

## Staff Report

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**Report To:** City Council  
**Report From:** Sabine Robart, Manager of Planning and Heritage  
**Meeting Date:** April 27, 2026  
**Report Code:** CS-26-030  
**Subject:** Bill 98, Building Homes and Improving Transportation  
Infrastructure Act, 2026

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### Recommendations:

THAT in consideration of Staff Report CS-26-030 respecting Bill 98, *Building Homes and Improving Transportation Infrastructure Act, 2026*, City Council directs staff to:

1. Send this report to the Province of Ontario as the City's comments on Bill 98 and the Environmental Registry of Ontario posting:
  - a. 026-0300;
  - b. 026-0305;
  - c. 026-0309;
  - d. 026-0310;
  - e. 026-0311;
  - f. 026-0312;
  - g. 026-0313;
  - h. 026-0314; and
  - i. 026-0315; and
2. Forward this report to Paul Vickers, MPP for Bruce-Grey-Owen Sound.

## Highlights:

- On **March 30, 2026**, the Minister of Municipal Affairs and Housing introduced Bill 98, *Building Homes and Improving Transportation Infrastructure Act, 2026* ("Bill 98") as well as a series of proposed regulatory changes for consultation on the Environmental Registry of Ontario (ERO). The deadline for comments is May 14, 2026.
- **Schedule 7** of Bill 98 outlines changes to the *Planning Act* which will come into force on the day the *Building Homes and Improving Transportation Infrastructure Act, 2026* receives Royal Assent. The following amendments are intended to come into force immediately upon approval:
  - Streamlining and Standardizing Official Plans.
  - Prohibit Mandatory Municipal Enhanced Development Standards and Green Building Standards and Removal of Electric Vehicle Parking Requirements.
  - Prescribed Minimum Lot Standards and Minimum Lot Sizes – 175 square metres.
  - Encumbered Parkland and Privately Owned Public Spaces (POPS).
  - Development Charges Exemptions.
  - Removal of Notice Requirements for Minister's Zoning Orders.
  - County of Simcoe as a Prescribed Municipality.
- Many of the proposed changes in Bill 98 reflect a broad push toward provincial standardization to achieve time savings in the development process. While consistency can be beneficial, these changes will impact municipal flexibility and, if passed, it will require changes to established practices, processes and approved plans.
- The chart attached in Schedule 'A' provides comments on the associated ERO postings.

## Vision 2050 - Strategic Plan Alignment:

[Strategic Plan](#) Priority: The recommendation contributes to core service delivery or a corporate initiative that enables service delivery for one or more strategic priorities.

## Previous Report/Authority:

[CS-22-013](#) - Bill 276, the Supporting Recovery and Competitiveness Act, 2021 & Bill 13, The Supporting People and Businesses Act, 2021

[CS-22-084](#) - Bill 109 More Homes for Everyone Act

[CS-22-149](#) and [CS-23-078](#) - Bill 23 – More Homes Built Faster Act

[CS-23-053](#) - Bill 97, Helping Homebuyers, Protecting Tenants Act, 2023

[CS-23-012](#) and [CS-23-080](#) - Proposed Provincial Policy Statement 2023

[CS-23-122](#) - Bill 139 Proposed Less Red Tape, More Common Sense Act, 2023

[CS-24-038](#) - Bill 185, Cutting Red Tape to Build More Homes Act, 2023

[CS-24-075](#) - Provincial Planning Statement, 2024

[CM-25-016](#) - Bill 17, Protect Ontario by Building Faster and Smarter Act, 2025

[CS-25-118](#) - Bill 60, Fighting Delays, Building Faster Act, 2025 Update

## Background:

On **March 30, 2026**, the Minister of Municipal Affairs and Housing introduced Bill 98, *Building Homes and Improving Transportation Infrastructure Act, 2026* (“Bill 98”) as well as a series of proposed regulatory changes for consultation on the Environmental Registry of Ontario (ERO). These ERO consultations build on proposals that were initially introduced for consultation in 2025. The release of Bill 98 was accompanied by a [technical briefing](#) outlining the Province’s rationale for many of the proposed changes. Bill 98 has passed second reading. The deadline for comments is May 14, 2026.

**Schedule 7** of Bill 98 outlines changes to the *Planning Act* which will come into force on the day the *Building Homes and Improving Transportation Infrastructure Act, 2026* receives Royal Assent. The following amendments are intended to come into force immediately upon approval:

- Streamlining and Standardizing Official Plans.

- Prohibit Mandatory Municipal Enhanced Development Standards and Green Building Standards and Removal of Electric Vehicle Parking Requirements.
- Prescribed Minimum Lot Standards and Minimum Lot Sizes – 175 square metres.
- Encumbered Parkland and Privately Owned Public Spaces (POPS).
- Development Charges Exemptions.
- Removal of Notice Requirements for Minister’s Zoning Orders.
- County of Simcoe as a Prescribed Municipality.

## **Analysis and Options:**

Many of the proposed changes in Bill 98 reflect a broad push toward provincial standardization to achieve time savings in the development process. While consistency can be beneficial, these changes will impact municipal flexibility and, if passed, it will require changes to established practices, processes, and plans.

The following sections provide comments on the amendments proposed to come into force subject to Bill 98 receiving Royal Assent.

The chart attached in Schedule ‘A’ provides comments on the associated ERO postings.

## **Official Plans**

The amendment provides for a standardized Official Plan structure which includes a standardized set of land use designations to be used in local official plans, with the ability for the Minister to set out further direction on implementing any of these designations, including using two or more sub-designations. This includes 10 standard chapters with standardized sub sections and a standardized set of Schedules and Appendices to be included at chapter 11. Bill 98 also proposes a standardized set of twelve (12) land use designations, which are the only land use designations which may be used in the official plans of lower- and single-tier municipalities.

This templated approach to Official Plans was introduced in October 2025 with proposals from the Province, and several adjustments to the proposal have been made in consideration of the feedback received to date. The

proposed legislation identifies the timeline for implementation, which for Owen Sound would be January 1, 2029. Bill 98 provides that the former official plan framework continues to apply to a municipality until the day on which a new official plan or a revision of the official plan is adopted through a section 26 exercise after the applicable transition date. A section 26 exercise is an update to an official plan to bring it into conformity with provincial plans and into consistency with policy statements, such as the Provincial Planning Statement (PPS), 2024. The recently completed City Official Plan update was in part a section 26 update. Municipalities are required to do so no less frequently than 10 years after an official plan first comes into effect as a new official plan; and every five years thereafter. Should the legislation proceed, a more detailed analysis of the required work and associated impacts would be brought forward to Committee and Council. It is anticipated that an amendment would be required to the City's Official Plan to bring it into conformity with the provincial legislation.

### **Removal of Electric Vehicle Parking Requirements**

Bill 98 contains amendments to s. 34 (zoning) and s. 41 (site plan) to prohibit municipalities from imposing requirements for infrastructure that supports electric vehicles. The 2026 Update to the City's Zoning By-law (approved by Council on April 13 and currently in the appeal period) contains requirements for electric vehicle parking. If this legislation comes into effect, the provisions in the By-law would no longer be in force. Staff will explore and report back to Council through Community Services Committee regarding a possible housekeeping update to the Zoning By-law to address this situation. Once the legislation is in effect, the rules in the *Planning Act* would supersede any requirement in the City's Zoning By-law such that the requirement for electric vehicle charging infrastructure would not be required.

### **Enhanced Development Standards**

The Province has indicated that enhanced (green) development standards differ across jurisdictions causing complexity and increased costs. The proposed changes would create a shift from a mandatory to a voluntary approach for these enhanced development standards that are not required for purposes of health and safety or environmental functionality (i.e., stormwater management). The City planning policies currently do not contain enhanced development standards.

Grey County has recently developed a Green Development Program. The program is a voluntary recognition and capacity building program that aims to celebrate leadership in efficient, resilient, and sustainable residential development projects across Grey, Dufferin, and Wellington Counties. As a collaborative initiative between the three Counties, the program will create a consistent, supportive framework for new residential construction, with a focus on projects of 10 or more units.

The program consists of three main parts:

- **The Metrics** – Recognizing the diversity of development projects, the framework consists of a flexible menu of 18 possible development features or ‘Metrics’ that applicants may choose to incorporate into their project.
- **Recognition** – For each Metric incorporated, the project achieves a certain number of points. Based on their total number of points, the project would be recognized at a bronze, silver, or gold level.
- **Capacity Building** – Knowledge, best practices, case studies, resources, and training opportunities will be shared with the construction and development industry to overcome local barriers to advancing more efficient, resilient construction.

Grey County staff will provide a presentation on the [Green Development Program](#) to the Community Services Committee in the coming months.

### **Minimum Area of Parcel – Prescribed Minimum Lot Standards**

Bill 98 proposes to amend the *Planning Act* to limit the ability of municipalities to pass a by-law under section 34 that imposes a minimum lot area for residential land that is greater than an area to be prescribed through regulation. An additional subsection is proposed that would deem by-law provisions regulating minimum lot frontage and depth to be of no effect to the extent that they would require a parcel to be larger than the prescribed minimum lot area. The prescribed minimum lot size is proposed to be 175 square metres (1,880 square feet).

Notably, this proposal does not remove the requirement for proposals to be consistent with the PPS and conform or not conflict with provincial plans.

Staff note that the County of Grey has also put forward a Staff Recommendation Report. City Planning staff concur with County staff regarding the proposed minimum lot area:

“Staff would note that the combination of not having higher-order transit (or any transit in some communities) and high amounts of snowfall necessitating a degree of onsite winter snow storage would make a minimum residential lot size of 175 m<sup>2</sup> very difficult to support. The front yard area and need for snow storage becomes further compounded when space for sidewalks are also factored in. Staff also note that lots of this size may not be suitable to accommodate Additional Residential Units (ARUs) as are broadly permitted per the Planning Act on urban residential lands. Staff would generally support the province’s intent here, and suggest the province may wish to consider the following:

- a) Clarify if the 175 m<sup>2</sup> is meant to apply to any housing type, or if that minimum lot size could only be used for town or rowhouses, and
- b) Consider a range of minimum lot sizes depending on the characteristics of the urban residential land i.e., is there transit, what are the annual snowfall levels, etc.

This new minimum lot area may negatively impact the development of uses such as stacked townhouses. This lot area minimum also does not consider impacts on sanitary and water servicing or storm water management.

Should such minimum lot sizes be implemented, municipalities may also need to adjust other lot standards such as setbacks or maximum lot coverage percentages.

Staff would further flag there are implementation costs to municipalities for such changes. The Environmental Registry posting flags the following as it applies to costs. “The direct compliance cost for all 444 municipalities is estimated at approximately \$472,856 and an average annual direct compliance cost of approximately \$46,600. These one-time administrative impacts reflect staff familiarization and minor updates to internal planning guidance and workflows to apply the provincial minimum lot size.”

As such, staff would request that the province provide funding to municipalities to cover these implementation costs.” ([PDR-CW-18-26County Comments on Bill 98, Building Homes and Improving Transportation Infrastructure Act](#))

## **Parkland Dedication (ERO 026-0312)**

The Bill 23 changes contemplated an “owner initiated” conveyance of land, or an easement in land, to a municipality, to satisfy some or all the municipality’s parkland dedication requirements. Bill 98’s proposed changes, in addition to bringing these changes into force and effect, would now clarify that any easement received pursuant to such a conveyance is valid, regardless of whether the municipality owns adjacent lands that are capable of being accommodated or benefitted by the easement. Additionally, proposed changes will authorize municipalities to require agreements for encumbered lands and implement a credit system. Planning staff would echo the recommendations of the County of Grey as it relates to the Province providing template agreements to municipalities to offset the costs and workload associated with encumbered lands agreements.

## **Development Charge Exemption**

Bill 98 would add a new section to the *Development Charges Act, 1997* defining a “non-profit retirement home development” that will be exempt from development charges. The exemption will not apply to charges due before the day Bill 98 comes into force, however, future installments of development charge payments will be exempt if they are due after this day.

## **Removal of Notice Requirements for Minister’s Zoning Orders**

Bill 98 proposes to amend section 47 of the *Planning Act* by striking out the requirement that the Minister must give notice when the Minister initiates an amendment or revocation of an existing Minister Zoning Order.

## **County of Simcoe as a Prescribed Municipality**

Lastly, Bill 98 seeks to amend the definition of an “upper-tier municipality without planning responsibilities” in the *Planning Act* so that the County of Simcoe has three separate definitions, representing the three-phase removal of the County of Simcoe’s planning responsibilities based on the lower-tier municipalities’ readiness.

## **Resource Alignment:**

### **Financial Resources**

There are potential financial implications associated with bringing City policy into conformity with the proposed legislative amendments, should they come into force and effect.

As noted, an Official Plan amendment/update may be required depending on the transition timeline and requirements. Staff request that the Province provide municipalities with financial support to implement the changes as it is anticipated that the changes will require significant resources to operationalize.

As noted above, there are implementation costs to municipalities for such changes. The Environmental Registry posting flags the following as it applies to costs: "The direct compliance cost for all 444 municipalities is estimated at approximately \$472,856 and an average annual direct compliance cost of approximately \$46,600. These one-time administrative impacts reflect staff familiarization and minor updates to internal planning guidance and workflows to apply the provincial minimum lot size."

### **Human Resources**

As noted above, the proposed changes will require significant staff resources to implement. The time required by staff to review and provide comments to the Province, as well as understand and implement the updated legislation takes a significant amount of time. While staff always make an effort to process applications efficiently, this constant change creates confusion, delays and uncertainty, and takes away from the time staff should be spending processing applications. There may be updates required to City planning policies and this will have a direct human resource impact.

### **Time and Scheduling**

Depending on the outcome of the consultation and the bill receiving Royal Assent, works plans and capital budgets for the coming years may need be adjusted to provide for the required policy document changes.

### **Technology and Infrastructure**

N/A.

## **Climate and Environmental Impacts:**

There are no anticipated climate or environmental impacts.

Certain aspects of Bill 98 will limit the tools available for climate adaptation and mitigation. Specifically, municipalities will not be permitted to implement mandatory green development standards or sustainable design as part of a *Planning Act* application. A municipality could continue to incentivize these items through a Community Improvement Plan, if desired.

The proposed legislative amendments also amend Section 16(14) of the *Planning Act*, removing the requirement for municipalities to include climate change policies in their Official Plan. Despite this change, Planning Staff note that the policies in the PPS and matters of provincial interest outlined in Section 2 of the *Planning Act* are not proposed to change, which require the “mitigation of greenhouse gas emissions and adaptation to a changing climate”. It is expected that Official Plans will still need to include climate change policies direction, in order to implement matters of provincial interest and demonstrate consistency with the PPS.

## **Communication and Engagement:**

City Planning staff attended a meeting with all Grey County planners on April 10, 2026, to discuss the proposed legislative amendments.

The timeline to provide comments is compressed and makes it difficult for staff to review and provide comments to Council for submission to the Province for consideration.

## **Report Developed in Consultation With:**

Staff regularly consult a range of professional sources to inform their analyses and recommendations, including publications from associations such as the Association of Municipalities of Ontario (AMO), the Ontario Professional Planners Institute (OPPI), and other legal, financial, and business consultancies.

All staff within the City’s Planning and Heritage Division provided review and comments on the changes proposed.

## **Attachments**

Schedule 'A' – Comment Chart – ERO Postings related to Bill 98, *Building Homes and Improving Transportation Infrastructure Act, 2026*

### **Reviewed by:**

Pamela Coulter, Director of Community Services

### **Submission approved by:**

Kate Allan, Director of Corporate Services (Acting City Manager)

For more information on this report, please contact Sabine Robart, Manager of Planning & Heritage at [srobart@owensound.ca](mailto:srobart@owensound.ca) or 519-376-4440 ext. 1236.