

May 16, 2025

Submitted online and via email to SpecialEconomicZones@ontario.ca

Ministry of Economic Development, Job Creation and Trade
777 Bay St., 18th Floor
Toronto, ON, M5G 2N4

RE: Special Economic Zones Act, 2025

The City of Guelph (the “City” or “Guelph”) appreciates the opportunity to provide feedback on the proposed *Special Economic Zones Act, 2025* (the “Act”). This submission contains the general comments, concerns, and recommendations from the City regarding this proposed legislation.

Proposal Summary:

The Ministry of Economic Development, Job Creation and Trade is proposing the *Special Economic Zones Act, 2025*, which is intended to streamline the delivery of projects in specified areas. Under this legislation, the Minister would be able to do the following:

- issue regulations designating Special Economic Zones,
- designate vetted projects or project types,
- designate trusted proponents or proponent types, and
- exempt designated projects and proponents within Special Economic Zones from any provincial legislation, regulations, and other processes, as well as from any municipal by-law or instrument of a municipality or local board.

Comments:

The City shares the province’s goal of strengthening our economy, and we are working proactively with businesses in the community to offer support in the face of trade disruptions. We are also committed to working with the province to attract investment into our community – following a ministerial amendment to Guelph’s Official Plan in 2023, City Council voted to maintain this change to allow the construction of a large scale cold storage facility, which is expected to bring significant new jobs to Guelph.

However, the City has concerns about the wide-reaching authority to override municipal jurisdiction, and other planning requirements that would be granted to the Minister under the Act. While the specifics of any exemptions under the Act would be determined through subsequent regulation, the language of the Act itself is broad and allows for the

City Hall
1 Carden St
Guelph, ON
Canada
N1H 3A1

T 519-822-1260
TTY 519-826-9771

guelph.ca

exemption of virtually any project and proponent from any provincial or municipal statute or process.

The City recognizes that the province has committed to undertaking environmental and Indigenous consultation in relation to projects which will be fast tracked under this Act. However, without any criteria for how consultation and engagement would be conducted for projects exempt from provincial environmental assessment legislation, there are no guarantees that input from Indigenous rights holders, stakeholders, and impacted municipalities will be given due consideration.

The ability to exempt projects from municipal by-laws and instruments is also of concern. As the level of government closest to the people, municipalities have the public trust and expertise to make planning decisions that reflect the needs of their communities. Statutory planning processes that are overseen by municipalities allow for public feedback and engagement, which further ensures that stakeholders remain informed and represented in decisions surrounding land use. The wide-reaching authority to override municipal by-laws and instruments that is proposed under the Act, without guarantees that exempted proponents will deliver on their commitments, undermines the purpose of the planning process, and threatens community trust in local democracy.

Guelph and other municipalities are committed to advancing provincial growth goals, and are open to bilateral discussions on how to do so while respecting local jurisdiction. To demonstrate, we want to bring to your attention the ministerial amendments to several municipal Official Plans which took place in early 2023. In Guelph, these amendments prescribed building densities in some parts of the city which could not be supported by local infrastructure. Following extensive feedback from the City, the province reversed many of these modifications in December 2023, while maintaining the amendments which were agreed upon by City Council, demonstrating the value of collaborative work to advance shared priorities. Given this positive collaboration, the City does not believe that there is a need for this new legislative instrument which grants the province unilateral authority to exempt projects from municipal jurisdiction.

Overall, the City has concerns about the Act in its current form. With no definitions, limitations for exemptions, or criteria for designating projects within the Act, this legislation would grant the current and any future provincial Cabinet the sole discretion to selectively bypass planning processes, and any other provincial legislation or municipal by-laws. The City believes that these sweeping powers would undermine the purpose of the planning process, and that barriers to provincially-important projects can be resolved through bilateral municipal-provincial collaboration.

Recommendations:

The City recommends that the extent of this Act be narrowed to include the specific criteria for designating trusted proponents and designated projects, and that the conditions for exempting projects and proponents from legislative requirements be specified within the Act. This would ensure greater transparency as to the intent and potential impacts of this Act, and limit any potential misuse of this authority in the future. Additionally, the City recommends that this legislation includes a process which binds proponents which are exempted under the Act to complete projects within a certain timeline, to ensure that exemptions to municipal plans do not last indefinitely, and that the exemptions serve the purpose of advancing designated project.

Should the Act come to pass in its current form, we urge that any Special Economic Zones created under this Act, and any exemptions granted to proponents and projects be subject to a comprehensive and transparent consultation process which includes affected municipalities, public stakeholders, and Indigenous rights holders. We also request that any projects that have already been granted municipal and provincial planning approvals not be eligible for retroactive exemptions under this Act, to avoid unintended impacts to existing approvals, timelines, and plans.

Closure:

We appreciate this opportunity to provide input on this proposal, and trust that the comments submitted by the City of Guelph and other municipalities will be given due consideration. Should you have any questions about the feedback provided, or require additional details please do not hesitate to contact the City at intergovernmental.relations@guelph.ca.

Sincerely,

Intergovernmental Services

Chief Administrative Office
City of Guelph

T 519-822-1260 x5602

TTY 519-826-9771

E intergovernmental.relations@guelph.ca.