

City of Toronto Bill 17-related updates

On June 26, Toronto City Council tabled a report in response to Bill 17. Among its various recommendations, city staff proposed—and council approved—a key change to the city's approach to conditional below-grade permits:

The city will rescind its current practice of requiring applicants seeking conditional below-grade permits to enter into an agreement that mandates payment of development charges (DCs) at the higher of the rates in effect at the time of permit issuance or those determined under Section 26.2 of the Development Charges Act, 1997—provided that no DCs have yet been paid.

This recommendation is intended to provide greater cost certainty and enable developers to benefit from lower DC rates, ultimately supporting housing supply. Going forward, all new developments—including those applying for conditional permits—will follow the DC rate determination and collection provisions set out in the *Development Charges Act, 1997*.

BILD has long raised concerns with the city's conditional permit process, and our staff engaged directly with City Corporate Finance in the lead-up to this recommendation. We are very pleased that council has approved this change and that the "higher of" agreement requirement no longer applies.

Update on Green Development Standards

In a related Bill 17 matter, the Deputy Minister of Municipal Affairs and Housing issued [a letter \(attached\)](#) regarding the use of Green Development Standards or High-Performance Development Standards. Specifically, the letter addresses the use of planning tools—such as site plan control, draft plan of subdivision, and urban design guidelines—to impose mandatory green building requirements outside of the Ontario Building Code.

The letter clearly states:

"Municipalities cannot use provisions in the Municipal Act, City of Toronto Act, and Planning Act, including site plan control, to create and require construction or demolition standards for buildings. This includes, but is not limited to, local green building standards or green development standards as they pertain to the construction of a building, including any energy efficiency requirements for buildings."

This is a significant and welcome step by the ministry to provide greater clarity on a long-standing issue affecting our members in municipalities across the province.