



Committee of the Whole

Meeting Date: May 27, 2025

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Subject: Bill 17 – Protect Ontario by Building Faster and Smarter Act

BACKGROUND:

On May 12, 2025, the Province released proposed legislative and regulatory changes through Bill 17 the [*Protect Ontario by Building Faster and Smarter Act, 2025*](#). Bill 17 includes eight schedules that propose amendments to various Provincial statutes. Of these, the proposed changes to the Planning Act and the Development Charges Act are expected to have the most impact on Middlesex County.

Many of the practical implications of the proposed legislation will depend on the details set out in accompanying regulations, which have not yet been released. These forthcoming regulations will be important in determining the full scope and operational impact of Bill 17 on Middlesex County. It is noted that, at the time of preparation of this report, the information is new and has been subject to limited review by County staff. However, the Province's short comment deadline necessitates a prompt response.

The purpose of this report is to provide Council with an overview of the changes proposed through Bill 17 that are anticipated to be the most impactful to Middlesex County and local municipalities. Further, this report includes staff comment on any pressing matters identified in the proposal and is intended to serve as the basis for future correspondence to be submitted to the Province through the Environmental Registry and the Regulatory Registry, subject to Council's direction.

ANALYSIS:

The Province's [*technical briefing*](#) indicates that Bill 17, if passed, is intended to remove unnecessary barriers to building, to expedite vital projects, fuel growth, create the conditions for investment and unlock new job markets. The Province has released six concurrent postings to the Environmental Registry of Ontario and the Ontario Regulatory Registry for consultation purposes. At a high level, the proposed changes may impact the development approvals process, the provision of housing, the provision of public infrastructure and a municipality's ability to collect development charges.

Proposed Planning Act Reforms

Key proposed planning changes include:

- Limiting required studies to only those that are currently identified in Official Plans, except where MMAH approves new requirements, and specifying what municipalities can require for a complete application through regulation. Further, MMAH is also consulting on prescribing a list of qualified professionals whose reports and studies must be accepted by municipalities as final submissions.
- Introducing “as-of-right” minor variances for setbacks
- Permitting publicly funded schools and associated childcare facilities as-of-right on parcels of urban residential land and providing exemptions from site plan control for portable classrooms
- Capping Inclusionary Zoning at 5% in Protected Major Transit Station Areas (PMTSAs)
- Requiring Official Plan alignment with Ministry of Finance population forecasts.
- The Minister will have the ability to impose conditions on MZO before they come into effect
- Municipalities will no longer be able to set higher building standards than the provincial Building Code
- The Province will consult on limiting and standardizing land use designations in Official Plans across the Province
- The Province is exploring the use of AI and digital planning tools, including a standardized data tracking and permit system

Potential Implications

The potential implementation of standardized data tracking and permit system is acknowledged as a positive step toward improving efficiency and consistency across municipalities. The County has previously participated in the Province’s Data Standards for Planning and Development Applications working group and is supportive of initiatives aimed at modernizing, streamlining and increasing transparency in the planning approvals process.

The proposed standardization of land use designations may support greater consistency and comparability across jurisdictions. However, it also presents challenges for Middlesex County and the local municipalities. Specifically, the loss of flexibility in land use designations could limit a municipality’s ability to reflect area-specific contexts, which is essential to responsible land use planning. Moreover, standardized land use designations may not adequately address rural-specific land use planning considerations, which often require nuanced and locally informed policy direction. While further clarity pertaining to

the implementation of this proposed change will be necessary in determining the full scope of potential impacts; at first glance staff note that this may lead to an increased need for applicant-initiated official plan amendments to address site-specific planning considerations that are not accounted for in a standardized land use designation and accompanying policies.

It is noted that in support of the County's Official Plan Update, the population, housing, and employment projections have been recently revised. These projections are based on the Ministry of Finance's population forecasts and are consistent with the direction provided in the Provincial Planning Statement. They serve as the foundation for long-term planning across the County.

The proposed introduction of an "as-of-right" variance model for proposals that are within 10% of setback requirements is intended to streamline approvals and reduce the volume of minor variance applications. While this may reduce administrative burden, it also raises concerns regarding enforcement and the potential for a more reactive approach to development control and by-law enforcement. This could be particularly problematic for municipalities with limited staffing and technical resources. It is noted that this proposal only applies to minor variances for setbacks.

Although the proposed changes to inclusionary zoning policies are not expected to have a direct impact on Middlesex County at this time, there may be indirect implications. The proposed reforms could shift affordable housing expectations onto the County, particularly if upper-tier municipalities are looked to for solutions in meeting broader regional housing needs.

Proposed changes to Minister's Zoning Orders (MZOs) are intended to enhance transparency and accountability; however, they also expand the Minister's authority. An increase in the use of MZOs could potentially diminish local planning certainty and limit municipal input in land use decisions, thereby affecting long-term community planning efforts.

ERO posting (025-0462) provides details with respect to the proposed complete application regulation, including which studies the regulation will not allow municipalities to require as part of a complete application. Additionally, this ERO posting requests feedback on which certified professionals (e.g., professional engineers) should be included in the prescribed list of professionals whose reports/studies would be required to be accepted as final submissions by a municipality as part of a complete planning application.

The County Official Plan includes a detailed list of required studies and reports, which was developed through previous Provincial consultation, modification, and formal approval. Clarification is needed as to whether similar lists contained within local municipal Official Plans would also require Ministry approval, particularly given that the County is the Approval Authority for local Official Plans.

Additionally, further clarity is requested regarding the proposed requirement to prescribe a list of qualified professionals whose reports and studies must be accepted by municipalities as final submissions. It remains unclear whether municipalities will retain the authority to request peer reviews of these submissions when they are prepared by a prescribed qualified professional. Implementing peer review protocols serves not only as a risk mitigation strategy for municipalities, but also as a means of reinforcing public safety, maintaining professional accountability, and demonstrating that the municipality has taken reasonable steps to validate the adequacy and accuracy of engineering work prior to approval or construction.

There are numerous examples in which professionals trained in the same discipline may have a difference of opinion or approach to design where both may be correct. However, one may have significant benefit to a developer to the detriment of the municipality and vice versa. County staff have long developed relationships with professional consultants whereby they rely on each other's expertise to provide for the best overall solution to the benefits of all parties.

Proposed Development Charges Reform

Key proposed development charge changes include:

- Applicant determined, optional deferral of DCs for all residential developments to occupancy, without interest
- New regulation-making powers to define local services, merge service categories for credit purposes, and standardize how land values and BTE (Benefit to Existing) are calculated
- A requirement for municipalities to spend or commit 60% of DC reserves annually on select services (water, wastewater, roads)
- Exemption of long-term care homes from DCs

Potential Implications:

The applicant's optional deferral of DC payments without interest may create cash flow gaps, potentially forcing municipalities to front-end infrastructure financed through reserves, debt, or operating funds. This approach not only strains financial resources but may increase the administrative burden associated with tracking the timing of deferred payments. Additionally, the requirement to spend or commit 60% of collected funds within a specified timeframe may undermine long-term asset management strategies by limiting the municipality's ability to accumulate sufficient reserves for large-scale infrastructure projects or to strategically time investments in alignment with lifecycle planning and other related fiscal goals.

Servicing Models and Infrastructure Governance

Key proposed changes include:

- Expanding funding through the Housing-Enabling Water Systems Fund (HEWSF) and Municipal Housing Infrastructure Program (MHIP) totaling \$2.3B
- The Province will consult on communal/off-grid servicing and a public utility model for water/wastewater

Potential Implications:




While private communal and off-grid systems have the potential to unlock housing development in under-serviced areas, they introduce significant regulatory, operational, and liability challenges in the absence of a clearly defined oversight model. Introducing a utility-based governance structure could fundamentally reshape how infrastructure is managed and delivered. If not carefully implemented, this model may risk centralizing infrastructure decision-making authority, potentially undermining public ownership and accountability. Moreover, it could shift financial and operational risks onto municipalities, leading to long-term fiscal implications.

FINANCIAL IMPLICATIONS:

The staff resources to prepare and submit comments on the County's behalf will be accommodated within the approved budget. It is noted that ongoing monitoring, and any necessary implementation initiatives that result from Bill 17 may cumulatively strain resources.

ALIGNMENT WITH STRATEGIC FOCUS:

This report aligns with the following Strategic Focus, Goals, or Objectives:

Strategic Focus	Goals	Objectives
Cultivating Community Vitality 	Advance a diverse, healthy, and engaged community across Middlesex County	<ul style="list-style-type: none"> Promote and support community wellness Innovate social and community services Attract, retain, and engage youth in our community
Strengthening Our Economy 	Encourage a diverse and robust economic base throughout the county	<ul style="list-style-type: none"> Create an environment that enables the attraction and retention of businesses, talent, and investments
Promoting Service Excellence 	Innovate and transform municipal service delivery	<ul style="list-style-type: none"> Anticipate and align municipal service delivery to emerging needs and expectations Strengthen our advocacy and lobbying efforts with other government bodies Collaborate with strategic partners to leverage available resources and opportunities

RECOMMENDATION:

THAT the Bill 17 – Protect Ontario by Building Faster and Smarter Act Report be received for information;

AND THAT staff be directed to prepare and submit comments to the Environmental Registry of Ontario and the Ontario Regulatory Registry in response to Bill 17 consultations;

AND THAT such submissions be guided by the principles and considerations outlined in this report and in alignment with applicable Middlesex County policies, plans, and strategic documents.