REPORT TO COUNTY COUNCIL

Bill 17 and Proposed Related Regulatory Changes

To: **Warden and Members of County Council**

From: **Director of Community Planning**

RECOMMENDATIONS

1. **That the Director of Community Planning submit comments on behalf of the County in response to the Provincial consultations on Bill 17 (Protect Ontario by Building Faster and Smarter Act) and proposed related regulatory changes, as generally outlined in Report No. CP 2025-158;**
2. **And further, that Report CP 2025-158 be circulated to the Area Municipalities for information.**

REPORT HIGHLIGHTS

- Bill 17 (Protect Ontario by Building Faster and Smarter Act, 2025) was introduced on May 12 and received third reading on June 3, 2025. Bill 17 proposes to amend multiple Acts, including the Planning Act, the Building Code Act and the Development Charges Act. Several related proposed regulatory changes were also posted online for comment at the same time.
- Despite Bill 17 having already received third reading and Royal Assent anticipated prior to the closing of the ERO posting on June 11, the 30-45 day Provincial consultation periods on Bill 17 and related regulatory changes remain open and ongoing.
- As the commentary in this report pertains to both Bill 17 and the proposed implementing regulations (which have not yet been released or enacted), they remain relevant, and staff are seeking direction to submit comments (as generally outlined in this report) to the Province. Comments regarding Bill 17 must be submitted through the ERO by June 11, 2025, whereas comments on the proposed regulation are due on June 26, 2025.

IMPLEMENTATION POINTS

The recommendations contained in this report will have no immediate implementation requirements. However, several existing Acts are proposed to be amended, and new regulations may be put in place which will require implementation through processes under the Planning Act and Development Charges Act. Comments regarding the potential implications of these changes are provided in this report.

Staff will continue to monitor the Environmental Registry for Ontario (ERO) and Regulatory Registry for further information and changes.

Financial Impact

There are no immediate financial implications beyond those in this year's approved budget.

Communications

Communication is proposed through the inclusion of this report on the County Council agenda, related communications and circulation to the area municipalities. The report may also be shared with other municipal organizations (e.g. AMO, WOWC, etc.) and stakeholders to assist with coordinated advocacy, where requested.

2023-2026 STRATEGIC PLAN

Oxford County Council approved the 2023-2026 Strategic Plan on September 13, 2023. The Plan outlines 39 goals across three strategic pillars that advance Council's vision of "Working together for a healthy, vibrant, and sustainable future." These pillars are: *(1) Promoting community vitality, (2) Enhancing environmental sustainability, and (3) Fostering progressive government*.

The recommendations in this report supports the following strategic goals.

Strategic Plan Pillars and Goals

PILLAR 1	PILLAR 2	PILLAR 3
		
Promoting community vitality	**Enhancing environmental sustainability**	**Fostering progressive government**
Goal 1.2 – Sustainable infrastructure and development	Goal 2.2 – Preserve and enhance our natural environment	Goal 3.2 – Collaborate with our partners and communities Goal 3.4 – Financial sustainability Goal 3.5 – Advocate for Oxford County

See: Oxford County 2023-2026 Strategic Plan

DISCUSSION

Background

On May 12, 2025, the Province released a Technical Briefing, containing a list of proposed actions to streamline development and housing and infrastructure and initiated consultation regarding Bill 17, Protect Ontario by Building Faster and Smarter Act, 2025, which proposes to make several

changes to the Planning Act, Building Code Act, Development Charges Act, Ministry of Infrastructure Act, as well as other acts and regulations. Several of the changes in Bill 17 would take effect upon passing the Bill, while others would require separate proclamation and/or associated regulations to be made. The Province has not announced the timing for implementation of the proposed changes to regulations. Further, it is noted that Bill 17 only addresses some of the proposed actions outlined in the Technical Briefing, so it is assumed that future legislative and/or regulatory changes may be proposed by the Province at some future date to address other proposed actions.

These changes are stated to support the government's broader plan to protect Ontario's economic resiliency along with other recently introduced pieces of legislation such as, Bill 5 (Protect Ontario by Unleashing Our Economy Act, 2025). More information on Bill 5 is available through ERO 025-0416 and County Council Report CP 2025-137.

County staff have reviewed the Provincial Technical Briefing and the following Environmental Registry for Ontario (ERO) and Ontario Regulatory Registry (OPR) postings related to the proposed Bill 17:

- ERO 025-0461 (Proposed Changes to the Planning Act) and ERO 025-0450 (Proposed Changes to the Building Transit Faster Act) – comments due June 11
- ERO 025-0462 and ERO 025-0463 (Proposed Regulations - Complete Application and As-of-right Variations from Setbacks, respectively) – comments due June 26
- ORR 25-MMAH003 (Proposed Changes to the Development Charges Act), ORR 25-MMAH004 (Proposed Changes to the Building Code Act), ORR 25-MOI003 (Proposed changes to the Ministry of Infrastructure Act) - comments due June 11.

Based on our review of these various postings, staff provide the following overview and comments for Council's consideration.

It is noted that Bill 17 received third reading in the legislature on June 3, 2025 and is expected to receive Royal Assent prior to the closing of the ERO posting on June 11. That said, it is the opinion of staff, that given the nature of the proposed changes and related regulatory consultations (which remain ongoing) the considerations outlined in this report remain relevant. This Provincial process approach is not without precedent, the Province previously (through Bill 109) passed housing related legislative changes prior to the closure of ERO comments, only to further revise and even repeal some of these changes through subsequent Bills after further engagement and discussion on these matters, highlighting the importance of continued participation regarding these types of proposals as they come forward.

As such, Staff are seeking direction from Council to submit comments to the Province on behalf of the County, as generally outlined in this report, and to circulate this report to the Area Municipalities for their information. As part of the review and development of responses to proposed legislation and regulation, the County typically engages with various municipal groups and organizations (e.g. AMO, County Planning Directors, WOWC). However, due to the short consultation and review period, only limited consultation had taken place as of the date of writing this report. That said, staff intend to continue to engage with these groups to identify opportunities for coordinated advocacy on matters of mutual concern.

Comments

The Province announced many potential legislation and regulation changes on May 12, 2025, and the details of several of the changes have not yet been provided and are not subject to the current consultations. The Province has categorized the proposed changes as follows:

- Accelerating transit and provincial infrastructure development;
- Accelerating transit-oriented community projects;
- Enabling authorities to speed up transportation permitting; and,
- Streamlining/standardizing municipal development processes and development charges framework.

The current consultations largely pertain to the last category/bullet point which focuses on "reducing municipal requirements that impede housing development" as stated in the Provincial Technical Briefing. The Province has "proposed measures that, if passed, would:

- clarify that municipalities do not have jurisdiction to create construction requirements for buildings;
- reduce the scope and studies municipalities can require for new developments;
- allow for some variations from zoning by-laws without additional approvals; and
- improve development charges standardization, predictability and transparency".

Proposed Changes to the Planning Act

Bill 17 proposes several amendments to the Planning Act as described below:

a) Removal of the Requirement for Certain Setback Minor Variances

Currently, the Planning Act and its regulations set out the process for landowners or developers to request a minor variance when their proposal doesn't conform to a zoning by-law. The Act establishes the four-tests that a committee of adjustment must consider when authorizing minor variances, including whether the proposed change:

- is minor in nature;
- meets the intent of the official plan;
- meets the intent of the zoning by-law; and
- is desirable for the appropriate development or use of the land, building or structure.

Municipalities can also establish additional criteria for minor variances by by-law.

Bill 17 proposes to provide the Province with the ability to make regulations to permit variations to zoning by-laws 'as of right' (i.e. without approval of a Minor Variance application), if a variance proposal is within a certain percentage (e.g. 10%) of the required setback (the minimum distance a building or structure must be from a property line or other protected area) on specified lands. The Province is also consulting on the proposed Regulation, should Bill 17 be passed (see ERO 025-0463).

The Bill would permit any subsequent regulation to apply to a 'parcel of urban residential land' (i.e. a parcel of land that is within an area of settlement on which residential use, other than ancillary residential use, is permitted by by-law and that is served by both a municipal sewage system and a municipal drinking water system). The authority would exclude parcels of urban residential land in the Greenbelt Plan Area and any lands in an area prescribed for the purposes

of subsection 41 (1.2) of the Planning Act, which includes minimum setbacks from railway lines, a wetland, the shoreline of the Great Lakes-St. Lawrence River System, an inland lake, or a river or stream valley. It is noted that the regulation-making authority (i.e. as contained in the proposed Bill) has been scoped to only include a 'minimum setback distance' from a boundary of the parcel, so this authority could not be altered or expanded without further changes to the Planning Act.

The proposed changes are stated to be intended to work with Ontario Regulation 299/19: Additional Residential Units (ARUs) to help create additional residential units, such as basement suites, by eliminating barriers related to required setbacks, but are not limited to provisions for ARUs. The Province is also seeking input, through the ERO posting for the proposed regulation, on whether other zoning standards – such as building height or lot coverage – should be eligible for similar 'as-of-right' performance standards variations.

In Bill 17, setback distance 'means the distance that a building or structure must be setback from a boundary of the parcel on which the building or structure is located in accordance with a by-law passed under Planning Act' (i.e. a municipal zoning by-law). Wording in the ERO posting for Bill 17 suggests that this exception could apply to setbacks 'from a property line or other protected area'. However, the proposed definition appears to only include 'a boundary of the parcel' and this is also the scope provided in the ERO posting for the proposed regulation. If the scope of the exemption is intended to apply more broadly to setbacks from 'other protected area', such as natural heritage features, municipal drains, roads and intersections, infrastructure corridors, etc., then this proposal would have a much broader impact. As such, it is the opinion of staff that the Provincial intent of this change would benefit from clarification.

Furthermore, the exemption is currently proposed to only apply to 'parcels of urban residential land' and would not apply to lands without full municipal services or where only 'ancillary residential uses' are permitted. Planning staff interpret this to mean that the exemption would not apply to residential uses that are secondary to industrial, commercial, or institutional uses. The definition of 'parcel of urban residential land' was introduced in Bill 23 and the meaning of 'other than ancillary residential use' is somewhat unclear and may benefit from some further clarification, particularly for mixed use designations and corresponding zones (e.g. a residential apartment building with ground floor commercial uses).

Overall, it is uncommon for a setback variance to be required on its own without any other variances and this proposed legislative change is not anticipated to make much of an impact on the number of Minor Variance applications in the Area Municipalities. A percentage reduction could represent a small physical measurement or a large physical measurement, depending on the original setback requirement, and the potential impact is independent of numerical measurements. The four-tests for a minor variance mentioned above are intended to assist with assessing the impact of a particular variance and municipalities can also establish additional criteria for minor variances, as Oxford has through the Official Plan). The proposed exemption would by-pass consideration of the Province's own criteria (i.e. the four-tests), as well as the locally established Official Plan criteria. In addition, the application of a percentage (10% is proposed in the ERO posting) could be seen as setting a precedent for the meaning of 'minor' with respect to variances of other zoning requirements, further weakening the established four-tests which recognize the site-specific nature and impact of variances.

Planning staff believe that a more appropriate means of accomplishing the Province's stated objectives (i.e. reducing red tape and streamline/expedite processes) would be to delegate approval of certain types of minor variances to municipal officials. To achieve the stated intent of fewer Committee of Adjustment meeting/hearings, these changes could also include removal of the requirement for public notice, a hearing, notice of decision, etc., but could retain the ability for the municipal official to apply the four-tests and other criteria.

For the reasons stated above, the Planning staff do not support the proposed prescribed percentage reduction to any municipal zoning standards, or the prescribing of further province-wide standards (e.g. the existing regulations for Additional Residential Units which permit 45% lot coverage). It is the opinion of staff that there are more appropriate and effective approaches that the Province could consider, such as further municipal delegation of decision-making or other changes to the minor variance process, that could expedite certain types of applications. Planning staff will also seek clarification regarding meaning of 'other than ancillary uses' in the definition of 'parcel of urban residential land', which was introduced in Bill 23, as this language is unclear particularly for mixed use designations and corresponding zones.

b) Complete Applications, Study Requirements, and Certified Professionals

The Planning Act and its regulations set out the minimum requirements for the information that must be submitted with various planning applications (i.e. official plan amendment, zoning by-law amendment, subdivisions, consent, and site plan). Currently, municipalities can also generally require information or materials in addition to the minimum provincial requirements, if set out in their Official Plan policies.

A planning application is considered "complete" when it contains all the information required by the relevant sections of the Planning Act, relevant Minister's regulation(s), as well as the additional materials or requirements set out in the applicable Official Plan. Complete application requirements ensure the key information needed to assess a planning proposal is included with the application, so municipalities have the up front information necessary to properly assess potential impacts and make informed and timely decisions.

The proposed changes to the Planning Act would limit municipal complete application requirements to what is currently identified in a municipal official plan (as of May 12, 2025) and any new or revised requirements would have to be approved by the Ministry of Municipal Affairs and Housing (MMAH) prior to adoption. The wording of these new requirements is unclear and may create process issues/delays with Official Plan amendments, for example:

- Would municipalities be required to seek approval from MMAH prior to holding a public meeting and/or making a decision regarding the amendments? If so, would the municipality need to request MMAH to approve any revisions made to the amendment through the public meeting/Council consideration process?
- What criteria would MMAH use to determine whether any new or revised requirements proposed in the Official Plan were appropriate and would their review be limited to ensuring compliance with the matters contained in the proposed regulation?

It appears that this process may be a temporary measure (i.e. until a future regulation is passed), as the Bill also includes provisions for repealing these MMAH approval requirements in the future. However, there is currently no clear timeline with respect to repealing the proposed requirement for MMAH approval.

Further, the Province is seeking regulation-making authority to:

- List topics that could not be required for a complete application;
- List the studies that could be required as part of a complete application; and
- Specify certified professionals from whom municipalities would be required to accept studies.

Proposed changes to the Planning Act would establish that when a report is prepared by a 'prescribed professional' as a supporting document with a planning application, a municipality must accept it for the purpose of determining whether the application is complete. A prescribed professional would be defined in regulation and the list of prescribed professions has not yet been provided, although the ERO posting includes 'professional engineer' as an example.

The Province is also consulting on the proposed Regulation (see ERO 025-0462). According to the ERO posting, the following topics are currently being contemplated for exclusion from complete application requirements:

- **Sun/Shadow**: Information on the impact of shadows cast by a proposed development on the subject property and surrounding lands, including public streets;
- **Wind**: Information related to the potential effects of a proposed development on wind conditions in the surrounding area;
- **Urban Design**: Information concerning how a proposed development aligns with applicable urban design guidelines or policies; and
- **Lighting**: Information about lighting levels on the site and how off-site impacts would be mitigated, including the location and type of exterior fixtures proposed for the building/site.

The list of studies proposed to be excluded currently appears to specifically target those matters/studies that aim to reduce the potential impact of new development, particularly tall buildings, on existing land uses. The County Official Plan currently contains criteria for new development that pertain to urban design, the impact of sun/shadow, wind and lighting, so removing the ability for municipalities to require the listed studies (and any others that may be added following consultation) is anticipated to limit the ability of municipalities to objectively assess whether these OP criteria have been met and whether a proposed development is appropriate. If no information is available to determine if the criteria have been met, there may be less consistency in decision making and denial of applications may become more common due to a lack of information for decision makers.

The Province's proposal to prescribe certain certified professionals from whom municipalities would be required to accept studies as 'final' is also of significant concern. Only some of the professionals who currently prepare studies and reports in support of land use planning applications are 'regulated' professions (i.e. professional engineers, engineering technicians and technologists, lawyers, architects and Ontario Land Surveyors are regulated by the Province, but land use planners, ecologists, urban designers, landscape architects, etc. are currently not). Accordingly, it could be challenging to define and monitor certain professions without a professional body, certification/licensing program, or other method of qualification. Even so, simply being a member of a profession does not necessarily mean that a particular professional has experience or specialization in all, or particular aspects of, the work that may be undertaken by that given profession. Further, from staff's experience, it does not guarantee the quality, thoroughness, or accuracy of the reports, studies, and professional opinions they may author and/or submit in support of a particular planning application.

Further, the Province previously eliminated the ability for municipalities to require 'mandatory' pre-application consultation through Bill 185, so the process is now voluntary (i.e. at the discretion of the applicant). The County didn't have major concerns with this previous change as the 'complete application' requirements and the ability of an applicant to appeal the municipality's determination that an application as 'incomplete' remained. However, County staff are now concerned that a lack of pre-application consultation, combined with these additional changes proposed through Bill 17, could create a range of issues and unintended consequences, including:

- A lack of early consultation, clear requirements, and/or disagreement over the scope of the studies could result in submission of studies that haven't been appropriately scoped before completion and submission. This is very likely to result in the submission of studies that do not adequately address all relevant issues and/or use different methodology or criteria than required by the municipality (or by the Province or other applicable standards) thus causing unnecessary delays in the review and decision-making process. This may also result in report recommendations that may be difficult/impossible to implement.

- Details in the ERO posting regarding complete applications raise concerns with respect to whether the intent of the changes is also to prevent the municipality from having the ability to review studies submitted from 'prescribed professionals' once the application has been deemed to be complete (i.e. required to be accepted as final submissions by a municipality as part of a complete planning application). With respect to the municipal and/or peer review process, the experience of Planning staff has been that the process provides for constructive feedback that often helps to address substantial errors and/or omissions, build on the original study, result in more comprehensive and/or practical implementation measures, and provides assurance to the approval authority that the recommendations are well founded and that potential risks to the municipality and broader public interest will be appropriately addressed.

- If municipalities are unable to refuse to accept a study as part of a complete application, then the appropriateness of a particular study and its recommendations could only be considered by a municipality as part of the review of the merits of the overall application (i.e. once the Planning Act decision making clock has started). If this results in the application being refused based on the inadequacy of a particular study, it would have been far more efficient and expedient to have simply identified the relevant concerns at the outset when the proponent would have had greater flexibility to more easily revise their proposal (e.g. prior to final building/site design and engineering and other supporting studies being completed, that would then also need to be changed). This could also further increase appeals over such refusals, or non decisions where applications are delayed due to a lack of information on behalf of the applicant.

It is noted that complete application requirements have not been a particularly contentious issue in Oxford to date and the proposed changes do not appear to support improving or expediting Planning processes and could lead to increased refusals and appeals to the Ontario Land Tribunal based on both decisions and lack of decision (i.e. as incomplete and/or poor quality supporting information and studies are typically a key reason applications are delayed in getting to Council for a decision).

As such, Planning staff are recommending that the above concerns be communicated to the Province and that they be requested not to proceed with these particular changes, as proposed. Rather the Province should focus on delivering on the updated guidance materials to support the implementation of Provincial Planning Statement, 2024 to help municipalities revise their planning documents and related implementation tools accordingly. Further, if the Province were to engage with municipalities on their specific concerns regarding the complete application process and related studies, staff are confident that more effective and appropriate approaches could be identified that would help to streamline processes and requirements, while also not compromising the ability of municipalities to appropriately review the merits of a particular development proposal.

c) Streamline Planning Approval for Schools

The Province is proposing to amend the Planning Act so that municipalities can not prohibit elementary or secondary schools of a school board, or any ancillary uses to such schools, including a childcare centre located in the school, on any 'parcel of urban residential land' (i.e. a parcel of land that is within an area of settlement on which residential use, other than ancillary residential use, is permitted by by-law and that is served by both a municipal sewage system and a municipal drinking water system).

This would remove the ability of municipalities to require an Official Plan Amendment or zoning by-law amendment to permit a school within a residential area within a fully-serviced settlement area. The stated intent of these changes is to reduce the amount of time it takes to start construction on a new school. The Province is also proposing to exempt the placement of all portable classrooms at public school sites from site plan control. Currently, public school sites built prior to January 1, 2007, are exempt from site plan control when adding a portable classroom. It appears that the requirement for site plan approval for new school buildings remains and that schools and ancillary uses would still be subject to municipal zoning requirements, such as minimum setbacks, lot coverage, etc.

In Oxford County, schools are generally already planned for and permitted through the planning policies and land use designations for newly developing residential areas. Typically, a zoning amendment would be required to identify the site as institutional and specifically permitting a school and ancillary uses (i.e. to identify and protect the site for that purpose). That said, this rezoning is typically completed as part of the subdivision approval process, so is in place well before the school block has even been legally created. Even in the few instances where it is not, significant time delays do not generally occur, as schools are already a permitted use in the existing land use designations. In the Oxford context it is important to note that these changes are proposed to only apply to 'parcels of urban residential land', and as noted in the discussion above.

Schools and accessory uses, such as childcare centres, can have significant impacts on the broader community (e.g. traffic, parking, site design, stormwater, etc.) and municipal services and infrastructure (e.g. emergency services, roads, water and wastewater, etc.) and site plan control provides an important opportunity to review these matters. Accordingly, staff appreciate that the requirement for site plan approval remains in place for schools but have some concerns with the expanded exemption for the placement of portable classrooms due to the potential impact to the community.

Overall, the proposed approach would appear to be more appropriate than the potential exemption of schools (as a 'community service facility') from all provisions of the Planning Act by regulation as afforded to the Province through Bill 185 under which no regulations have yet been enacted, but could still benefit from further clarification.

d) Minister's Zoning Orders (MZOs)

Bill 17 proposes to allow the Minister of Municipal Affairs and Housing to impose conditions on municipalities or proponents that must be met before a use permitted by a Minister's zoning or subdivision control order comes into effect. When such a condition is imposed, the Minister may require an owner of land to which the order applies to enter into an agreement relating to the condition with the Minister, or with the municipality in which the land is situate, and the agreement may be registered against the land to which it applies. The Minister or the municipality may enforce the agreement against the owner and any subsequent owners of the land.
This change appears to be appropriate to provide enhanced oversight for implementation of Ministerial decisions and ensuring that projects meet the intent of the decision. That said, staff

would recommend reiterating to the Province as part of the submission that the MZO tool should only be used in very limited circumstances where it is fully supported by the affected municipality(ies).

e) Proposed Changes to the Building Code Act

The Building Code Act is proposed to be amended to clarify that municipalities are not authorized to pass by-laws with respect to construction or demolition of buildings under the Municipal Act. Some municipalities have passed by-laws containing standards for the construction of buildings, known as Green Development Standards or Green Building Standards (e.g. green roofs, water and energy efficiency requirements, garbage/recycling standards for multi unit buildings, etc.).

The Building Code Act already has powers to supersede municipal by-laws (e.g. zoning, interim-control, site plan control, etc.) where there is a conflict, and the proposed amendments would 'for greater certainty' state that municipalities do not have the authority to pass new by-laws under the Municipal Act respecting the construction or demolition of buildings. While it is staff's understanding that these types of tools and standards are not currently used by municipalities within Oxford County, it should be understood that they would no longer be available tools to support/promote sustainable building practices within the County moving forward. These are examples of some of the potential tools that staff have been investigating as part of the development of a County Climate Action Plan, as well as related sustainability updates to the Official Plan.

There is also a section in the Planning Act that permits municipalities to establish a demolition control area with respect to protecting residential units. While these provisions appear to be directly unchanged by Bill 17, the proposed limitations in the Building Code Act may prevent municipalities from having a demolition by-law through which to implement the existing provisions in that regard contained in the Planning Act.

The Building Code Act is also proposed to be amended to facilitate the greater use of 'innovative materials, systems or building designs', through restricting the Building Materials Evaluation Commission's powers in certain circumstance, such as where the materials have been evaluated by the federal agency, the Canadian Construction Materials Centre (Regulatory Registry 25-MMAH004), reflecting the trend towards more consistent construction standards across Canada.

Proposed Changes to the Development Charges Act

The following provides a summary of the proposed changes to the Development Charges Act (DCA) under Bill 17 (see ORR 25-MMAH003). The review of these proposed changes was undertaken by County Corporate Services staff who provided the following commentary.

a) Exemption for Long-Term Care Home Development

Bill 17 proposes to introduce a section that provides for an exemption from development charges for the development of any part of a building or structure intended for use as a long-term care home, as defined in subsection 2 (1) of the Fixing Long-Term Care Home Act, 2021.

The County's current Development Charge (DC) by-law provides a non-statutory exemption for Long-Term Care homes as defined therein. As such, this proposed change to the DCA will not result in a financial impact beyond the non-statutory exemption currently provided.

b) Definition of Capital Costs, Subject to Regulation

Another proposed change would add the words 'subject to the regulations' to section 5(3) of the DCA. While current DCA wording provides the ability to limit the inclusion of land costs, the

proposed amendment provides broad authority for limiting eligible capital costs as the scope of regulatory authority would not be restricted to land. The Province intends to engage with municipalities and the development community to determine potential restrictions on what costs can be recovered through development charges.

Reductions in eligible capital costs will have to be funded from other municipal revenue sources, likely leading to increases in the levy or water/wastewater rates. Given that the changes could simply be made through regulation (i.e. not require a legislative amendment process), municipalities would have to adjust the funding for capital projects, if such regulations were to be enacted.

c) Simplified DC By-Law Process to Reduce Charges

The bill proposes to change the existing subsection 19 (1.1) of the DCA to allow a simplified process to amend a DC by-law for the following reasons:

- Repeal or change a DC by-law expiry date (consistent with current provisions);
- Repeal or amend a provision related to DC by-law indexing to provide that a development charge not be indexed; and
- Decrease the amount of a development charge that is payable for one or more types of development in the circumstances that are specified in the amendment.

The simplified process includes passing of an amending DC by-law and providing notice of passing of the amending DC by-law. There would be no requirement to prepare a DC background study, undertake public consultation, and no ability to appeal to the Ontario Land Tribunal. Limiting the simplified DC by-law amendment process to situations where the amount of a DC for a type of development charge is being reduced would appear to allow municipalities to adjust the charges for changes in assumptions (e.g. reductions in capital cost estimates, application of grant funding to reduce the recoverable amount), adding exemptions for certain types of development and phasing the imposition of a DC.

While this change simplifies the administrative process, eliminating the statutory public process would not provide the public with opportunity to delegate to Council on the matter and may reduce overall transparency of the process. Staff are in support of the change, as the County can utilize various communications tools to maintain transparency in the overall process.

d) Deferral of DC Payments to Occupancy for Residential Development

Various amendments are proposed to section 26.1 to provide that development charges for a residential development, other than rental housing development, would be payable the day a permit is issued under the Building Code Act authorizing occupation of the building, or the day the building is first occupied, whichever is earlier. Municipalities would be allowed to require financial security, subject to prescribed limitations, to secure payment of development charges owed. Municipalities would not be allowed to impose interest on the deferral of the DC payment.

Staff are not in support of this change as it is likely to have a significant impact on the administrative requirements associated with collecting applicable development charges. The deferral in collection timing also has the potential to produce a shortfall in DC revenue relative to capital costs, which could in turn lead to increased financing costs or deferral of growth driven projects until related DC revenue is available.

e) Removal of Interest for Legislated Instalments

The proposed changes would remove a municipalities ability to charge interest on instalment payments for rental housing and institutional development. It would also stop the accrual of

interest on any existing instalment agreements, although allowing for the collection of accrued interest to the date Bill 17 receives Royal Assent.

The repeal of subsection 26.1 (9) removes the municipality's ability to require immediate payment of all outstanding instalments when development changes use from rental housing or institutional to another use. It is unclear from the proposed change how existing agreements that require payment based on a change in use would be impacted.

Staff are not in support of these changes as they, although limited in scope, also have potential DC cashflow implications. This change would require an update to Development Charge Interest Policy 6.25, along with the potential requirement to amend existing agreements.

f) Ability for Residential and Institutional Development to Pay a DC Earlier Than a By-Law Requires

Currently, if a person wishes to waive the requirement to pay their DCs in instalments as per section 26.1, an agreement under Section 27 of the DCA (early payment agreement) is required. The proposed change would allow a person to pay the required DCs earlier than is required, absent a municipal agreement.

Although the wording allows a person to waive the requirement to pay in instalments, it is unclear if the wording will then allow for residential and institutional DCs (not subject to instalments) to be paid earlier than required. This is problematic as it may lead the development community to pay DC's before indexing or before a new DC by-law comes into force.

Staff are in support of allowing developers to waive the requirement to pay in instalments in the absence of an agreement as this assists with DC cash flows and reduces the administrative burden of negotiating and executing agreements.

g) Lower Charge for Rate Freeze

Section 26.2 of the DCA requires that, for developments proceeding through a site plan or zoning by-law amendment application, the DC be determined based on the rates in effect when the complete application was submitted. The proposed amendment would require municipalities to apply either the 'frozen' or 'current' rate, whichever is lower.

Staff are in support of this amendment as it formalizes the current practice utilized for determining development charges payable, based on previous guidance provided by Watson.

h) Grouping of Services for the Purposes of Using Credits

Section 38 of the DCA allows a person to construct growth-related works on a municipality's behalf, subject to an agreement. The person receives a credit against future DCs payable for the service(s) to which the works relate. Currently a municipality has the option to allow the credits to be applied to other services in the DC by-law. The proposed change appears to remove the municipality's discretion to combine services by agreement in certain instances, which may result in cashflow implications potentially delaying capital projects and/or increasing financing costs.

This change would not have an immediate impact on the County as the County does not have any agreements with developers under Section 38 of the DCA.

i) Defining Local Services in the Regulations

Section 59 of the DCA delineates between charges for local services, and by extension, capital projects that would be considered in a DC by-law. Policy 6.23 Local Services Policy assists in establishing which capital works will be funded by the developer as a condition of approval under Section 51 or Section 53 of the Planning Act, and which will be funded by DCs.

The proposed amendments would allow the Province to make regulations to determine what constitutes a local service. While staff are in support of standardization across municipalities, there are no transition provisions or timing for the potential standardization mentioned within the proposed changes to the DCA. Shifting the responsibility for growth driven projects from a developer to a municipality could trigger the need to complete a Development Charge Background Study to ensure the growth driven projects are appropriately paid for by development charges. The shift may also require an update to Policy 6.23, and additional staff resources to support the successful completion of projects.

Proposed Changes to the Metrolinx Act, Ministry of Infrastructure Act, Building Transit Faster Act, and Transit-Oriented Communities Act

Bill 17 proposes to amend the Metrolinx Act and the Ministry of Infrastructure Act (Regulatory Registry 25-MOI003) to repeal the definition of agencies and include the definition of 'municipal agencies' which would include every local board, corporation and secondary corporation as defined in the Municipal Act. The new definition would allow the Minister to issue directives to municipalities and municipal agencies to require them to provide the Minister or Metrolinx with information that the Minister believes may be required to support the development of a provincial transit project or transit-oriented community project.

Further, Bill 17 proposes some changes to the definitions in the Building Transit Faster Act (ERO 025-0450) and the Transit-Oriented Communities Act to expand the application of these Acts from current projects (currently six) to all provincial transit projects that Metrolinx has authority to carry out, including expansions or improvements to the GO Train system. Bill 17 would also permit the Minister to delegate their powers in whole or in part to Metrolinx, the Ontario Infrastructure and Land Corporation, or a public body within the meaning of the Public Service of Ontario Act, subject to any conditions or restrictions that are set out in the regulation.

None of these proposed changes would presently impact Oxford County directly but could have an impact if a provincial transit project were to be contemplated for any of the municipalities in Oxford.

Other Potential Legislative Changes

The Province's Technical Briefing indicates that the following other changes are planned. However, the details have not been released to the ERO or ORR to date and are not subject to ongoing consultation at this time. These include:

- Harmonization of municipal road construction standards;
- Review of highway corridor management permitting process and standards;
- Streamlining Official Plans that may result in standardized land use designations and increased permitted uses;
- Standardizing data tracking systems and leveraging technology (such as AI) to automate planning and permitting processes. The Ministry also proposes to publish municipal planning data;
- Giving the Minister the ability to make planning decisions that may not be consistent with the Provincial Policy Statement. Currently this power is applicable only to MZOs;
- Targeted consultation on Official Plan population updates for large and fast-growing municipalities;
- Amendments to the Ontario Building Code and Ontario Fire Code to facilitate construction of single-unit, four-storey townhouses;

- Streamlining process of seeking municipal consent for communal water/sewage systems and exploring development of modular 'off-grid' water treatment facilities; and
- Exploring a public utility model for water/wastewater (including communal systems) to help fund the expansion of housing-related infrastructure through methods beyond development charges.

The Province has not shared any information regarding when consultation on these matters may occur. However, it appears a number of these proposed changes could potentially be of considerable impact and/or concern to municipalities, depending on their specific intent and scope. As such, staff will be monitoring for additional information once it becomes available and reporting back to Council, as necessary.

CONCLUSIONS

The proposed amendments through Bill 17 will have implications for the County and have varied levels of impact.

The proposed 'as of right' percentage variances to setbacks further reduces municipal autonomy over zoning matters and has the potential to erode long standing planning principles, such as the use of the 'four-tests' for a minor variance and the determination of whether a proposed variance is minor in nature being based on evaluation of site-specific factors. At this same time, this change is unlikely to have any substantial positive impact on existing development review/approval processes and timelines in the County/area municipalities (i.e. number of applications and/or the number of residential units constructed). Planning staff are not supportive of the overly simplistic prescribed percentage reduction to any municipal zoning standards or further prescribing of Province-wide standards in this regard and, instead, would recommend that the Province consider further delegation to municipalities of decision-making or other changes to the minor variance process that would expedite certain types of applications.

The changes to complete application requirements are the most concerning of the proposed changes to the Planning Act. If municipalities are unable to determine what comprises a complete application, refuse to accept a study as part of a complete application, and/or review a study submitted by an identified professional, then it appears that more consideration of technical matters and mitigation may occur at the decision-making stage. These proposed changes do not appear to support improving Planning processes and could lead to increased refusal of applications and appeals to the Ontario Land Tribunal.

Schools are generally already planned for and permitted through the planning policies and land use designations for newly developing residential areas and Planning staff don't anticipate much impact to the approval process/timing as a result from this change. However, schools and accessory uses, such as childcare centres, can have significant impacts on the broader community (e.g. traffic, parking, site design, etc.) and municipal services and infrastructure (e.g. emergency services, roads, water and wastewater, etc.) and their site design is important for mitigation of these impacts. Overall, the currently proposed approach to permit a school as a 'permitted use' but retain the ability for municipalities to apply site plan control, appears to be more appropriate than the exemption of schools (as a 'community service facility') from all the provisions of the Planning Act through the Province's regulation authority under the previous Bill 185.

Based on the review by Corporate Services staff, the proposed changes to the Development Charges Act have the potential for both positive and negative impacts to the County. The changes to eligible costs could result in increased costs to municipalities, the deferral of DC payments to

occupancy would require increased administration, and the definition of local services could trigger the pre-mature need for a new Development Charge Background Study. However, County staff are in support of eliminating the statutory public process for passing DC by-laws, charging the DC rate based on when the planning application was submitted, and permitting DCs to be paid earlier than the by-law requires.

The other matters listed in the Provincial Briefing document could potentially have profound impacts on land use planning in the County, including the proposed streamlining of Official Plans and how growth planning is undertaken. As such, Community Planning staff will continue to monitor and communicate any future proposed changes/updates with respect to these listed matters and will bring them to Council for consideration, as appropriate.

SIGNATURES

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