

The Council of the Township of Southgate would like to take this opportunity to provide comments on the proposed suite of amendments contained in Bill 17 - the Protect Ontario by Building Faster and Smarter Act, 2025.

The proposed Bill offers several of amendments that provide concerns to the Township on the impacts both to revenues for infrastructure (through Development Charges (DCs)) or impacts to revenue from Building Permits.

Positive impacts

The Township sees some positive changes in some of the proposed changes. These include:

- Removal of DC's for long term care homes – while the Township is concerned on the potential loss of revenue for infrastructure, few care homes have been constructed. As a result, the impact is minimal, and the proposed change should have a positive impact on municipalities across Ontario.
- Exempting portables from Site Plan (extending across all sites) and including childcare/schools in all urban residentially zoned land – The Township has already facilitated an exemption to portables across all school sites. This correction is positive for all municipalities. As is extending childcare to all urban residentially zoned lands. One option which the province may want to consider is allowing a similar provision for employment lands so that any major employers can offer childcare as an accessory use without running into recent commercial use exclusions in the PPS.
- Providing regulations for the Minister to impose conditions on Municipal Zoning Orders (MZO) is generally seen as positive. The Township has several MZOs and much of the implementation negotiations would have been simplified if the MZOs been conditionally approved. The implementation of these regulations also opens the potential for the Ministry to consider completing the yet unproduced regulation to implement Conditional Zoning in the *Planning Act*. The regulations established for the Minister decision, may provide a good framework to implement this additional planning tool. A tool which the Township has been considering.
- The Township sees the as-of-right variance of up to 10% setbacks as generally positive – however this will require clarity in the application. The concern is that developers will simply expect the 10% variance, despite the necessity for such a request to pass tests in the Planning Act or Official Plan. There is also concern that if a purpose made rezoning for a site established a reduced setback from a typical zone (i.e. from 6 metres to 5 metres) – that further reductions could be sought. It should also be noted that this approach may be moving away from over 60 years of established decision precedents with the OLT.
- Standardizing Official Plans, on the face of the comments provided in the technical briefing may provide some streamlining of the process to prepare or update Official Plans. However, there is a risk that the uniqueness of municipalities (like Southgate) may be lost in this standardization. The geography, topography and mix of uses are not the same as other municipalities and cannot be underestimated. The uniquely high-water table poses significant challenges for development (former Proton Township is known for being “floating Proton” for this reason). Standardizing land use categories should come with the flexibility to remove or add uses as needed for unique situations in each municipality. A transect style approach, with a graduating level of development may be a good way to consider this standard approach – coupled with flexibility for local situations may be a good starting point. Also, considering some reduced process requirements for OP updates (both new and OP amendments) may also help with this goal.
- Zoning Permitting System – this is not a proposed amendment; however, Township staff have noticed several comments in the technical briefing that can be seen as encouraging

municipalities to move to a Zoning Permitting System (Community Planning Permitting System). Township staff have been considering this, however considering the significant amount of work required to enact – that may be challenging for a small municipality. The Township encourages the province to extend another round of Municipal Modernization funding to help with this process. Also changing some of the processes, such as being able to create a combined Zoning/CPPS By-law (instead of two separate) would help speed up the process.

- Engagement to improve MTO processes – The Township encourages the Province to do broaden engagement to improve all MTO permitting processes. These processes can be slow and challenging and have already impacted one development related to an MZO adjacent to Highway 10. Further development of the Township's Eco Park Phase 2 lands, also under MZO, is being impacted and delayed by MTO permitting for connection of the Parkway to Highway 10. If the Province is serious about improving the process, the MTO process **must be drastically improved**.

Changes proposed that cause concerns

The Township has identified several amendments where there are concerns on how these would be implemented and potential impacts to the Township:

- Changes to DC determination and methodologies, DC funds reporting, freezing of DCs at Site Plan/Rezoning, deferral of DCs to Occupancy Permit – The Township has significant concerns related to changes or freezing of DCs. This will impose significant financial implications to the Township, which does not have the financial capacity to absorb losses in DC funding for needed infrastructure for growth. With three significant MZOs and increased demand for land development (as a commuter city to Brampton) – that Township cannot simply absorb the loss of these funds. Freezing of DCs at times of specific applications increased administrative work to monitor and apply proper DCs. If the Province is going to move forward with these changes, it must present to municipalities a clear plan to “make them whole” ...a Plan which was promised in 2022 when Bill 109 updates were provided by a Deputy Minister. No clear plan or funding has been provided.
- The additional reporting requirements for DCs, along with the existing allocation or spending requirements place a disproportionate burden to smaller local municipalities where DC's fund growth but the collection happens over a longer period. The new reporting will administrate red tape, when the province should be focusing on cutting red tape. Standardize and streamline the reporting needs to the basics – what is to be funded, current funding status (amount collected).
- London costing for annual DC rate increases – The Township has clear concerns that any year over year increases adequately reflect the cost of inflation. Using a formula which may not accurately reflect these true costs and leave the Township behind will need to be offset with a clear funding formula from the Province for making up these funds.
- Minister Regulation to override Planning Policy Tests – The Township has significant concerns about this potential change. Municipalities will have to live with the impacts of these developments, which may occur through Provincial exceptions and not be subject to Municipal laws (given changes in Bill 5). Before such regulation is enacted and used, a clear process that includes meaningful engagement with municipalities before any decisions to approve development are required.
- Exemption for Canadian Manufacturers – Building Permit fees – The Building Code act mandates that Building departments are cost recovery and fund to pay their staff. Implementing the proposed change will be difficult as it is not clear to what extent the level of Canadian manufactured goods would be required – all, part, some or a percent? This will need to be spelled out clearly so that a clear yes or no exemption can be determined. If an exemption is going to be provided – the Province will also need to provide a funding formula that will offset the loss in revenue – as the losses of permit fees will affect municipal budgets.

- Regulations on road/highway design – while this may have the advantage of streamlining processes across the province, it may not consider clear differences in rural municipalities. Open communication and engagement will be required so these differences, like seasonal roads is considered.
- Peer review/excluded studies/acceptance of studies by designated professionals – The Township has significant concerns with this proposed change. While the goal to speed up approvals is critical, some studies may be needed in needed situations such as MDS or sensitive uses applicable to D guidelines. Removing studies like wind/shadow and urban design fails to recognize special areas of municipalities, like Downtowns, where care and attention to design should be taken. This proposed change also places a significant liability on the profession providing the study and moves towards a more litigation focus in the event of issues.

Conclusion

Final comments, in the form of a summary table from Municipal Staff, have been provided to augment our comments. We hope that the Province will seriously consider these comments as part of changes to Bill 17.

Amendment:	Potential impacts to Southgate:
Transportation infrastructure/approvals	
Amend the <i>Ministry of Infrastructure Act, 2011</i> , so that upon Royal Assent, the Minister would have the authority to request information and data from a municipality or municipal agency needed to support infrastructure projects funded in whole or in part by the province.	Generally, staff provide responses to the Provincial information requests quickly. If this amendment would speed up approvals with MTO – this would be a positive for the Township’s construction of Eco Park Way or any other project adjacent to Highway 10.
MTO would undertake a review of the Current Corridor Management process and standards to confirmed standards are aligned with government priorities and supporting policies. The ministry would provide options and recommendations including on highway corridor setback standards, building and land use permits, encroachment permits and access management permits and a proposed implementation plan by end of July 2025.	MTO permit approvals process can be time consuming and inconsistent in their approach. Engaging municipalities on their concerns, while helpful, does not commit to an actual update to the process. Speeding up approvals from various ministries can save a significant amount of time in the planning process. It should be noted that the Deputy Minister of Municipal Affairs and Housing, at the time of delivering a briefing on Bill 109 – advised municipalities that ministry responses would be capped at six months. This has yet to occur, given a commitment in 2022.
MTO will consult with municipalities and stakeholders by fall 2025 on a framework for greater harmonization and clarified governance of municipal standards, which lead to cost savings through efficient design and technical review, greater construction efficiencies and streamlined procurement processes.	Given that roads in the Township can be owned by various levels (Township, County and Province) – engagement of all levels will be critical to be successful for this. The framework will also have to recognize the vast difference between urban standards and rural areas.
Planning processes and approvals	
Through changes to the <i>Planning Act</i> effective upon Royal Assent, the Minister would have	It is unclear if this potential amendment would be retroactive, or on a go-forward

authority to impose conditions that must be met before a use permitted by an MZO comes into effect. These conditions could involve actions for municipalities and/or proponents, helping to improve accountability and ensure projects meet provincial objectives.	basis. If retroactive, this may provide an ability to hold the applicant for an MZO accountable for various actions as a condition of granting an MZO. If only a go-forward, this would still be the case. This would also provide an excellent foundation for the province to use to execute an O/Reg to activate Conditional Zoning for municipalities.
Reduce barriers and approvals for school boards to expand capacity of schools through <i>Planning Act</i> amendments to exempt placement of portable classrooms from Site Plan Control.	This exemption has already been made – portables are exempt from Community Planning Permits (2007) and Site Plan (if school built prior to January 1, 2007). Site Plan exemption would be for all schools. <i>This issue is already addressed in the Township Site Plan By-law and portables for all schools are exempt from Site Plan approval.</i>
Amend the <i>Planning Act</i> to provide explicit permission to allow for publicly funded schools (k to 12) and associated childcare on urban lands for residential uses.	The township planning team was already considering Official Plan and Zoning By-law amendments to facilitate both. These will be included in the upcoming Terms of Reference for the Zoning By-law review.
Provincial Policy tests – The Ministry of Municipal Affairs and Housing (MMAH) would consult on opportunities for making provincial policy tests inapplicable with respect to all of the Minister’s decisions under the <i>Planning Act</i> on a case-by case basis. This could support increased flexibility for the Minister in decision making, thereby enabling faster and potentially strategic decisions aimed at increasing housing supply. It would not be intended for broad, routine use. A transparent and accountable oversight framework would be developed to support implementation.	The wording of this amendment is concerning as this would allow the Minister to make a decision that does not meet any of the Provincial policies. While there may be an extreme case, or one-off decisions, without the accountability framework – to enable such sweeping power may be an overreach. This could allow the minister to override provincial protections (significant woodlands, or protected species for example).
Streamlining Official Plans – MMAH would consult with municipalities on proposed legislation/regulatory changes needed to establish simplified, standardized and inclusive land use designations with more permitted uses. This would be more predictable and faster for developers and approvers, especially coupled with moving toward a permit-based system for zoning.	An Official Plan is the document that guides the vision for the Township. The Township OP must be consistent with Provincial Policy and the Grey County Official Plan. If considering standardizing the Official Plan approach – the multi-tiered municipality approach must be considered. Each municipality is different in their approach to some issues – some flexibility to recognize those approaches and development patterns needs to be recognized. The Township notes that the province is sending a clear signal of a permit-based approach to zoning.
Official Plan Population Updates – Undertake targeted outreach to municipalities where additional population growth is projected to surpass previous estimates in their current Official Plans. Require those municipalities to	The County of Grey provides population projections for the Township under to upper/lower tier model. The County has launched a growth plan update to recognize the PMG change in the Provincial Planning

update their plans to align with the Ministry of Finance October 2024 population forecast, or approved upper tier forecasts, whichever is higher. Updates would be informed by updated Provincial Growth Planning Guidance (Projection Methodology Guideline (PMG)). Through this action, municipalities will have updated OP's that reflect current population projections ensuring better planning for future growth.	Statement. This project is underway, and the Township is providing information to the County as required. Township planning staff are also participating in the project.
Study requirements and Certified Professionals – upon Royal Assent, municipalities would no longer have the ability to require new complete application studies/reports beyond those identified in an Official Plan except where MMAH approves new requirements. MMAH would also have the ability to list topics that can't be required for a complete application, specify only the studies that can be required for a complete application and require municipalities to accept studies from certified professionals (avoiding peer reviews).	The Township Official Plan identified the minimum studies required for certain types of applications. However, each application is examined on its merits – circumstances may necessitate more information. This change avoids asking for every possible study, even if not needed. The Township does not use this practice and only requests information absolutely needed. This approach may save applicants from unnecessary consultant costs. Avoiding peer reviews will reduce times but would require increased responsibility of the professional if errors are made. On May 13, 2025 – the Environmental Registry was updated to include provisions related to regulations for “complete applications” – affecting all Planning Act type applications (subdivisions, consents, OP/Zoning Amendments, etc.). Studies noted to be specifically excluded – Wind, Shadow, lighting and urban design studies.
As-of-right variances from Setback Requirements (Minor Variances) – through a Planning Act amendment, upon Royal Assent, MMAH would have the regulation-making authority to allow variances to be permitted “as-of-right” if a proposal is within a prescribed percentage of setback requirements in specified lands. This will reduce necessity of minor variance applications, streamlining processes and reducing barriers for development. MMAH would also have flexibility to adjust rates in the future.	This amendment is in alignment with recent changes to Site Plans and follows the previous comments by the province of moving to a permitting focused system for zoning. This would allow faster approvals, as a site plan or building permit could be issued with a variance within the MMAH guidelines. No public consultation or Committee decision would be required. It will have to be determined if making this decision would need to follow existing tests in the Official Plan. This would only apply to land designations/zoning – hazard lands would be excluded. The Ministry of Environment Registry was updated on May 13th to note that the extent of as-of-right variances would be 10%. For example – if a setback is 10

	metres, an as-of-right variance could be 1 metre.
Building and Fire Code processes	
Amendments to require all municipalities abide by the Building Code – some municipalities have “building by-laws” where different materials or construction practices are required. Amendment set the same standards for everyone and would cancel such municipal by-laws.	The Township does not currently have a Building By-law and only applies to Building/Fire codes – this should not have any impacts to Township approvals.
Preferential Treatment for Canadian Manufacturers - Through a Minister’s Regulation, MMAH would amend the 2024 Building Code to eliminate application fees (Building permit fees) for Canadian manufacturers. MMAH will work with the Ministry of Economic Development, Job Creation and Trade and BMEC to explore opportunities to prioritize Canadian manufacturers.	Given not specific legislation details are yet available – it is unclear how this exemption would work since the building supplies for a dwelling can be many. There will be an impact to the revenue that is brought in by Building Services – which may impact the department mandate (through the Building Code) to cost recover. The province will need to provide methods to recoup this lost revenue.
Planning, Building Code IT solutions/data – MMAH would explore the standardization of municipal data tracking in the land use planning, building code and permit application spaces, and leverage technology (ie Artificial Intelligence) to better automate planning and permitting processes and improve transparency. The Ministry would also publish planning data on an Ontario Webpage.	This data is provided by both the Planning and Building departments on a regular basis. Building Services has moved to an electronic permitting system, while planning has been placed on hold until a decision on the shared service model with the County has been made.
Providing more flexible design and construction options for Four-Storey Townhouse Units – consultation will consider whether amendments to the Ontario Building and Fire Codes could improve economic viability of single-unit four storey townhouses, coupled with a focused package of compensating measures for fire and life safety requirements. These changes may allow houses with more living area or bedrooms to be developed on small footprints and more predictable and transparent requirements.	Four-storey buildings have been discussed by the planning staff as an amendment along the lines of Additional Dwelling Units, to be “as-of-right” in certain urban zones. This amendment would necessitate changes to the zoning by-law.
Municipal utilities and servicing developments	
Streamlining the Development of Communal Water/Sewage Systems and Permissions for Distributed, Modular “Off-grid” water treatment facilities – Consultations will consider potential approaches to streamline municipal consents for communal water/sewage systems and modular “off-grid” water treatment facilities to support greater adoption, where appropriate and unlock housing supply in underserved rural communities.	This aligns with recent changes in the Provincial Planning Statement that now opens up the potential for more growth in rural lands. This has the potential to encourage new communities, in areas outside of designated settlement areas, where services do not exist. Under existing MOE approvals – should these systems fail, the local municipality must co-sign for the MOE permit and then take over the upkeep of the system. This places a potential burden on taxpayers if

	a system is not upkept by a developer and has significant financial implications for upgrading road upkeep due to increased density that had been unplanned for. Staff believe the Township should not have to take over these systems – the province should.
Exploring a Public Utility model for Water and Wastewater Infrastructure – The province is exploring the use of a public utility model for water and wastewater to provide opportunities to enable infrastructure expansion. Targeted changes to the existing municipal services corporation-model could include governance and financial – but the water and wastewater systems would remain publicly-owner.	This change would suggest looking at opportunities to expand service delivery to municipalities with their own utilities. This suggested allowing services that facilitate developments in a variety of municipalities – allowing these utilities to have broader service area. This may allow the township to expand servicing outside of Southgate. However, this would come at a cost as the Township would need to ensure capacity for the Township’s planned growth. More clarity from the Province on this proposal is required.
Development Charges (DCs)	
Create regulation-making authority to merge DC service categories for credit purposes – this would give the province regulation-making authority to merge related service categories for the purpose of DC credits. If made, it would allow developers to receive credit for work they perform over a broad range of categories.	No specifics on this change have been provided – it is unclear how this would impact the Township or work with Council’s existing policies related to Parks development (for example) on how DCs are credits are determined.
Create regulation-making authority to define a local service – Local services are infrastructure that a municipality may require a developer to build, as a condition of their development. Local services is not currently defined in the Development Charges Act. Proposed legislation change would allow the province to define local services to assist in standardizing what infrastructure services are captured under local service infrastructure policies compared to infrastructure services captured by DCs.	No specifics on this change have been provided – it is unclear how this would impact the Township. Should a negative financial impact occur, the Province should be responsible to provide additional funding to the Township for this gap. It should be noted that the Province committed to making municipalities “whole” in 2022, with Bill 109 changes – this <u>has yet to occur</u>.
Defer payment of DC’s for all residential developments – Under DC Act, only rental housing/institutional developments are subject to mandatory payment deferral. Provincial proposal would allow a builder to defer DC payment until an occupancy of a building to provide greater cash flow flexibility. If a residential development is not subject to an occupancy permit, a municipality may require a financial security (LOC)	While the deferral of DCs may help builders, this creates uncertainty to municipalities on the accrual of funds needed for construction of various municipal infrastructure. The deferral also poses a level of risk should the builder encounter financial challenges between obtaining a building permit and seeking occupancy – if the builder goes out of business, it is unclear how the funds would be recovered. The province should provide a backstop in the event a builder defaults on payments and a municipality cannot recover these funds. Also, the province needs to

	ensure that safeguards are in place should the property transfer that the DCs can still be collected.
Help enable by-laws to be amended to reduce DC rates without certain procedural requirements – Municipalities would be enabled to make any changes that would only have the effect of reducing DCs without having to amend or undertake a new background study, hold public consultations, etc.	This proposal aligns with recent Township Official Plan Amendments allowing “administrative updates” to correct errors or for minor corrections. If a situation allowed for DC rates to be reduced – this reduction would occur through an administrative process.
Create regulation-making authority to prescribe limits on recoverable capital costs – The proposed change would create regulation-making authority to prescribe limits and exceptions to the eligible capital costs, including land costs. This proposal would help make DC costs more predictable across all municipalities.	No specifics on this change have been provided – it is unclear how this would impact the Township.
Help enable developments to benefit from the lowest applicable DC rate – DCs on a particular development are frozen when a site plan application or zoning application is made and typically payable at the time of building permit. If a homebuilder is issued a building permit within 18 months of the relevant application being approved, they pay the DC frozen rate. Otherwise, they pay the DC rate in effect at the time. Proposal would allow a development either receive the frozen DC rate or a lower DC rate (if the rates reduce during the freeze period).	It is unclear what “particular” developments this would apply to. Currently, we do not typically encounter developments that would be subject to the freeze process. This may reduce DC revenue and leave the Township short of funds for infrastructure.

Note:

Legislation updates related to Inclusionary Zoning have not been included in this chart as no municipality in the County of Grey (including Southgate) has been identified or granted power to use these provisions. Therefore, the impacts of the changes have zero impact to the Township or other County municipalities.