

County of Brant Council Report

To: The Mayor and Members of County of Brant Council

From: Alysha Dyjach, General Manager of Development Services &

Adam Crozier, Director of Corporate Strategy

Date: June 10, 2025

Report #: RPT-0223-25

Subject: Bill 17, Protect Ontario by Building Faster and Smarter Act, 2025 – Overview of

Legislative Changes and Comments for Provincial Feedback

Purpose: For Information and Direction

Recommendation

WHEREAS the Province of Ontario has enacted *Bill 17, Protect Ontario by Building Faster* and *Smarter Act, 2025,* to reduce the barriers to new homes and infrastructure in Ontario, the amendment of several statutes including the *Planning Act, R.S.O. 1990, c. P.13,* the *Building Code Act, 1992,* and the *Development Charges Act, 1997*;

THEREFORE THAT Council receive RPT-0223-25 as information;

AND THAT Council direct County Staff to submit comments, herein summarized in Appendix 1, as invited to by the Province on the various aspects of *Bill 17* in advance of the respective deadlines for comments.

Executive Summary

Over the past few years, the Province has emphasized the need for more housing options and an efficient development process to help address the housing crisis. According to the vision of the current Provincial Planning Statement (PPS, 2024), the Province has set a goal to build at least 1.5 million homes by 2031. To continue supporting this goal, the Province has enacted *Bill 17, Protect Ontario by Building Faster and Smarter Act, 2025. Bill 17* intends to speed up the construction process and reduce development-related costs to achieve a greater housing supply by amending several key statutes including the Planning Act, Development Charges, and the Building Code Act. These amendments present several potential changes to current practices and financial impacts to the County of Brant.

This report outlines the high-level changes proposed by *Bill 17* that will impact development processes in the County. While there is a need for a diversified housing supply in the County and a desire to streamline the development process, *Bill 17*'s proposed changes may call into question the County's ability to ensure that housing is built sustainably, and that both housing supply and municipal finances can meet the needs of the community. This report recommends that Council direct Staff to provide comments through the Environmental Registry of Ontario (ERO) and the Regulatory Registry of Ontario (RR) based on the contents

of this report and Council's discussion to influence the development of the regulatory framework associated with *Bill 17's* legislative amendments.

Strategic Plan Priority

Strategic Priority 2 - Focused Growth and Infrastructure

Strategic Priority 4 - Stable and Responsive Governance

Impacts and Mitigation

Social Impacts

Recent Provincial legislative changes aim to streamline development and boost housing supply, especially as both financial and housing market conditions have become more challenging. Conversely, reducing municipal involvement may limit community input, overlook local housing needs, and result in less affordable or appropriate developments.

Environmental Impacts

Bill 17 has the potential to restrict environmental policy framework and requirements relating to development proposals. County Staff continue to respond to all legislative changes promptly and will adjust the development process accordingly in response.

Economic Impacts

Bill 17 aims to boost Ontario's economy by accelerating housing construction through prescribing specific municipal actions related to the collection and management of Development Charges, additional restrictions on the level of municipal study of development applications, attempting to reduce financial obligation on the development industry. However, by expanding Development Charge exemptions, and shifting where DCs are spent, it is expected that the overall economic impact of Bill 17 will see increased subsidization of development infrastructure costs by the tax levy and will require higher reliance on Provincial Funding.

Report

Background

On May 12th, 2025, the Province introduced the First Reading of *Bill 17, Protect Ontario by Building Faster and Smarter Act, 2025,* and opened several elements of the Bill for review and comment by municipalities. These include:

- ERO Notice #025-0461 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)
- ERO Notice #025-462 Complete Application
- ERO Notice #025-463 As-of-right Variations from Setback Requirements
- RR Proposal #25-MMAH003 Changes to the Development Charges Act, 1997 to Simplify and Standardize the Development Charge (DC) Framework

The *Bill* was passed by the Legislature on June 3, 2025, and following Royal Assent (not received at the time of the submission of this report) will amend several statutes related to land use planning and development, including the *Planning Act*, the *Development Charges Act*, and the *Building Code Act*. As part of the Provincial goal to build 1.5 million homes by

2031, this *Bill* proposes a series of legislative and regulatory changes intended to streamline the development process. Key objectives include reducing development fees and construction costs, expediting project approvals, supporting job creation, increasing housing near transit, and making it easier and faster to build residential, commercial, and industrial buildings across Ontario's municipalities.

While *Bill* 17 amends various statutes, this report focuses on amendments that play a key role in the development process in the County of Brant. As part of the legislative process, the Environmental Registry of Ontario (ERO) and the Regulatory Registry (RR) has invited feedback on select elements of *Bill* 17 with the County's comments focusing on the Regulatory frameworks proposed by the Legislative amendments. As such, this report offers comments from County Staff in Appendix 1, with a focus on maintaining the interests of both the residents of the County of Brant, and the County as a corporation, and supporting the Province's objective of addressing the housing crisis. Staff feedback considers both the opportunities and challenges presented by the proposed changes based on potential impacts to the County, including finances and the capacity to deliver infrastructure and services.

Brief Overview of Bill 17, Protect Ontario by Building Smarter and Faster Act, 2025

The overall intent of *Bill 17* is to reduce processing timelines and costs related to the development process by attempting to standardize several development processes across the province, specifically processes where ambiguity has led to differing practices in individual municipalities. The Bill contains 8 Schedules outlining amendments to individual pieces of legislation, with the following having little to no impact at all on the County of Brant: Schedule 2 (Building Transit Faster Act, 2020), Schedule 3 (City of Toronto Act, 2006), Schedule 5 (Metrolinx Act, 2006), Schedule 6 (Ministry of Infrastructure Act, 2011), and Schedule 8 (Transit-Oriented Communities Act, 2020).

Several key changes that will have a measurable impact on the County of Brant contained in the Bill are highlighted below:

Schedule 1 – Building Code Act, 1992

 Prohibits municipalities from requiring standards above the Ontario Building Code, which would include restrictions on exceeding standards for road design and green building features but aims to ensure consistent construction rules across all municipalities in Ontario

Schedule 4 – Development Charges Act, 1997

- Proposes significant reforms to the timing of collection for DCs including an ability to defer payments for non-rental residential classes until occupancy currently in line with a deferral period for rental residential housing
- Mechanisms to freeze or lower current rate DCs depending on upper-level government funding sources and eliminating requirements to undertake a background study to freeze or reduce current DC levels
- Removal of interest payments for deferred payments
- Regulations to prescribe Provincial-wide definitions and formulas to calculate the Benefit to Existing, a definition for "local services," along with merging DC credits across a Development Charge,
- Full exemption for long-term care homes from the payment of DCs

Schedule 7 – Planning Act, 1990

Complete Applications:

- Shifts authority to define a "complete application" to the Minister, requiring municipal policies and the definition of the studies that can be requested by a municipality as outlined in a municipal Official Plan to be Minister-approved
- Requires that any study in support of an application prepared by a qualified
 professional (to be defined by Regulation) it is deemed by virtue of its submission as a
 satisfying the requirements for a complete application

Zoning Flexibility:

 Introduces as-of-right buffer percentages which will apply to any municipal zoning standard to reduce the need for minor variances

School Permissions:

 Allows schools as-of-right on urban residential lands and removes the requirement for site plan control for the placement of all school portable classrooms where previous requirements existed

Technical Briefing

In addition to the <u>letter received by Council</u>, *Bill 17* was accompanied by a <u>technical briefing</u> from the Province that outlines additional proposals not currently included in the legislation. For example, the technical briefing mentions that municipalities will be required to allocate at least 60% of DC funds annually across all services such as recreation or police rather than just water, wastewater, and transportation. While this allocation mandate was introduced through *Bill 23* (2022), and is not part of the text of *Bill 17*, the briefing suggests these changes are being reiterated and that they may consider future amendments or subsequent legislation to clarify.

Of further note to the County of Brant mentioned in the briefing but not included in *Bill 17* include standardization of road construction specifications, and modernization of corridor management permitting (through the MTO), and proposals to shift water and wastewater servicing through the investigation of moving these services into a separate municipal services corporation, along with streamlining the process for municipal consent agreements for off-grid communal water and sewage treatment facilities in un-serviced areas.

Overall, the briefing signals the Province's ongoing intent to further streamline all components of the planning processes and development approvals that cause delays in development processes, including measures associated with the intent of *Bill 17* but not requiring legislative amendment.

Analysis and Staff Comment

As *Bill 17* was passed by the Provincial Legislature on June 3, 2025, much of the commentary and analysis by staff will focus on the Regulatory aspects where comments have been requested by the province and which will be developed from the legislative amendments. On the whole, there are certain areas that staff concur with the directions taken by *Bill 17* and aspects for reform included in the technical briefing supplied by the Province, and other areas where staff will monitor the implications of the changes imposed by the Province.

Development Charges

Many elements of the changes to the Development Charges Act will have financial repercussions towards the funding of essential infrastructure, and a shift to allow the deferral of payments for all residential development from the issuance of Building Permit to occupancy will see the creation of a gap in DC funding, along with an inability to charge interest on deferred DC payments. An initial assessment of the situation where County's cash-flow for residential DCs could stop for 1 year and take another year to recover, based on 2024 DC collection, would result in 1 year cashflow shortfall of \$6,149,129, and additional interest costs to borrow and a loss interest revenue of an additional \$276,711.

This shortfall would have to be covered by the additional sources of funding from upper levels of government that have begun to emerge as the alternative funding source for many large infrastructure projects that are the foundation of any expansion of the residential and institutional construction industry. In any event the County requires funding sources and continued funding sources from the province or federal government shifts the funding source essentially from the development industry and new home buyers to sources derived from income taxes. Staff have outlined these comments as they relate to specific regulations issued by the Province and will monitor impacts as the situation unfolds as these measures and regulatory changes are enacted.

Related to Development Charges (DCs), the standardization of certain areas of DCs and the Development Charges Act framework to be more predictable and transparent will reduce many of the current issues the County faces. The merging of categories for DC credits can assist in the feasibility of Front-Ending Agreements which can facilitate the construction of required infrastructure (e.g. St. George Water Pollution Control Plant), along with a prescribed calculation for Benefit to Existing Services in DC calculations will reduce the ambiguity on its calculation, which is a key issue in the current appeals the County is facing from the 2024 DC By-law.

Review of MTO Corridor Management Permitting

Included in the technical briefing but unrelated to Bill 17, staff note and fully support a review of MTO Corridor Management Permitting as a significant measure to support and enhance the development of industrial and commercial properties in the County of Brant. A significant amount of the County's Employment land continues to be dormant due to the policies of the MTO towards interchange improvements related to new development, and any relief from this process to appropriately move construction activities forward is welcomed.

Water and Wastewater Servicing

Finally, of particular note in the technical briefing are 2 aspects related to water and wastewater servicing; first being the exploration of shifting water and wastewater servicing from the municipality proper and into a new type of municipal services corporation, and secondly, a review towards streamlining of approvals for off-grid communal water and sewer systems in rural areas.

First, the technical briefing outlines that current systems would remain publicly owned and operated as a public utility while shifting the assets and liabilities into a separate municipal services corporation would permit "access to favourable financing opportunities... to pay for water and wastewater investments." This would likely serve to remove them from the

framework of Development Charges as they notably constitute a significant portion of a municipal Development Charge. County staff's preliminary assessment of this proposal would likely see higher user rates to support the maintenance, operation, and expansion of systems, while shifting debt from municipal balance sheets to that of additional corporation. That said, Staff will monitor the evolution of this proposal as it evolves.

Secondly, the Province identifies a streamlined approach for municipal consent agreements for off-grid communal water and sewage treatment systems in an attempt "to unlock housing supply in underserved rural areas." The County has previously entered into consent agreements with private operators which requires significant financial obligation on the private operator to be provided to the County in the event of system failure or the assumption by the County of the system. As above, Staff will monitor the evolution of this proposal as it evolves.

Building Code Act and Planning Act Implications

As outlined in the Official Plan, *A Simply Grand Plan, 2023*, the County is committed to building complete communities that offer a diverse range of housing, including attainable and affordable options across various structure types and tenure models. While the County supports the intent of *Bill 17* to improve housing supply, it is essential that speed and cost of development does not come at the expense of thoughtful, long-term planning that meets local needs. The County values efficient development, but new growth must support sustainable, and well-connected communities that are built in a fiscally responsible manner.

With the growth of our communities in the spotlight, *Bill 17* aims to more effectively coordinate development with essential infrastructure. In addition to addressing timelines and costs, the proposed legislation emphasizes the importance of aligning housing with both the physical infrastructure and the social supports that help communities grow responsibly and sustainably. The County welcomes the exemption of long-term care homes from DCs, which supports vulnerable populations. Additionally, the County is encouraged by the proposed streamlining of planning for schools, which will help ensure that the growing number of young families within the County have access to education and community services.

Critical elements such as agriculture, natural and cultural heritage, and community design are foundational to the County's identity and quality of life. These elements must continue to be protected and integrated through comprehensive planning processes. Some aspects of *Bill* 17 raise concerns, to which staff will be providing feedback:

- Proposed changes are generalized to support all housing types and would benefit from better direction to support the density or other forms of housing that are needed. A continued emphasis on any type of residential dwelling can result in an increase of single-detached dwellings rather than encouraging more space-efficient and affordable housing forms. Other housing forms can be better suited to accommodating growth and protecting agricultural and natural heritage systems as identified in the County's Official Plan, and the legislative framework should be focused on removing barriers for missing middle and affordable housing;
- Restricting municipalities from enforcing construction standards that exceed the Building Code, such as requirements for backflow prevention in water pipes, the use of sanitary grinder pumps for wastewater, or noise-related measures like warning clauses

- and building limitations, would limit the County's ability to address key issues related to public health, safety, and infrastructure effectiveness.
- Removing the ability to request certain reports will result in a diminished capacity for the County to influence important aspects of development, such as urban design and lighting, as well as limited authority over the sustainability of development will make implementing the directions of the Official Plan and the County's Climate Action Plan more difficult.

Summary and Recommendations

In response to the ERO and RR postings with respect to *Bill 17* and subsequent proposed regulations, Staff are seeking direction from Council to submit comments to the Province outlined in Appendix 1. The comment period for changes to the Planning Act and the Development Charges Act closes June 11th, 2025. The comments in Appendix 1 were developed collaboratively with Building, Planning, Engineering and Finance staff to ensure a comprehensive, corporate-wide perspective to the proposed legislation. While *Bill 17* has been passed by the Ontario Legislature, many of the regulatory aspects of the *Bill* remain undeveloped, and these comments can assist to inform the Province's development of such. Should Council wish to include any additional comments with the submission to the province, Staff welcome further discussion during the Council meeting.

Attachments

Attachment 1 - Bill 17, Summary of Key Proposed Changes and County Feedback

Attachment 2 - Bill 17, Protect Ontario by Building Faster and Smarter Act, 2025

Attachment 3 - Technical Briefing, Protect Ontario by Building Faster and Smarter Act, 2025

Attachment 4 - Environmental Registry of Ontario Proposal Summaries of Bill 17

Reviewed By

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Copied To

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By-law and/or Agreement

By-law Required	No
Agreement(s) or other documents to be signed by Mayor and /or Clerk	No