

Staff Report

To: Council

From: George Vadeboncoeur, Manager, Planning Special Projects

Meeting Date: November 12, 2025

Report No.: DS2025-122

Subject: Bill 60 – Proposed Changes to the Planning Act and Development Charges Act

Type: Requires Action

Recommendation

It is recommended:

1. That Report No. DS2025-122 be received and approved as presented.
2. That a letter be sent under the Mayor's signature to the Minister of Municipal Affairs and Housing, the Environmental Registry of Ontario and the Ontario Regulatory Registry outlining the Township's comments on the proposed legislation and regulations as identified in the subject report.

Background

The purpose of this report is to inform Council about Bill 60, Fighting Delays, Building Faster Act, 2025 (Bill). The Bill proposes to amend 18 different Acts. This summary will focus on proposed changes to the Planning Act and Development Charges Act and staff's response.

The Bill was introduced on October 23, 2025 and as of the writing of this report is being debated for second reading. The policy changes proposed to the Planning Act and Development Charges Act build on the changes approved under Bill 17, the Protect Ontario by Building Faster and Smarter Act. The changes have been grouped into four themes:

1. Cutting Unnecessary Barriers
2. Cost Reduction
3. Speeding up construction of Homes
4. Unlocking Housing Potential in Rural Communities

Through the Environmental Registry of Ontario, the provincial government is seeking feedback on the proposed legislative changes to the Planning Act. The deadline to submit comments is November 22, 2025. Subject to any amendments to the Bill that arise through the approval process, it will be introduced to the house for third reading and final approval. It is anticipated that the Bill in its final form will be before the legislature for consideration before the end of the fall session and proclaimed shortly thereafter.

Analysis

Highlights of the changes proposed under Bill 60 are as follows:

1. Planning Act Changes

As-of-Right Variations to Zoning By-law Performance Standards

The proposed changes would allow the Minister of Municipal Affairs and Housing (Minister) to establish a regulation that would permit minor variances to a Zoning By-law “as-of-right” without the need for a Council decision. The exemptions to performance standards such as building height, lot coverage or setbacks would apply to specified lands identified in the regulation. Specified lands could include urban residential lands and exclude other areas such rural and agricultural areas and lands near shorelines. The draft regulation is not yet available for review.

Under the proposal the Minister would be able to permit a variation to a Zoning By-law to be “as-of-right” if a proposal was within a prescribed percentage (e.g. 10%) of the requirement. For example, the minimum interior side yard setback for a single detached dwelling on property zoned (R1) in Oro-Medonte is 2.5 metres (8.2 feet). Using 10% as the prescribed percentage, a dwelling could be located as close as 2.25 metres (7.3 feet) to the interior side lot line. The maximum height permitted under the by-law is 11.0 metres (36.0 feet), using the 10% as the maximum, the height could be 11.1 metres (36.4 feet).

The reason for the proposal is to avoid “lengthy approval processes”, fast-track priority housing projects and lower costs passed on from developers to home purchasers and less expensive for homeowners making essential modifications”.

Staff Comment: Do not support “as of right” variations to Zoning By-law performance standards due to property variations and the potential impacts to neighbouring properties. Staff recommend that the Minister delegate the authority to approve minor variances within the threshold to a designated staff person to review and approve minor variance applications within the threshold percentage. Applications would be reviewed on the basis of established planning principles to ensure that impacts on neighbouring properties are minimized.

Exempting Ministerial Decisions from the Requirements of Provincial Policy Statements (i.e. Provincial Planning Statement, 2024)

Changes are being proposed that would allow the Minister to make decisions on land use outside the Greenbelt Area that do not adhere to the Provincial Planning Statement, 2024 (PPS).

The PPS is issued under section 3 of the Planning Act and sets out provincial land use policy direction related to growth and development that all municipalities must adhere to. From it flows Official Plan policies and implementation tools such as Zoning By-laws. Subsection 3(5) of the Act requires that decisions affecting a planning matter “shall be consistent with” PPS policies.

Bill 60 is proposing that Ministerial decisions be exempt from PPS policies. “The proposed change would facilitate the use of multiple Minister’s authorities on individual priority provincial projects outside the Greenbelt Area, to support faster government decision-making in support of housing, growth, investment and jobs. It would provide the Minister with the same flexibility provided for in 2021 (for MZOs outside the Greenbelt Area) in respect of other planning decisions outside the Greenbelt Area”.

To accompany this policy change government proposes to create a transparent and accountable oversight framework to support implementation.

Staff Comment: The PPS provides important provincial policy guidance in areas such as land use compatibility, housing, sewage, water and stormwater, natural heritage, mineral aggregate resources, protecting species at risk and natural hazards. Staff are concerned that allowing the province to be exempt from its own policies could negatively impact Oro-Medonte which is rich in natural features such as the Oro Moraine. Without the ability to review the oversight framework it is difficult to determine how this authority will be exercised and what land use protections might be compromised in approving priority projects. It is recommended that approval of this portion of the Act be held until the oversight framework has been reviewed and approved.

Amendments to the Provisions dealing with the Implementation of Community Improvement Plans (CIPs)

Changes are proposed to the Planning Act to support flexible implementation of Community Improvement Plans (CIPs), including enabling all upper-tier municipalities to establish regional Community Improvement Plans and allow funding to lower-tier municipalities for their CIPs. A CIP is a tool under section 28 of the Planning Act that permits municipalities to make grants or loans within the community improvement plan project areas to help pay for certain costs despite the general municipal prohibition on bonusing. Currently, only prescribed upper-tier municipalities who have official plan policies in place can adopt regional CIPs.

Municipalities can only provide funding for the CIP of its respective upper or lower-tier municipality if the municipality has official plan policies in place to do so. The proposed

changes would remove barriers to enable the flexible use of CIPs, including allowing all upper-tier municipalities to establish regional CIPs and financially support lower-tiers.

Section 5.9 of the Oro-Medonte Official Plan contains policies pertaining to CIPs in the Township. Council can designate certain areas as a Community Improvement Project Area under the policy including the authority to offer incentives to stimulate or leverage private and/or public sector investment. The policies in the Official Plan contain criteria for the designation of a Community Improvement Area and guidance on the preparation of Community Improvement Plans.

The County of Simcoe is not currently a designated as an upper tier municipality, so it does not have the ability to establish regional CIPs. If this section of the Bill is approved, the County would be provided the authority to introduce CIP policies in its Official Plans and designate priority development areas such as the Lake Simcoe Regional Airport.

Staff Comment: Support the proposed changes to the Planning Act to allow Simcoe County to introduce CIP policies in its Official Plan.

Changes to the Reporting of Minister's Zoning Orders (MZOs)

Changes are proposed to the Planning Act and, as necessary, related legislation, to enable Minister's zoning orders (MZOs) to be made by non-regulatory orders and published on a Government of Ontario website. MZOs are currently approved by the Minister and filed with the Registrar of Regulations as regulations under the Planning Act. The proposed change would remove the opportunity for public comment and expedite the process, thereby enabling the Minister to make faster decisions aimed at supporting provincial priorities such as supporting long-term care, transit-oriented communities and housing.

Changes are also proposed in relation to agreements that the Minister may require between an owner of specified land and a municipality under the Planning Act. New provisions would permit a municipality's authority to enter into such agreements to be delegated to certain officers, employees or agents of the municipality, and provide that the Minister may give direction specifying timelines related to the agreement and make certain orders if the agreement is not satisfied."

Staff Comment: Staff have concerns about the procedural changes to how MZOs are reported and the removal of the public's opportunity to comment and municipality's ability to be informed. Staff support the proposed change to allow Council the ability to delegate the entering into agreements to officers or employees; support the ability to establish timelines related to the implementation of an agreement, and support including the authority to make orders if an agreement is not satisfied.

2. Proposed Changes to other Acts

Changes to the Development Charges Act

Bill 60 has introduced further amendments to the Development Charges Act. Watson and Associates, the Township's development charge consultants have prepared a commentary on the changes and it is included with this report as an attachment.

The changes include introducing a new class of development, "land acquisition class", enabling municipalities to collect development charges for the acquisition of property. The land costs for various capital projects would be grouped together for the purpose of the calculation. Currently land costs are included in the required level of service calculations for various services being provided.

The proposed amendment restricts the anticipated capital costs for land to 10 years with the exception of hard services, including water, wastewater, highways, police and fire. Recreation facilities are not included on the list of exemptions, which is a concern as the planning for new recreation facilities is often beyond the 10-year limitation. A separate reserve fund is to be created to fund land costs.

Municipalities will be required to provide a copy of the Development Charge Background Study and the Development Charge By-law to the Minister of Municipal Affairs and Housing on request by the specified deadline.

The current Act requires the Treasurer to provide Council with a financial statement on development charges collected and expended each year on date specified by Council. It is proposed that the Treasurer be required to bring forward their report on or before June 30th of the year.

The final proposed amendment to the Act will require municipalities to establish local services policies for each service referred to in the Act and for which the By-law imposes a development charge. The Township's Development Charge consultants already include a Local Services Policy as part of the background study they prepare for the municipality. The policy also covers local services that are included in the background study and paid for by developers. Staff are waiting for further information from municipal associations and subject matter experts on the requirements of the new policy.

Proposed Regulations to Implement Proposed Changes to Development Charges Act

The government has also posted two regulations on the Ontario Regulatory Registry that are intended to implement the reforms to the Development Charges (DC) Act mentioned above. The deadline to submit comments is November 23, 2025.

Proposed Regulation 25-MMAH018 implements amendments proposed to the DC Act, 1997 under Bill 60 covered earlier in this report:

1. Creation of a new class of development – land acquisition.
2. Requirement for Local Services Policies
3. Requirement that Development Charge Financial Statements be provided to Council by June 30th each year
4. Requirement that Council provide a copy of the Development Charge Background Study and a copy of the Development Charge By-law to the Minister

It is recommended that the comments outlined earlier in the report be submitted to the Ontario Regulatory Registry.

Proposed Regulation 25-MMAH030 implements amendments to the DC Act enacted under Bill 17 and changes proposed under Bill 60. They are as follows:

1. Merge water supply services and wastewater services for the purposes of DC Credits

When builders construct growth-related infrastructure for a municipality, they can recoup some of the infrastructure costs in the form of a credit on the DCs they would normally pay. Under the current DC By-law credits can only be provided for the service that has been provided. The new regulation is merging water and wastewater services for the purposes of DC credits. This would enable a builder to use one of the services or both for DC credits. In Oro-Medonte several areas do not have both services.

Staff Comment: Support the proposed change provided the municipality is provided with the ability to determine if it is feasible to provide credits for one or both services based on a cash flow analysis of DC reserve funds for the services being impacted. If not, providing credits could deplete reserves and impact the timing or financing of further capital projects.

2. Make the benefit to existing allocations more transparent in DC background studies

Background studies would be required to describe the methodology used to determine the allocation of costs and total costs during the term of the DC by-law that provide benefit to existing development and benefit new development, including any assumptions made.

Staff Comment: Support the proposed change.

3. Details on land acquisition costs to be set out for each service in the DC background study

As mentioned earlier, Bill 60 introduced 'land acquisition cost' as a new class of service in DC background studies that DCs could be collected for. The intent is to separate land costs from the total cost of providing the service so there is more transparency on land costs. The government is proposing that land acquisition costs in background studies would need to be set out for each service where these costs are a factor.

Staff Comment: Support the proposed change.

4. Increase Treasurer Reporting Requirements

Bill 60 introduced increased reporting requirements for the annual Treasurer's statement. The regulation lays out what must be reported on:

- What was budgeted and what was spent from each reserve fund
- Amount of debt issued for a project as of the end of the year
- The location in the DC background study where the project's capital costs were estimated.

Staff Comment: Support the proposed change. Proposed changes increase transparency for the public and can help demonstrate that DC funds are being used as intended under the DC Act

Other Development Charge Related information

Bill 17 amended the Development Charges Act (Act) to allow payment of development charges for non-rental residential developments to be deferred from the issuance of building permit to the issuance of an occupancy permit or first occupancy. To improve collection certainty, the government also proposed regulatory amendments to the Ontario Building Code, 2024.

On October 23, 2025, the Province issued a commencement order stating that, effective November 3, 2025, occupancy permits are now required for all non-rental residential projects with deferred development charges. A municipality cannot issue an occupancy permit until the municipality confirms the deferred development charges are paid in full. Municipalities will be allowed up to 10 business days to complete the occupancy inspection for these developments in order to allow time for processing of the payment development charges, if necessary.

Municipalities may continue to issue building permits as they do today. This is a timing change only for collection of municipal development charges where the applicant elects for deferral. Construction requirements determining when a building is safe for occupancy are also unchanged.

Proposed New Water and Wastewater Public Corporations Act

Bill 60 introduces a new Water and Wastewater Public Corporations Act to permit the Minister to designate a corporation as a water and wastewater public corporation under the Business Corporations Act to provide water and sewage services on behalf of lower-tier municipalities that are prescribed by the regulations.

The Act goes on to describe the purpose of the corporation, how water and wastewater services are to be delivered through the corporation, powers and duties of the corporation, board of direction responsibilities, submission of rate plans to the Minister, authority provided to the Minister to approve rate plans, request corporations to amend their rate plans, or refuse to approve the plan, provision of annual reports, etc. If the rate plan is not approved, provision is provided that the rates will be established in accordance with a provincial regulation pertaining to fees and charges.

The rationale used by the Minister in introducing this Act is a view that municipal service cooperations are more flexible than a municipality in how it uses debt to finance municipal infrastructure. The Minister stated, “Using a municipal service corporation can amortize those costs (water and sewer infrastructure) out over decades—rather than the first-time homebuyer (paying the cost through development charges) and it reduces the price of a home. It will reduce reliance on municipal development charges, allowing further reductions in the cost of new homes. It’s a smarter and faster way to fund infrastructure, saving homebuyers money and accelerating the construction of new housing.” (emphasis added)

It is not clear how the capital planning undertaken by these corporations for water and wastewater works will relate to the background work that municipalities do in establishing development charges. Staff are concerned that the rationale of essentially introducing a provincially controlled public corporation for water and wastewater differs from the concept of a Municipal Services Corporation (MSC), which is already in place in Oro-Medonte. MSCs are municipally owned and governed and enable municipal autonomy over water and wastewater services with the advantages of increased debt financing capability for the Township.

Staff will continue to monitor this initiative as further information becomes available.

Other Provincial Initiatives

In addition to the legislative changes noted above, the government announced a commitment to consult municipalities on several other initiatives.

Approvals for Communal Water and Wastewater systems

The Province is proposing to simplify the consent-and-approval process for communal water and wastewater systems, where large-scale systems are not

practical. It would like to see the expanded use of communal and small-scale systems in rural areas to facilitate growth. This raises several concerns related to long-term sustainability of services, risks to water quality and environmental protection, operational challenges related to fragmentation and potential regulatory gaps.

Modernization of Ontario's Building Code

The government plans to undertake a comprehensive review of the Ontario Building Code, to identify outdated, redundant or unnecessary requirements that slow down construction or add costs without improving safety. The goal is to ensure the building code reflects the absolute best practices so that a minimum standard exists that applies to all construction in Ontario while maintaining world-class standards for health, safety and accessibility.

The goal is to eliminate rules that have outlived their purpose, processes that duplicate oversight or approvals that exist simply because that's how it's always been done. They propose to introduce clear province-wide standards that focus on safety, affordability and speed so that builders will know the rules and what is required before they start a project and municipalities will have clarity. They intend to restrict what municipalities can require builders to do outside of code requirements. i.e. green roofs on multi-storey buildings.

Streamline Official Plans and Digital Approvals

The government is working to streamline municipal official plans and reduce in length and also wants to explore the use of digital approvals in a municipal context.

Financial / Legal Implications / Risk Management:

Proposed changes to the Planning Act introducing flexibility in the application of zoning performance standards will have a negative impact on Development Services Department revenues as fewer minor variance applications will be submitted to the municipality.

Proposed changes to the Development Charges Act pertaining to the merging of services for the purpose of applying for DC credits may have financial impact to the municipality depending how many applications the Township receives and what services are included.

Proposed changes to the delivery of drinking water and wastewater services may affect long-term sustainability, environmental protection, and the quality of service provided to users. Shifting governance or introducing new service models could lead to fragmentation, reduced oversight, and challenges in maintaining consistent standards across communities.

Policies/Legislation:

- Planning Act, R.S.O. 1990, c. P.13
- Development Charges Act, 1997

Corporate Strategic Priorities

In December 2023, Council adopted the Township's Corporate Strategic Plan 2024-2027. The application is consistent with the following Plan priority:

- Well Planned Development

Consultations

Planning staff consulted with Senior Leadership and members of the Development Services Department.

Attachments

Attachment 1: A letter from Watson & Associates Economists Ltd. to municipal clients offering their perspective on the proposed changes that impact the Development Charges Act is provided.

Conclusion

This report provides Council with a high-level overview of Bill 60, Fighting Delays, Building Faster Act, 2025, focusing on proposed changes to the Planning Act and Development Charges Act. Planning Staff consulted with other Departments in the preparation of this report and the staff comments. It is proposed that comments on the proposed changes to the Planning Act and Development Charge Regulations along with any input from Council be submitted to the Environmental Registry of Ontario, the Regulatory Registry of Ontario, and to the Minister of Municipal Affairs and Housing by the submission deadline of November 22, 2025.

Respectfully submitted:

George Vadeboncoeur, RPP
Manager, Planning Special Projects

Nov. 5, 2025

Approvals:

Date of Approval

Andy Karaiskakis, RPP, Manager, Planning Services
Michelle Jakobi, Director, Environmental Services
Brent Spagnol, RPP, Director, Development Services
Shawn Binns, CAO

Nov. 6, 2025
Nov. 6, 2025
Nov. 6, 2025
Nov. 6, 2025