

Town of Pelham Council Report

Wednesday, April 22, 2026

Subject: Information Report – Bill 98, Building Homes and Improving Transportation Infrastructure Act

Prepared By: Lindsay Richardson, MCIP, RPP

Department: Community Planning and Development

Recommendation:

BE IT RESOLVED THAT Council receive report 2026-0086 “Information Report – Bill 98, Building Homes and Improving Transportation Infrastructure Act,” for information.

Background:

The purpose of this report is to provide Council with an overview of Bill 98, the *Building Homes and Improving Transportation Infrastructure Act, 2026*, which was introduced by the Province of Ontario on March 30, 2026. Building on the previous Bill 17, the *Protect Ontario by Building Faster and Smarter Act*, and Bill 60, the *Fighting Delays, Building Faster Act*, this Bill proposes a suite of legislative changes to accelerate housing development and improve transportation integration across Ontario.

The Bill introduces a new provincial framework for transit fare and service coordination and amends several statutes governing land use planning, municipal authority, development charges, and infrastructure delivery. The Bill reflects a continued shift toward greater provincial standardization and oversight, particularly in areas traditionally under municipal jurisdiction.

The proposed Bill is attached to this report as Appendix “A”, and the media release is attached to this report as Appendix “B” for information.

The proposed Bill has been posted on the Province of Ontario Environmental Registry (ERO), and the commenting period ends on April 29, 2026.

Analysis:

Key Legislative Areas

Planning Framework and Official Plan Reform

Bill 98 introduces significant changes to the *Planning Act*, including a standardized framework for municipal official plans intended to simplify, streamline, and improve consistency across Ontario. Official plans will be required to follow a prescribed structure, including a mandatory table of contents, standardized mapping schedules,

and a consistent set of land use designations. The Province has indicated that this approach is intended to improve clarity, reduce complexity, and shorten approval timelines for both municipalities and development proponents.

Under the proposed framework, local official plans (i.e., lower-tier, single-tier municipalities and planning boards) would be required to adopt a uniform structure consisting of the following chapters:

- Introduction and How to Use this Plan;
- Strategic Planning Framework;
- Indigenous Engagement;
- Settlement Area Structure and Growth Needs and Management;
- Residential and Mixed Uses;
- Economy and Employment Areas;
- Rural Areas and Agricultural System;
- Infrastructure, Facilities and Community Services;
- Local Landscape and Resource Management; and
- Implementation and Interpretation.

In addition to a series of standardized schedules (mapping components) will also be required. These schedules would include:

- Settlement Boundaries and Urban/Rural Structure (A1);
- Strategic Growth Areas and Intensification Areas (A2);
- Land Use Designations (A3);
- Transportation and Corridors (B1);
- Infrastructure (B2);
- Public Service Facilities, Parks and Open Space (B3);
- Natural Environment (C1);
- Water Resources (C2);
- Resource Potential (C3); and
- Natural and Human-made Hazards (C4).

In addition to a standardized structure, the Province is proposing a consistent set of land use designations to be applied across all official plans. These include, among others:

- Neighbourhoods;
- Mixed-Use Areas;
- Mixed-Use Commercial Areas;
- Employment Areas;
- Major Facilities;
- Parks and Open Spaces;
- Natural Environment and Water Resource Areas;
- Resource Areas;

- Rural Lands;
- Prime Agricultural Areas;
- Specialty Crop Areas; and
- Shoreline Areas.

Each designation would permit a defined range of uses, with flexibility for additional prescribed uses. The Minister would also have authority to provide further direction on the implementation of these designations, including the use of sub-designations where appropriate.

The legislation also removes the requirement for official plans to include policies addressing climate change mitigation and adaptation, and limits municipal authority in several areas, including restrictions on zoning provisions related to minimum lot sizes, frontage, and depth, as well as prohibiting requirements for electric vehicle charging infrastructure in new developments.

Complementing these legislative changes, the Province has indicated its intention to establish minimum lot size standards for urban residential development through regulation, with consultation underway on a potential minimum of approximately 175 m² (1,885 ft²). This is intended to support more efficient land use and expand housing options. It is assumed that this would be implemented through the Town's zoning by-law, which currently allows a range of minimum lot sizes between 330 m² (3550 ft²) to 400 m² (4300 ft²) for singles, semis and duplexes to larger sizes based on the number of townhouse or apartment units proposed on a property (minimum area is calculated per unit). This proposal would significantly lower the minimum lot size requirements that the town currently has in place.

The proposed official plan reforms are intended to come into force on January 1, 2028, for 29 large and fast-growing municipalities, and January 1, 2029, for all other municipalities and planning boards. The Province has indicated that implementation will follow additional consultation on related matters, including secondary plans and upper-tier official plan content, as well as any final refinements to the framework.

Overall, these changes represent a significant shift toward a more standardized, provincially directed land-use planning system, with implications for how municipalities prepare, update, and implement their official plans.

Site Plan Control and Development Standards

Amendments to the *Planning Act* and related policy direction propose to limit municipal site plan control authority by prohibiting the imposition of certain enhanced development standards beyond core health and safety requirements. This includes restrictions on requirements for landscaping, design features, and aesthetic elements that may increase costs and delay approvals.

The Province is also consulting on broader reforms to the site plan approval process, including reducing iterative review cycles and improving approval timelines. These

changes are intended to provide greater predictability for development applications and reduce delays associated with municipal review processes.

Building Code Modernization

The Bill includes amendments related to the *Building Code Act, 1992*, alongside a broader provincial initiative to undertake a comprehensive review of the Ontario Building Code. The Province has identified concerns regarding complexity, duplication, and the cost implications of current requirements.

An expert advisory body is proposed to support a section-by-section review of the Code—the first of its kind in several decades—with the objective of modernizing standards while maintaining health and safety. A streamlined Building Code is expected to reduce construction costs and improve the efficiency of the development process.

Development Charges and Housing Affordability

Bill 98 amends the *Development Charges Act, 1997* to exempt non-profit retirement home developments from development charges. This measure is intended to support the development of affordable and supportive housing for seniors and aligns with broader provincial efforts to increase housing supply.

In addition, the Province is consulting on requiring greater transparency in development-related costs by mandating the disclosure of development charges and related fees in agreements of purchase and sale. This is intended to improve cost awareness for homebuyers and increase accountability.

Water and Wastewater Infrastructure

The Bill introduces changes to the *Municipal Act, 2001*, *Safe Drinking Water Act, 2002*, and *Water and Wastewater Public Corporations Act, 2025* to support new models for water and wastewater service delivery. Municipal consent will continue to be required for non-municipal utilities; however, municipalities may be required to approve applications that meet provincially prescribed criteria.

The Province is also advancing the use of publicly owned water and wastewater corporations as a mechanism to finance infrastructure over longer timeframes, reducing reliance on upfront development charges. Initial implementation is focused on Peel Region, with potential expansion across Ontario.

In parallel, the Province is proposing a regulatory framework to enable communal water and wastewater systems serving smaller developments, particularly in rural or underserved areas. These systems are intended to facilitate growth in areas without access to full municipal servicing, while maintaining provincial oversight and safety standards.

Parkland Dedication and Public Space

The Bill proposes changes to parkland dedication provisions to expand municipal authority to secure agreements and clarify rules related to easements and appeals. The Province is also proposing to allow certain encumbered lands, such as lands above underground infrastructure, and publicly accessible private spaces to count toward parkland dedication requirements, subject to quality standards. This is intended to increase the availability of usable open space in urban areas.

Minister's Zoning Orders

Additional changes relate to the use of Minister's Zoning Orders (MZOs), including proposals to streamline minor or administrative amendments while maintaining consultation requirements for substantive changes. The Province is also consulting on revoking the Parkway Belt West Plan and associated MZOs, noting that existing provincial policies now provide equivalent protections in a more streamlined manner.

Transit and Provincial Infrastructure

While not directly within municipal control, Bill 98 includes significant changes related to transit integration and provincial infrastructure delivery that may affect residents.

The *Fare Alignment and Seamless Transit Act, 2026* establishes a provincially led framework for integrating transit systems across municipalities. This includes authority to standardize fares, require participation in a unified fare payment system, and implement coordinated service planning across municipal boundaries. The Province may also designate priority transit routes and require service integration, including for specialized transit services for persons with disabilities.

In addition, amendments to the *Metrolinx Act, 2006* introduce a new process for advancing provincial transit projects, allowing Metrolinx to proceed outside of the standard municipal building permit framework while still requiring technical review and inspection by municipal officials. These changes are intended to streamline the delivery of transit infrastructure.

Collectively, these transit-related measures are expected to improve regional mobility and coordination; however, they also reflect increased provincial direction over transit planning and operations that may have indirect impacts on local residents who rely on these services.

Overall Implications

Bill 98 represents a comprehensive package of legislative and policy reforms to accelerate housing development, reduce costs, and improve transit integration. Collectively, these changes place greater emphasis on provincial direction and standardization, while limiting municipal discretion in areas such as planning policy, development standards, and infrastructure requirements.

Municipalities will need to adapt to new regulatory frameworks, particularly regarding official plan structure, site plan control, infrastructure approvals, and transit coordination. While the proposed changes are intended to streamline processes and support growth, they may also affect local planning flexibility and the delivery of community-specific priorities.

Financial Considerations:

None at this time.

Alternatives Reviewed:

None.

Strategic Plan Relationship: Community Development and Growth

Other Pertinent Reports/Attachments:

Report No. 2025-0265 – Information Report – Bill 60, Protect Ontario by Unleashing our Economy Act, 2025.

Appendix “A” – Proposed Bill 98

Appendix “B” – Media Release “Building Homes and Improving Transportation Infrastructure Act.

Approved and Submitted by:

Dr. Pamela Duesling, MCIP, RPP, EcD, CMM III
Director of Community Planning and Development

David Cribbs, BA, MA, JD, MPA, MA (Lead), CMM III
Chief Administrative Officer