

**Ministry of
Municipal Affairs
and Housing**

Office of the Minister

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234-2025-4923

October 30, 2025

Dear Head of Council:

I am writing to update you on amendments to the *Development Charges Act, 1997* (DCA) that were made by Bill 17, the *Protect Ontario by Building Faster and Smarter Act, 2025*, and corresponding changes to Ontario's Building Code.

As you recall, our government introduced Bill 17 to help speed up the construction of new homes and infrastructure by streamlining development processes and reducing costs, in partnership with municipalities. Among the changes, the Bill:

- Amended the DCA to provide for payment of development charges (DCs) for non-rental residential developments to be made in full at the earlier of the date an occupancy permit is issued and the date a development is first occupied. This deferral would encourage residential construction activity by enhancing a developer's cashflow flexibility.
- Removed authority for municipalities to charge interest on any legislated DC deferral amounts, except to the extent such interest has accrued prior to these changes coming into force.

The amendments noted above require a commencement order to come into force. Following consultations with municipal and industry experts, the government has issued a commencement order to bring these changes into force on November 3, 2025.

To support the implementation of deferred development charges, I will be amending the Building Code to require that all non-rental residential buildings subject to a deferred development charge will now require an occupancy permit, which can only be issued once these deferred development charges have been paid. These targeted changes will establish a clear, enforceable payment trigger for municipalities while leaving all life-safety requirements for occupancy unchanged. These Building Code amendments will take effect alongside the DCA amendments on November 3, 2025. Municipalities without development charges, and requirements for other buildings, are unaffected.

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I look forward to continuing to work together to get shovels in the ground to build more homes that Ontarians can afford. Please accept my best wishes.

Sincerely,

A handwritten signature in blue ink that reads "Robert J. Flack". The signature is fluid and cursive, with a long horizontal stroke at the end.

Hon. Robert J. Flack
Minister of Municipal Affairs and Housing

- c. Municipal Chief Administrative Officer
Robert Dodd, Chief of Staff
Martha Greenberg, Deputy Minister
Caspar Hall, Assistant Deputy Minister, Local Government Division
David McLean, Assistant Deputy Minister, Housing Policy and Planning Division