

**Document 3: Additional initiatives announced by the Province in the [Protect Ontario by Building Faster and Smarter Act, 2025, Technical Briefing](#). These items were not included in Bill 17.**

On May 12, 2025, the Province published key considerations that include the contents of Bill 17, and additional consultation and plans for future items:

1. Inclusionary Zoning – explore amendments to regulations to establish a 5% maximum set-aside rate and a 25-year maximum affordability period in Protected Major Transit Station Areas (PMTSA).
2. Streamlining Official Plans – consult municipalities on simplifying and standardizing land use designations with permitted uses, to assist with permit-based system for zoning.
3. Updating growth projections in Official Plans – require municipalities to update their growth projections using October 2024 provincial numbers or more recent, using provincial guidance for growth projections which is being updated.
4. Flexibility for four-storey townhomes – consult on building and fire code changes to support more four-storey townhomes.
  - The impact of this change is unknown at this time. As such, it is unclear whether this will impede or enable the construction of affordable housing that also does not increase the risk of fire or flood.
5. Streamlining the development of communal Water/Sewage Systems and Permissions for distributed, Modular “off Grid” Water Treatment Facilities: Consultations will consider potential approaches to streamline Municipal Consents for Communal water sewage systems and modular “off grid” water treatment facilities to support greater adoption, where appropriate and unlock housing supply in underserved rural communities.
  - The full impacts of this change are unknown at this time.
  - Under the current legislation, the Province can direct a municipality to take over operations and oversight of these private systems and that municipal consent, including financial securities, are critical tools in enabling this responsibility.
  - If these systems remain private, regulatory reviews may be necessary.
  - Small systems can be difficult and more expensive to operate and maintain.
  - Municipalities would need additional resources to oversee and maintain multiple unique systems if required to assume responsibility for these operations.
6. Exploring a public Utility Model for Water and Wastewater Infrastructure: The Province is exploring the use of public utility model (establishing a new type of municipal service corporation) for water and wastewater to provide opportunities to enable infrastructure expansion. The Province highlights targeted changes to the existing municipal services corporation-model could include revised governance and financing changes. The Province does highlight that water and wastewater systems would remain publicly owned.
  - The impacts of this change to the City of Ottawa are unknown at this time.
  - It is unclear whether the proposed model will create more revenue to support the water and wastewater systems.
  - It is unclear whether the proposed model will transfer some costs that are currently shared between services (e.g. integrated renewal) entirely to the remaining municipal services
  - [AMO has completed a report on this topic](#) and staff have been reviewing this document to better understand potential implications for the City.

7. Development Charge: benefit to existing – seek feedback from consultation, the Ministry could prescribe a methodology through regulation for calculating the benefit of new infrastructure on existing development.
8. Development Charge: reporting changes – amend regulations to allocate or spend 60% of monies in reserve fund at the beginning of each year including anticipated capital cost projections. Consult on increasing transparency and explore amendments to standardize background studies.
9. Enabling authorities to speed up transportation permitting and harmonizing road construction standards).
10. Harmonization of Road Construction Standards - By fall 2025, MTO will consult with municipalities and stakeholders to create a framework for harmonizing and clarifying governance of municipal standards, aiming for cost savings, efficient designs, and streamlined procurement processes.
  - The impacts of this change are unknown.
  - Municipal infrastructure standards are based on Ontario Provincial Standards (OPS), modifying them as needed to reflect local regulations/conditions (for example, winter road maintenance standards), which can challenge contractors familiar with provincial norms.
  - Staff are currently involved in provincial committees that contribute to updates to standards and ensuring the City interests are reflected along with other municipalities.
11. Review the Ministry of Transportation Ontario's (MTO) corridor management permitting process to improve approval process and accelerate the review and issuance of highway corridor management permits.
12. Ministry of Municipal Affairs and Housing could amend the 2024 Building Code to eliminate Building Materials Evaluation Commission application fees for Canadian manufactures (~\$12,000 per product).
13. Ministry of Municipal Affairs and Housing to explore exempting Minister's decision under the Planning Act from Provincial Policy Tests.
14. Ministry of Municipal Affairs and Housing will consult with municipalities on proposed legislation and regulatory changes needed to establish simplified, standardized and inclusive land use designations with more permitted uses.
15. Ministry of Municipal Affairs and Housing will consult and explore standardized IT data tracking (leveraging AI) in the land use planning, building code and permit application spaces. This information would be posted on the Ontario webpage.
16. Consultation on single-unit four storey townhouses on amendments to the Ontario Building Code and Fire Codes to consider allowing more living area or bedrooms to be developed on a smaller footprint with predictable construction requirements.