

### **COMMUNICATION UPDATE**

| TO:               | Mayor and Members of Council  |
|-------------------|---|
| DATE:             | May 16, 2025  |
| SUBJECT:          | Protect Ontario by Building Faster and Smarter Act, 2025                            |
| WARD(S) AFFECTED: | City Wide   |
| SUBMITTED BY:     | Steve Robichaud Acting General Manager Planning and Economic Development Department |
| SIGNATURE:        | Tobeland  |
| SUBMITTED BY:     | Mike Zegarac<br>General Manager<br>Finance and Corporate Service Department         |
| SIGNATURE:        | Jall Je co  |

On May 12, 2025, the province introduced an omnibus bill, Bill 17 – *Protect Ontario by Building Faster and Smarter Act*, which proposes to amend various Acts with respect to infrastructure, housing and transit including the *Building Code Act*, *Building Transit Faster Act*, *Development Charges Act*, *Metrolinx Act*, *Ministry of Infrastructure Act*, *Planning Act* and *Transit-oriented Communities Act*.

The province also released two regulations on the Environmental Registry of Ontario for feedback, as well as several items for future consultation through a Ministry technical briefing. The province also posted a final decision on Inclusionary Zoning on the Environmental Registry of Ontario.

The stated goal of Bill 17 is to speed up the construction of infrastructure and homes to support the economy and community growth and keeping workers on the job and remove barriers to building so Ontario can get shovels in the ground faster for vital projects and protect Ontario workers.

#### **Environmental Registry of Ontario**

The proposed Bill 17 and regulations have been released on the Environmental Registry of Ontario website as five separate postings.

## **ERO# 025-0450** – Proposed Amendments to the *Building Transit Faster Act* (Schedule 2 of Bill 17)

• Provides the tools needed for Metrolinx to deliver the current "priority transit projects" under the Act, which includes Hamilton's LRT.

The comment period closes on June 11, 2025.

## ERO# 025-0461 - Proposed *Planning Act* Changes (Schedules 3 and 7 of Bill 17) - Protect Ontario by Building Faster and Smarter Act, 2025

- Permit regulation-making authority that could provide for variations to zoning by-laws as-of-right if a proposal is within a prescribed percentage.
- Allow the Minister to impose conditions that must be met before a use is permitted by an MZO.
- Restrict the ability to require new complete application studies/reports beyond
  what is currently identified in an Official Plan except where/if the Ministry
  approves the new requirements.
- Create regulation-making authority to stipulate what studies/reports may be required as part of a complete application and provide greater recognition of planning reports prepared by prescribed certified professionals.
- Exempt the placement of portables at public school sites from site plan control.
- Permit for the use of public schools and ancillary uses (such as associated childcare) on urban land zoned for residential uses "as-of-right".

The comment period closes on June 11, 2025.

# ERO# 025-0504 – Bill 17 – Protect Ontario by Building Faster and Smarter Act, 2025 – Accelerating Delivery of Transit-Oriented Communities (Schedule 8 of Bill 17)

 Proposes legislative and regulatory changes to make it easier and faster to build new homes, businesses, and infrastructure by changing the definition of Transit-Oriented Communities, exempting certain agreements from requiring Order-in-Council approval, and enabling the Minister to delegate certain responsibilities to Infrastructure Ontario for the purpose of developing transitoriented communities.

Empowered Employees.

The comment period closes on June 12, 2025.

#### **ERO# 025-0462** – Proposed Regulation – Complete Application.

Proposes to amend the Planning Act to limit complete application
 (studies/reports) requirements to what is currently identified in municipal official
 plans except where the Ministry of Municipal Affairs and Housing approves the
 changes. It also includes additional regulation-making authority to further
 regulate reports or studies required as part of a complete application. The
 effect is to reduce the number of studies that make up a complete application.

The comment period closes on June 26, 2025.

## **ERO# 025-0463** – Proposed Regulation – As-of-right Variations from Setback Requirements

 Proposes to amend the *Planning Act* to provide regulation-making authority to reduce the need for minor variance applications. If passed, would enable the Minister to permit variation to a Zoning By-law to be "as-of-right" if a proposal is within 10% of the required setback.

The comment period closes on June 26, 2025.

#### **Amendments to Various Acts**

Bill 17 also proposes to amend the following Acts:

**Building Code Act** – Schedule 1 of Bill 17 amends the *Building Code Act* to include a new subsection to clarify that the *Municipal Act* does not authorize a municipality to pass by-laws respecting the construction or demolition of buildings as municipalities do not have the authority to require their own unique standards beyond the Building Code. The changes also include eliminating the need for a secondary provincial approval and fees for innovative construction materials.

**Development Charges Act** – Schedule 4 of Bill 17 amends the *Development Charges Act*. The proposed changes include:

- Exemption for Long-Term Care Homes
- Regulation-Making Authority to Impose Limits on Eligible Capital Costs
- Simplified DC By-Law Amendment Process
- Deferral of DCs for Residential Developments to Occupancy
- Removal of Interest on Instalments

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- Permit Early Payment for Institutional, Rental Housing and Residential Developments
- Mandate Lowest DC Rate for Lock-In Developments
- Regulation-Making Authority to Combine DC Services for Credit Purposes
- Regulation-Making Authority to Determine What Constitutes a Local Service

**Metrolinx Act** – Schedule 5 of Bill 17 amends the *Metrolinx Act* to provide that the Minister may direct a municipality or its agency to provide information and data to support the development of a provincial transit project or transit-oriented community project.

*Ministry of Infrastructure Act* – Schedule 6 of Bill 17 amends the Ministry of Infrastructure Act to provide that the Minister may direct a municipality or its agency to provide information and data where needed to support provincially funded infrastructure projects to speed up the delivery of critical infrastructure and revokes O. Reg. 378/24.

#### **Technical Briefing**

The Ministry of Municipal Affairs and Housing has also released a <u>Technical Briefing</u> where it outlined additional matters for review or consultation:

- Reviewing MTO Corridor Management process and standards.
- MTO to consult with municipalities by Fall 2025 on a framework for greater harmonization of certain road building standards.
- Consult on opportunities for making provincial policy tests inapplicable with respect to all Minister's decisions under the Planning Act.
- Consult on proposed legislation/regulatory changes to establish simplified, standardized land use designations with more permitted uses.
- Undertake targeted outreach to municipalities where additional population growth
  is projected to surpass previous estimates in current Official Plans and require
  those municipalities to update their plans to align with the Ministry of Finance's
  October 2024 population forecast. The updates would be informed by updated
  provincial growth planning guidance.
- Explore standardization of municipal data tracking, permit application spaces and leverage technology to automate planning and permitting processes and improve transparency.
- Consultation on amendments to the Building and Fire Codes to improve the economic viability of single-unit four storey townhouses.
- Consultation to consider potential approaches to streamline municipal consent for communal water/sewage systems.
- Explore the use of a public utility model for water and wastewater.

#### **Next Steps**

Staff are currently reviewing the proposal and will submit comments to the province in advance of the deadlines. A report to the Audit, Finance and Administration Committee on the changes to the *Development Charges Act* is scheduled for later in May 2025. A report to General Issues Committee on the remaining items is scheduled for July 2025.

#### **Inclusionary Zoning**

In addition, on May 12, 2025, the province published notice that changes were made to O. Reg. 232/18 – Inclusionary Zoning under the *Planning Act*. These changes establish:

- A maximum 25 year period during which IZ units must be maintained as affordable;
- An upper limit on the number of units that can be required to be set aside as
  affordable, at 5% of the total number of units or 5% of the total gross floor area of
  the total residential units, not including common areas.

The province is not proceeding with the definition of affordable residential unit as initially proposed and municipalities may use the definition of "affordable residential unit" as set out in the Provincial Planning Statement and *Development Charges Act*. The decision is posted as ERO# 019-6173.

If you require any further information, please contact Anita Fabac, Acting Director of Planning and Chief Planner by email at <a href="mailto:anita.fabac@hamilton.ca">anita.fabac@hamilton.ca</a> or at (905) 546-2424 ext. 1258.

#### APPENDICES AND SCHEDULES ATTACHED

Appendix 1 – Letter from Hon. Robert J. Flack, Minister of Municipal Affairs and Housing

Ministry of Municipal Affairs and Housing

Ministère des Affaires municipales et du Logement

Office of the Minister

Bureau du ministre

777 Bay Street, 17<sup>th</sup> Floor Toronto ON M7A 2J3 Tel.: 416 585-7000 777, rue Bay, 17<sup>e</sup> étage Toronto (Ontario) M7A 2J3 Tél. : 416 585-7000

234-2025-2204

May 13, 2025

Dear Head of Council,

On May 12, 2025 I introduced the *Protect Ontario by Building Faster and Smarter Act, 2025* (Bill 17). Through this legislation, and other changes, we are responding to recommendations and requests from municipal leaders to make it easier and faster to build new homes and infrastructure Ontario needs like transit, roads, water, and wastewater systems.

The bill contains bold actions to protect Ontario from the Ministry of Municipal Affairs and Housing, the Ministry of Infrastructure and the Ministry of Transportation. Details about the range of measures can be found in the <a href="news-release">news-release</a>.

#### **Building Code Act – Ministry of Municipal Affairs and Housing**

Schedule 1 of the Bill proposes changes to the *Building Code Act* which include:

- Adding a provision to clarify that municipalities do not have the authority to create or enforce their own construction standards.
- Eliminating the requirement for a secondary provincial approval of innovative construction products for products that have already undergone a "Canadian Code Compliance Evaluation" by the federal Canadian Construction Materials Centre (25-MMAH0042). Comments can be made through the Regulatory Registry of Ontario (RR) from May 12, 2025, to June 11, 2025.

#### **Development Charges Act – Ministry of Municipal Affairs and Housing**

Schedule 4 of the Bill proposes changes to the *Development Charges Act, 1997,* to standardize the development charge (DC) methodology and framework and improve predictability of costs, include:

- Creating a regulation-making authority to merge service categories for DC credits.
- Creating a regulation-making authority to specify what constitutes a "local service."
- Expanding the DC deferral to non-rental residential developments. Related changes include:

- Providing municipalities authority, in circumstances set out in regulation, to require financial security for payment of deferred DCs for non-rental residential developments; and
- Removing authority for municipalities to charge interest on any legislated DC deferral amounts.
- Enabling municipalities to make any changes to their DC by-laws for the sole purpose of reducing DCs or removing indexing without undertaking certain procedural requirements.
- Creating a regulation-making authority to prescribe exceptions, including conditional exceptions, to capital costs that are eligible to be recovered from DCs.
- Providing that the frozen DC rates on a development would not be applicable if the current DC rates in effect would result in a lower payment.
- Exempting long-term care homes within the meaning of subsection 2 (1) of the Fixing Long-Term Care Act, 2021 from municipal DCs.

We are interested in receiving your comments on these proposed measures. Comments can be made through the Regulatory Registry of Ontario (RR) from May 12, 2025, to June 11, 2025:

• RR 25-MMAH003: Changes to the *Development Charges Act, 1997,* to Simplify and Standardize the Development Charge (DC) Framework.

#### Planning Act - Ministry of Municipal Affairs and Housing

Schedules 3 and 7 of the Bill propose changes to the *Planning Act* and the *City of Toronto Act, 2006* that would help streamline and standardize municipal development processes. If passed, the proposed changes would:

- Provide authority for regulations to limit municipal complete application studies and provide greater recognition of planning reports prepared by prescribed certified professionals,
- · Remove the need for certain minor variances,
- Give the Minister of Municipal Affairs and Housing the authority to impose conditions on a use permitted by a Minister's zoning order, and
- Streamline planning approvals for publicly funded kindergarten to grade 12 schools.

We are interested in receiving your comments on these proposed measures. Comments can be made through the Environmental Registry of Ontario from May 12, 2025, to June 11, 2025:

• <u>ERO 025-0461</u>: Proposed Planning Act and City of Toronto Act, 2006 Changes (Schedules 3 and 7 of Bill 17- Protect Ontario by Building Faster and Smarter Act, 2025).

We are also interested in receiving any comments you may have on associated regulatory changes. The government is undertaking 45-day consultations on the following proposals from May 12, 2025, to June 26, 2025:

- <u>ERO 025-0462</u>: Proposed Regulations Complete Application (seeking feedback on proposed regulations to address complete application requirements (study/report requirements) and submissions from certified professionals)
- <u>ERO 025-0463</u>: Proposed Regulation As-of-right Variations from Setback Requirements (seeking feedback on a proposed regulation that would allow variations to be permitted "as-of-right" if a proposal is within 10% of requirements for setbacks from property lines applicable to specified lands)

The Environmental Registry postings provide additional details regarding the proposed changes.

#### Ministry of Infrastructure Act – Ministry of Infrastructure

Schedule 6 of the Bill proposes changes to the *Ministry of Infrastructure Act, 2011* (MOIA), to provide the Minister of Infrastructure with the authority to request information and data from municipalities and municipal agencies, where needed to support provincially funded infrastructure projects. This would help speed up the delivery of critical infrastructure that our growing communities need, while also supporting jobs and economic growth. Comments can be made through the Regulatory Registry of Ontario (RR-25MOI003) from May 12, 2025, to June 11, 2025.

#### **Transit-Oriented Communities Act – Ministry of Infrastructure**

Proposed changes to the *Transit-Oriented Communities (TOC) Act*, 2020, would reduce barriers to implementing the Transit Oriented Communities (TOC) by:

- Amending the definition of a "Transit Oriented Communities project" to include projects along the GO and LRT network more efficiently,
- Removing OIC approval requirements for any agreements between the Minister\_(or an entity with delegated powers) and a municipality, and
- Enabling the Minister to delegate certain responsibilities to Infrastructure Ontario for the purpose of developing TOCs.

We are interested in receiving your comments on these proposed changes. Comments can be made through the Environmental Registry of Ontario from May 12, 2025, to June 11, 2025:

• <u>ERO 025-0504</u>: Proposed *Transit-Oriented Communities Act, 2020*, changes to reduce barriers to implementing municipal agreements.

#### **Ministry of Transportation**

Schedule 2 of the bill proposes a change to the *Building Transit Faster Act*, 2020 (BTFA) that, if passed, would extend the use of the BTFA measures to all provincial transit projects. This change would remove barriers to building transit faster and get shovels in the ground quicker to build major provincial transit projects that connect communities.

A proposed amendment to the *Metrolinx Act, 2006,* permits the Minister of Transportation to request certain information and data from municipalities or municipal agencies necessary to support the development of provincial transit projects or Transit-Oriented Communities projects.

You may provide your comments on the proposed change to the BTFA through the Environmental Registry of Ontario (ERO) notice <u>ERO 025-0450</u> and the Ontario Regulatory Registry notice (<u>RR 25-MTO005</u>) and the Metrolinx Act (<u>RR 25-MTO006</u>) from May 12, 2025 to June 11, 2025.

The government invites you to review the <u>Environmental Registry of Ontario</u> and <u>Regulatory Registry of Ontario</u> posting links provided above and share any feedback you may have. If you have any questions, please reach out to my Director of Stakeholder and Caucus Relations, Tanner Zelenko, at <u>Tanner.Zelenko@ontario.ca</u>.

In the face of economic uncertainty, we must protect Ontario by speeding up construction so we can lower housing costs and keep workers on the job. I look forward to continued collaboration with you, our municipal partners, to create the homes that Ontario need today, tomorrow, and in the decades to come.

Sincerely,

Hon. Robert J. Flack

Minister of Municipal Affairs and Housing

c. The Honourable Kinga Surma, Minister of Infrastructure
The Honourable Prabmeet Sarkaria, Minister of Transportation
The Honourable Graydon Smith, Associate Minister of Municipal Affairs and Housing

Robert Dodd, Chief of Staff, Minister's Office
Matthew Rae, Parliamentary Assistant, Municipal Affairs and Housing
Laura Smith, Parliamentary Assistant, Municipal Affairs and Housing
Brian Saunderson, Parliamentary Assistant, Municipal Affairs and Housing
Martha Greenberg, Deputy Minister, Municipal Affairs and Housing
David McLean, Assistant Deputy Minister, Municipal Affairs and Housing
Caspar Hall, Assistant Deputy Minister, Municipal Affairs and Housing
Municipal Chief Administrative Officers