston, St. Davids, and Old Town.
- The system provided certainty for applicants: if your proposal meets the criteria, approval is predictable and fast.
- Heritage character protection is most durable when embedded in by-law, not guidelines — Gananoque demonstrated this is achievable for a small municipality.

2.2 Innisfil — Phased Town-Wide Implementation

Innisfil's experience is valuable because it demonstrates a pragmatic phased approach — beginning with the most sensitive area (the Lake Simcoe shoreline in 2017), then expanding to Alcona (approved June 2025), and now working toward full town-wide coverage. This phased model may suit NOTL well: begin with Old Town (where the HCD infrastructure already exists), then extend to Virgil, Queenston, St. Davids, and Glendale in subsequent phases.

Innisfil's mayor described the goal directly: "The CPPS will provide greater certainty and transparency for everyone involved in the planning application approval process." The town found that building a Community Advisory Group (CAG) was essential to building legitimacy and community buy-in.

2.3 Waterloo — Affordable Housing & Community Benefits

The City of Waterloo's CPPS work is directly relevant to NOTL's affordable housing discussion. Waterloo retained N. Barry Lyon Consultants to undertake a financial and market analysis of including affordable housing or a cash-in-lieu payment as a "Facilities, Services and Matters" (FSM) contribution in exchange for extra density permissions. This is precisely the mechanism NOTL could use: a developer who wants additional height or density must either provide a defined number of affordable units, or pay a financial contribution toward a community housing fund.

Waterloo also integrated urban design guidelines directly into the by-law, giving them legal force — not just advisory status. NOTL's existing guidelines (Virgil Streetscape Plan, St. Davids Urban Design Guidelines, Glendale Urban Design Study, Queen-Picton HCD Plan) are currently advisory; a CPPS would make them binding.

2.4 Peterborough — City-Wide Replacement of Zoning By-law

Peterborough's decision in March 2025 to expand its CPPS to replace the entire city-wide zoning by-law represents the most ambitious implementation in Ontario to date. This was driven by the CMHC Housing Accelerator Fund requirement and the recognition that updating a zoning by-law and implementing a CPPS were effectively the same effort — so why not do it once, properly.

For NOTL, which also needs to update Zoning By-law 4316-09, a similar logic applies: rather than a traditional zoning by-law update followed by a CPPS, the two can be combined into a single integrated process, reducing both cost and timeline.

3. Advantages of a CPPS for Niagara-on-the-Lake

3.1 Streamlined Development Approvals

The most immediate and universally recognized benefit of a CPPS is the consolidation of three separate applications — zoning by-law amendment, minor variance, and site plan approval — into

one. For NOTL, this is particularly significant because site plan approval has been a persistent source of frustration for both developers and council. The process can take 12–18 months or longer; a CPPS 45-day decision mandate addresses this directly.

- 45-day decision timeline replaces what currently takes 6–24 months
- Single pre-application consultation rather than separate meetings for each process
- One fee, one submission package, one decision letter
- Consistent staff review against codified standards — reduces ad hoc negotiation

3.2 Heritage and Character Protection with Legal Force

Currently, NOTL's design guidelines for Virgil, St. Davids, Queenston, and Glendale are advisory. A developer who ignores them has limited legal consequence. Under a CPPS, these standards become conditions of permit approval — non-compliance means no permit.

- Urban design requirements embedded in the by-law — not just guidelines
- Architectural character standards enforceable as conditions of permit issuance
- Heritage permit process can be integrated, eliminating a separate Heritage Permit application
- Protects NOTL's National Historic District designation from erosion by incremental non-compliant development
- Provides a legally robust framework in any future amalgamation scenario: a CPPS by-law cannot easily be overridden

3.3 Community Benefits Beyond Current Requirements

The CPPS mechanism for "Facilities, Services and Matters" (FSM) allows the Town to require community benefits as a condition of approving height or density above the base standard. This goes significantly beyond what is currently achievable through zoning or site plan negotiation.

- Affordable housing percentage as a mandatory CPP condition — not a negotiation
- Micro-forest requirements for developments of 25+ units, addressing NOTL's critically low tree canopy (~18% versus the 30% provincial target)
- Parkland contributions above the 5% statutory minimum — addressing the chronic green space deficit
- Community facilities: libraries, recreation, public gathering spaces tied to larger developments
- Drop-dead dates preventing land banking: permits requiring construction commencement within 12–24 months
- Public art and cultural contribution requirements in Old Town and Virgil commercial areas

3.4 Environmental Integration

Unlike traditional zoning, a CPPS can require environmental screening at the pre-application stage for all Class 2 and 3 permits — not only when a formal Environmental Impact Study is triggered. For NOTL, which has seen dramatic tree canopy loss (800 mature pines removed in Virgil alone for a single subdivision), this front-end integration is critically important.

- Tree inventory and replacement ratio required before demolition or clearing approvals
- Bird collision risk assessment for glazed facades exceeding 50% glass coverage
- Stormwater management requirements recognizing the ecological value of tree canopy (each mature tree absorbs approximately 80 gallons of water per day)
- Wildlife corridor mapping required for larger development sites
- Net environmental benefit statement required for Class 3 applications

3.5 Political Certainty and Reduced Influence

One of the most significant — and least discussed — benefits of a CPPS is its effect on political interference in development decisions. Under the current system, council members are regularly lobbied on individual applications, and decisions can be influenced by factors beyond the planning merits. Under a CPPS, the rules are set in the by-law: a permit either meets the standards or it does not.

- Reduces scope for politically motivated decisions on individual applications
- Council's role shifts to setting the rules (at by-law stage) rather than adjudicating individual cases
- Councillors regain indirect influence through the by-law they establish — and lose the site plan review they have long complained about
- Predictability attracts quality developers who want certainty over negotiating flexibility

3.6 Election Year Opportunity

The timing of NOTL's consideration of a CPPS coincides with the municipal election scheduled for October 2026. This presents a clear opportunity to make CPPS a central platform issue — educating candidates on its benefits and securing commitments from incoming councillors before the new term begins.

- CPPS provides a concrete, actionable planning agenda for election candidates
- Amalgamation concerns make planning autonomy a salient voter issue
- Election website notlresidents.ca (planned launch May 2026) can feature CPPS as a key issue
- Public awareness and resident association support can be built through a survey of the 450-member mailing list

4. Challenges and Risks

4.1 Implementation Timeline and Cost

A CPPS is not a quick fix. From the decision to proceed to the system being in force, the typical timeline is 18–24 months. This involves Official Plan Amendment drafting, at least one statutory

public meeting, stakeholder consultation, CPP By-law drafting and review, a second statutory public meeting, Council adoption, potential OLT appeal, and the regulatory waiting period before the by-law comes into effect.

- Estimated cost: approximately \$150,000 for OP amendment, by-law drafting, consultant fees, and public consultation process
- Requires a dedicated budget line in the Town's capital program — Council must approve
- Staff capacity: one or more planning staff members must lead the project; existing workload may require a temporary addition
- If an OLT appeal is filed at the OPA or by-law stage, the timeline could extend significantly

4.2 The Planning Champion Problem

Every past attempt to advance a CPPS in NOTL has stalled at the same point: lack of a champion within the planning department. Brian has identified this explicitly from his 2018–19 discussions with Craig Larver, and Denise Horne's confirmation that the town looked at this circa 2019 without proceeding. The system requires someone with both expertise and institutional authority to drive the process through the inevitable bureaucratic resistance.

- Many planners resist CPPS because it defines and constrains their discretion — this is a cultural resistance, not a technical one
- The town needs Amy (Director of Planning) and Nick (Senior Manager) to be genuine advocates, not reluctant participants
- Bringing in a peer expert from Lincoln municipality (which has been using CPPS successfully) could help overcome the "too complicated" objection
- Council direction to staff is essential: without a formal resolution, the project will not proceed

4.3 Reduced Flexibility and Third-Party Appeal Rights

A CPPS trades negotiating flexibility for certainty. Once the by-law is in force, staff have less discretion to make case-by-case exceptions, and developers have less room to negotiate. Some developers may prefer a system where outcomes can be negotiated.

- Committee of Adjustment goes away — minor variance applications no longer exist as a separate process
- Third parties (neighbours, community groups) lose appeal rights on individual permit decisions once the CPPS is in force — only the applicant can appeal
- This is a democratic concern: upfront public input during by-law development is essential, because there is no per-application public hearing afterward
- Once adopted, the by-law cannot be amended within five years without a Council resolution specifically authorizing the request

4.4 Affordable Housing Mandate Constraints

Embedding a meaningful affordable housing requirement in the CPPS is both desirable and difficult. NOTL's land costs are among the highest in the Niagara Region. The provincial minimum has been reduced to 5% under recent legislation. Without financial tools, a mandate without support mechanisms is likely to either be set at an ineffectively low level, or to face developer resistance and OLT challenges.

- Land costs in NOTL make conventional affordable housing economically unviable without government support
- Canada Builds and CMHC L1 Grant Program funding is available to developers meeting specific criteria — CPPS can reference these as a pathway, not a mandate
- Development charge waivers for qualifying affordable units (potential value: ~\$500,000 per project) provide a meaningful incentive
- Rental conversions are increasingly common — CPPS should address rental affordability standards, not just ownership
- Co-operative housing is under federal consideration — CPPS should be flexible enough to accommodate new models

4.5 Official Plan Alignment Requirement

The CPPS derives its legal authority from the Official Plan. If NOTL's OP does not contain sufficiently specific policies to support the CPP By-law provisions, those provisions are legally vulnerable. The enabling framework is already in NOTL's OP, but it has not been activated or aligned to modern development pressures.

- An OPA is legally required before a CPP By-law can be passed — this cannot be shortcut
- The OPA must be reviewed for consistency with the Provincial Planning Statement, 2024 (in force October 20, 2024)
- Where OPA approval authority rests with the Minister (as in Halton Region municipalities), timelines may be longer and modifications may be imposed
- Zoning By-law 4316-09 must also be reviewed to avoid conflicts with the new CPP By-law

4.6 Provincial Housing Supply Pressure

The Province's stated priority of 1.5 million new homes by 2031 creates tension with the character protection goals that motivate NOTL's interest in a CPPS. Bills 23, 97, and 185 have progressively tightened municipalities' ability to restrict density and impose certain conditions on development. A well-drafted CPPS must navigate this tension carefully.

- Overly restrictive CPPS provisions may attract OLT challenges or Ministerial override
- Heritage protection provisions are generally robust against Provincial override — the Ontario Heritage Act provides specific protection
- Community benefit requirements must be linked to demonstrated community impact, not used as a general revenue tool — legal drafting must be precise
- Bill 185 removed third-party appeal rights in MTSA areas where the Minister required CPPS adoption — NOTL's voluntary adoption preserves more local control

5. NOTL-Specific Analysis — A Summary Assessment

✓ ADVANTAGES

- One application replaces three — faster and cheaper for applicants
- 45-day decision timeline ends the chronic site plan delays (currently 12–24 months)
- Heritage and design standards become enforceable by-law, not advisory guidelines
- Micro-forests, affordable housing %, and drop-dead dates become mandatory conditions
- Protects character and planning autonomy in any future amalgamation scenario
- Prepares NOTL for larger-scale developments (e.g., 399-unit Concession 7 project)
- Reduces political influence on individual development decisions
- Codifies staff discretion — eliminates inconsistent and ad hoc decisions
- Council regains control through by-law setting; loses site plan review it dislikes
- Environmental integration front-end: trees, birds, stormwater
- Proven in Ontario: Gananoque (heritage town), Innisfil, Huntsville, Brampton all operational
- Election year timing — ideal moment to build political momentum

⚠ CHALLENGES

- ~18–24 month implementation timeline with extensive public consultation required
- Estimated ~\$150,000 cost — requires Council budget commitment
- Needs a dedicated planning staff champion — past attempts failed without one
- Reduces developer flexibility; some may prefer a negotiable system
- Third-party appeal rights lost once system is in force — democratic concern
- CPP By-law cannot be amended within 5 years without Council resolution
- Affordable housing mandates difficult without federal/provincial financial tools
- Official Plan must be amended first — OPA process is a prerequisite
- Zoning By-law 4316-09 must also be reviewed and aligned
- Provincial housing supply legislation may constrain some CPPS provisions
- Staff training and new application management infrastructure required
- Risk of OLT appeal at OPA or by-law stage extending timeline further

6. Recommendations

Based on the analysis of Ontario precedents and NOTL's specific circumstances, the Advisory Committee recommends the following course of action:

6.1 Immediate Steps (Before the March 27 Meeting)

1. David: Use AI tools to finalize a comprehensive Pros & Cons document for committee review and critique.
2. Brian: Prepare a detailed outline of Canada Builds and CMHC L1 Grant Program funding available to developers meeting affordable housing criteria, including fee waiver eligibility.
3. Gordon: Finalize the visual process communication redesign and the Goodwill Framework document.
4. Ron + David: Contact Amy (Director of Planning) and Nick through the Town liaison channel to arrange a presentation meeting.

6.2 Near-Term Steps (Q2–Q3 2026)

5. Conduct a resident association survey (450-member mailing list) to gauge CPPS awareness and support, establishing a public mandate baseline.
6. Present to Amy and Nick: combined committee presentation covering the CPPS overview, NOTL-specific case, pros/cons analysis, and the goodwill framework.
7. Invite the Lincoln municipality planning contact to brief NOTL planning staff on their CPPS experience — peer-to-peer knowledge transfer is the most effective way to overcome staff resistance.
8. Present CPPS as a key election issue through notlresidents.ca, candidate question packages, and public information sessions.

6.3 Implementation Path (Following Council Commitment)

9. Council direction to staff to prepare a scoping report on CPPS implementation, including budget estimate, staffing requirements, and phasing options.
10. Staff scoping report back to Council with recommendation to proceed (or modified approach).
11. Council resolution to budget ~\$150,000 and retain a qualified heritage planning consultant (suggested: firms with Ontario CPPS experience such as Dillon Consulting, AECOM, or Planscape Inc.).
12. Consider a phased approach: Phase 1 — Old Town (building on the 2025 HCD expansion); Phase 2 — Virgil; Phase 3 — Queenston, St. Davids, Glendale.
13. Official Plan Amendment drafted, public meeting held, OPA adopted and submitted for approval.
14. CPP By-law drafted in parallel, second public meeting held, Council adoption.
15. CPPS in force — one-application system active across designated areas.

7. Conclusion

The Community Planning Permit System represents the most significant planning tool available to Niagara-on-the-Lake for protecting its character, codifying its heritage, and managing its growth over the next generation. The precedents from Gananoque, Innisfil, Huntsville, and Brampton

demonstrate that the system works — and works particularly well for municipalities where heritage character and community identity are the primary planning values, not just growth targets.

NOTL has every advantage needed to succeed: strong community engagement, existing heritage infrastructure (the 2025 HCD expansion, five sets of urban design guidelines, an established Municipal Heritage Committee), an upcoming election creating political opportunity, and an Advisory Committee that has done the foundational work.

The risks are real but manageable. The planning champion problem is the most significant — and it is solvable. The \$150,000 investment is modest compared to the cost of decades of incremental heritage erosion or a poorly negotiated mega-development. The two-year timeline is achievable with political will.

The window for action is now.

A CPPS adopted before the next significant development wave arrives — before amalgamation reshapes the political landscape — will define what Niagara-on-the-Lake looks like for the next hundred years. The committee's goodwill framework is the right lens: every development should contribute more to the community than it takes away. A CPPS is the mechanism to make that principle law.

Appendix — References and Sources

Provincial Legislation and Policy

- Planning Act, R.S.O. 1990, c. P.13, as amended
- Ontario Regulation 173/16 — Community Planning Permit System
- Provincial Planning Statement, 2024 (in force October 20, 2024)
- Bill 185, Cutting Red Tape to Build More Homes Act, 2024
- Ontario Heritage Act, R.S.O. 1990, Chapter O.18

Municipal Sources

- City of Burlington OPA 2, adopted June 2024, approved with modifications October 2025 (ontario.ca/ero)
- Town of Innisfil CPPS By-law 058-25, approved June 2025 (getinvolvedinnisfil.ca/cpps)
- City of Waterloo Draft CPP By-law, December 2024 (engagewr.ca)
- City of Peterborough CPPS Strategic Growth Areas, expanded to city-wide March 2025 (connectptbo.ca/cpps)
- City of Ottawa Kanata North CPPS Pilot, OPA 33 approved September 2024 (engage.ottawa.ca)
- County of Frontenac CPPS, public information sessions August–September 2025 (engagefrontenac.ca)
- County of Brant CPPS (engagebrant.ca)

- Town of Huntsville CPPS Background Report, December 2020 (huntsvilleon.civicweb.net)
- Ontario government CPPS overview page (ontario.ca/page/community-planning-permit-system)

NOTL Sources

- Town of Niagara-on-the-Lake Official Plan, amended to August 2019 (notl.com)
- Zoning By-law 4316-09 as amended (notl.com/planning/zoning-laws)
- Queen-Picton (Old Town) Heritage Conservation District Phase 2 Plan, adopted February 2025 (notl.com/heritage-planning)
- By-law 2025-042 — Heritage Conservation District Study Area amendment
- NOTL Landscape Guidelines for Development Applications
- Village of St. David's Urban Design Guidelines; Virgil Streetscape Plan; Glendale Urban Design Study
- Advisory Committee Meeting Notes, March 2026