Ontario's Building Transit Faster Act: New Mechanisms Aim to Speed Up Priority Transit Projects

February 24, 2020

Overview

On February 18, 2020, the Minister of Transportation introduced Bill 171, *An Act to Enact the Building Transit Faster Act, 2020 and make related amendments to other Acts*. According to the Ministry of Transportation, the purpose of the Bill is to target steps in the planning, design, and construction process that have unnecessarily delayed transit major projects in the past, and deliver the following four priority transit projects in the Greater Toronto Area faster and on schedule[1]:

- The Ontario Line Subway;
- The Scarborough Subway Extension;
- The Yonge North Subway Extension; and
- The Eglinton Crosstown West Extension.

This bulletin will focus on the following mechanisms by which the Act seeks to achieve the above goals, which may be of interest to land owners (including utility companies), developers and municipalities alike:

- Corridor development permits;
- Obstruction removal;
- Construction danger inspections and preview inspections; and
- Compensation for the above procedures.

Corridor Development Permits

Bill 171 creates a requirement for a corridor development permit before work can be carried out on or within 30 metres of transit corridor land, except for certain works related to utility infrastructure. Once transit corridor land is designated, the Minister must make reasonable efforts to provide notice to affected owners and occupants. The Minister also sets the terms of the permit and may change the terms or cancel the permit at any time.

If a project received all legally required approvals before the land was designated as a transit corridor, a corridor development permit is not required. The Minister may, however, give notice that if such work is not completed within six months, a permit will be needed. In this situation, the Minister may also approve alternative approaches to the issuance of a corridor development permit following negotiation with the proponent.

It remains to be seen if the introduction of this permit system will hasten completion of transit projects at the expense of ongoing private development, which may be slowed if negotiations with the Minister prove unsuccessful. The Ministry's backgrounder does not address the potential tension of this Bill with the government's priority of rapidly increasing the housing supply across Ontario. It is also unclear as to what "all legally required approvals" refers to; for example, is it sufficient if a proponent has obtained all *Planning Act* approvals? Or is it necessary for one to obtain all building permits and other permits (*e.g.* Conservation Authority permits) before a proponent can continue its work without a corridor development permit?

Obstruction removal and inspections

Bill 171 allows the Minister to order the alteration or removal of obstructing structures (including removal of part of a building), trees, shrubs, or anything else prescribed by regulation, for the purpose of construction of a priority transit project. Metrolinx can also require a utility company to modify or remove its utility infrastructure if it is necessary for a priority transit project.

Obstruction removal cannot take place in a dwelling, and the Minister is required to give notice of a proposed obstruction removal. Provided the parties cannot agree on how to carry out the obstruction removal within 30 days of the owner receiving notice, the Minister may enter upon the premises to conduct the obstruction removal.

The Bill would also give the Minister the power to inspect lands and structures that may pose an immediate danger to construction without notice. Any immediate danger to construction can be removed following this inspection, although reasonable efforts must be made to notify the property owners and occupants before removal.

Lands may also be subject to a "preview inspection" for the purpose of carrying out due diligence in planning and constructing a priority transit project. The Minister must give at least 30 days advance notice of the inspection. The preview inspection cannot occur in a dwelling and the Minister shall make reasonable efforts to have the inspection occur at a mutually convenient time.

Contravention of the proposed legislation is an offence, punishable by fines up to $50,000 for a first offence, and $100,000 for subsequent offences. In addition, the Minister may impose "administrative penalties" not exceeding $500,000.

Compensation

Provided a person does not "hinder, obstruct or interfere" with an obstruction removal or inspection, and the obstruction was legally on their property, they will be entitled to compensation "for the thing altered or removed and for any damages resulting from the work." If the property owner and the Minister cannot agree on compensation, either may

apply to the Local Planning Appeal Tribunal (LPAT) to determine the compensation. The Bill does not specify how the parties bear the cost of litigating the compensation.

Municipalities and local boards who own lands impacted are not automatically entitled to compensation, but compensation may be provided at the discretion of the Minister.

The owner is entitled to interest on compensation awarded at the prescribed rate, unless they were offered compensation in writing that was greater than the amount determined by the LPAT. In this case, no interest may be ordered after the date of the offer.

Section 83 of the Bill provides that no obstruction removal, construction danger inspection, or preview inspection constitutes an expropriation or injurious affection for the purposes of the *Expropriations Act*. While the intention to depart from the traditional procedural and substantive requirements of the *Expropriations Act* is clear, the Bill provides little clarification about the nature and extent of the compensation triggered by the application of the legislation and creates uncertainty about how the cost of compensation disputes will be borne.

How BLG Can Help

Municipalities, developers, landowners and other stakeholders with an interest in lands near transit corridors should consider the implications of the newly introduced Bill 171, *Building Transit Faster Act, 2020.* Our Municipal and Planning Law and Expropriation Groups are well positioned to assist you in understanding the implications of Bill 171 and how it may affect your interests.

[1] Government of Ontario, "*The Building Transit Faster Act*," February 18, 2020.

By

Frank J. Sperduti, Isaac Tang, Andrew Baker, Julie Lesage

Expertise

Municipal & Land Use Planning, Expropriation, Government & Public Sector, Transportation

BLG | Canada's Law Firm

As the largest, truly full-service Canadian law firm, Borden Ladner Gervais LLP (BLG) delivers practical legal advice for domestic and international clients across more practices and industries than any Canadian firm. With over 800 lawyers, intellectual property agents and other professionals, BLG serves the legal needs of businesses and institutions across Canada and beyond – from M&A and capital markets, to disputes, financing, and trademark & patent registration.

blg.com

BLG Offices

Calgary

Centennial Place, East Tower
520 3rd Avenue S.W.
Calgary, AB, Canada
T2P 0R3

T 403.232.9500
F 403.266.1395

Ottawa

World Exchange Plaza
100 Queen Street
Ottawa, ON, Canada
K1P 1J9

T 613.237.5160
F 613.230.8842

Vancouver

1200 Waterfront Centre
200 Burrard Street
Vancouver, BC, Canada
V7X 1T2

T 604.687.5744
F 604.687.1415

Montréal

1000 De La Gauchetière Street West
Suite 900
Montréal, QC, Canada
H3B 5H4

T 514.954.2555
F 514.879.9015

Toronto

Bay Adelaide Centre, East Tower
22 Adelaide Street West
Toronto, ON, Canada
M5H 4E3

T 416.367.6000
F 416.367.6749

The information contained herein is of a general nature and is not intended to constitute legal advice, a complete statement of the law, or an opinion on any subject. No one should act upon it or refrain from acting without a thorough examination of the law after the facts of a specific situation are considered. You are urged to consult your legal adviser in cases of specific questions or concerns. BLG does not warrant or guarantee the accuracy, currency or completeness of this publication. No part of this publication may be reproduced without prior written permission of Borden Ladner Gervais LLP. If this publication was sent to you by BLG and you do not wish to receive further publications from BLG, you may ask to remove your contact information from our mailing lists by emailing unsubscribe@blg.com or manage your subscription preferences at blg.com/MyPreferences. If you feel you have received this message in error please contact communications@blg.com. BLG's privacy policy for publications may be found at blg.com/en/privacy.

© 2026 Borden Ladner Gervais LLP. Borden Ladner Gervais LLP is an Ontario Limited Liability Partnership.