

Ontario government proposes Bill 17 to advance home-building target

MAY 13, 2025 5 MIN READ



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On May 12, 2025, the Ontario government took the next legislative step in advancing its target of building 1.5 million new homes by 2031. Bill 17, the [Protect Ontario by Building Faster and Smarter Act, 2025](#) [PDF] proposes a suite of changes to multiple statutes with the stated goal of removing unnecessary barriers to building. A summary of key changes is below. We have also prepared blackline versions of some of the affected acts so the proposed changes can be read in context:

- [Planning Act](#) [PDF]
- [Development Charges Act](#) [PDF]
- [Transit Oriented Communities Act](#) [PDF]

The government also released a detailed [technical briefing](#) [PDF] which provides further information on other initiatives that are being advanced, including consultations with municipalities and stakeholders on other initiatives. The summary below relates to what is contained in the legislation itself.

The technical briefing does refer to consultations that could lead to other important initiatives, including the potential for:

- the exemption on a case-by-case basis from the requirement that a decision under the *Planning Act* be consistent with provincial policy statements
- simplified, standardized and inclusive land use designations with more permitted uses
- targeted outreach to municipalities where additional population growth is projected to surpass current official plan estimates. This could lead to increased population projections in official plans, reflecting the shift to using Ministry of Finance forecasts as opposed to the (now repealed) Growth Plan Schedule 3 targets.

Bill 17 proposes the following changes, if enacted:

Development charges

- payment may be deferred from building permit issuance to occupancy permit, which is

- currently only available to rental housing and institutional development
- no interest would be payable, and existing deferrals for rental housing and institutional development would be exempted from interest payments
- if no occupancy permit is required, securities (the type of which will be prescribed by regulation) could be required at the time of building permit issuance
- rates are currently frozen as of the date that a zoning by-law or site plan application is made. The charges payable will be the lower of the frozen rate, or the DC rate in place at the time of payment.
- a reduction in DCs by a municipality would not require a background study or consultation
- long-term care homes will be exempt from paying DCs
- the Minister will be able to make regulations (not yet released) in relation to:
 - prescribing limit and exceptions to eligible capital costs, including land costs
 - merging related service categories for the purpose of DC credits, expanding the ability of developers to receive credits for the construction of infrastructure
 - following consultation, prescribing a methodology to calculate the benefit to existing development of new infrastructure. Also known as BTE, the amount that existing development benefits from new infrastructure reduces the amount that can be charged to new development in a DC by-law.
 - expand the requirement that municipalities must spend or allocate 60% at the beginning of each year to all services covered by the *Development Charges Act*
 - define local services to standardize what infrastructure is captured under development charges versus local services

Planning Act

- inclusionary zoning: a regulation has been released setting out a 5% maximum rate and a 25 year maximum affordability period within Protected Major Transit Station Areas that will be put in place. The implementing regulations are not currently available.
- complete application rules are proposed to be changed to limit what can be required as part of a complete application. A proposed regulation will limit the scope of permitted studies, and proposes to exclude Sun/Shadow, Wind, Urban Design and lighting reports.
- municipalities will require written approval from the Minister before adopting an official plan amendment to change the requirements for a complete application
- if a report submitted in support of an application is prepared by a qualified professional, it is deemed to meet the requirements of a complete application. The list of “prescribed professions” that will satisfy this requirement has not yet been provided.
- conditional minister’s zoning orders (MZO): the Minister will be given the jurisdiction to impose conditions prior to uses in an MZO being permitted. Where a condition is imposed, it can be enforced by way of an agreement that can be registered on title.
- school zoning: will be permitted as of right on urban lands zoned for residential uses.
- variations to minor variances: the Minister of Municipal Affairs and Housing would have regulation-making power to allow certain variations that would be permitted as of right. The Act proposes to establish a regulation that will set a percentage of a setback that will

be permitted as of right. A proposal for a regulation that has been posted for comment states that the percentage will be 10%.

Building standards

The *Building Code Act* is proposed to be updated to prevent municipalities from passing by-laws respecting the construction or demolition of buildings. This would appear to make green building standards obsolete, and ensure that the same standards (the OBC) apply province wide.

Transit-oriented communities

A number of changes are proposed to advance the province's priorities in delivering transit-oriented communities. While not contained in the Act, the Minister of Infrastructure has been given the authority to exercise the power to enact Minister's zoning orders under section 47 of the *Planning Act*. This was done by an Order in Council, and is in full force and effect.

The *Building Transit Faster Act* is proposed to be amended to apply to *all* provincial transit projects. This will mean that all these projects will be exempt from the provisions of the *Expropriations Act* that permit a hearing of necessity to be requested. Additional permit requirements for development near these projects will be required, and additional powers are given to the province/Metrolinx on lands within 30 metres of transit corridors.