

Joint Regional and Local Municipal Request for Provincial Commitments to Support Housing Pledges

For local municipalities to be successful in meeting the commitments outlined in their respective Housing Pledges, the Region of Peel, the Town of Caledon and the Cities of Brampton and Mississauga jointly require that the Province commit to providing the caveats outlined below.

Local municipal housing pledges have specific requests for Provincial commitments in order to meet their specific pledge targets. This document lists commitments required from a Region wide perspective and should be read conjunction with the detailed pledges submitted by local municipalities.

1. The development industry be required to sign pledges to demonstrate their commitment to building the units required to meet the Bill 23 housing targets.

Local and Regional municipalities are responsible to plan for new growth, provide hard and soft infrastructure services to support growth and review and approve development applications but do not construct new homes. The development industry should be required to sign housing pledges to demonstrate their commitment to the housing targets.

2. That the Province provide municipalities with the authority to impose a sunset clause for site-specific approvals should a building permit not be issued within a specified time-period.

Local municipalities have noted that there are thousands of units in Peel that have planning and development approvals in place but where a building permit has not been requested. These units are critical to municipalities being able to meet their housing pledge. It is recommended that the Province provide municipalities with the authority to implement a sunset clause for site-specific approvals to require that a building permit be issued within a certain time frame after receiving the necessary planning and development approvals.

3. The Province provide local and regional municipalities with any funding shortfalls as a result of Bill 23, related to providing all elements of complete communities for the residents that will be living in the 1.5 million homes to be built by 2031.

In order for local municipalities in the Region of Peel to meet the Bill 23 unit targets, accelerating growth nearly 2.5 times the growth planned for in the Provincially approved Region of Peel Official Plan to 2031 is required. To support this accelerated growth, there will be a corresponding need for accelerated provision of infrastructure and services provided by both the Region of Peel and the local municipalities to deliver all of the elements needed to support complete and safe communities.

In addition to the initial cost of providing the infrastructure, there will be new and ongoing costs related to operating and maintaining the infrastructure assets in a state of good repair as well as new or expanded facilities and fleet to deliver the services. With exemptions and changes to development charges, parkland dedication and the community benefits charges

resulting from Bill 23, municipalities anticipate funding shortfalls to support all the necessary infrastructure and services that come with growing communities as listed below and will require the Province to fund the gap.

Regional Infrastructure and Services Required for Complete Communities:

- Water and wastewater infrastructure
- Transportation infrastructure
- Police services, fleet and stations
- Paramedic services, fleet and stations
- Waste management services, fleet and facilities
- Climate change mitigation and adaptation – incremental cost to transition Regional services to current and future net zero emissions and extreme weather resiliency standards, including fleet, facilities and other infrastructure assets to service larger population
- Affordable Housing including funding current unmet housing need and additional need driven by the increased population
- Early Years and Child Care services including additional licensed child care spaces, EarlyON Centres, Special Needs Resourcing Services, Child Care Fee Subsidy and workforce.
- Income Supports including administrative funding to support Ontario Works caseload expansion and investments in social services to support life stabilization, especially mental health supports.
- Social Services Not-for-Profit Sector will require new and expanded not for profit organizations to provide services to vulnerable and at-risk populations.
- Public Health costs related to mandated public health programs and services to keep people healthy and prevent illness such as health inspections, infectious disease management, immunizations, children’s and senior’s dental care, and childhood growth and development, among others. Increased growth will further exacerbate existing provincial public health funding gaps.
- Seniors’ Services including funding existing shortfalls in Adult Day Services and Long-Term Care and additional need driven by the increased population

Local Infrastructure and Services Required for Complete Communities:

- Local transit services for increased population as well as fleet, garages and corridor construction
- Transportation infrastructure including local roads and active transportation
- Parks, recreation facilities and other community facilities
- Library services
- Fire protection services
- Stormwater management
- Climate change related initiatives
- Works/operations yards and facilities

- Utilities – full cost of electricity capacity upgrades required to meet higher electricity demand due to electrification of facilities, transit, fire trucks, etc.

Other Services

In addition to the need to accelerate regional, and local infrastructure and services there will also be the requirement for the Province to ensure provincial services are available for the increased population, some of the most critical include schools, hospitals, and other health facilities.

Investment in healthcare is critical in Peel to meet the per-capita provincial average for the current population as well as to meet future healthcare needs associate with the additional growth from Bill 23.

The Province should also prioritize and expedite the in-service time of planned GO rail service and stations to facilitate housing pledge-related housing supply in Major Transit Station Areas.

4. Financial Strategies and Tools to Support the Increased Growth

The Region has developed preliminary recommendations on how to respond to the increased municipal growth targets under Bill 23 and opportunities to build more homes faster. The following financial actions are recommended to the Province for consideration and action to make municipalities whole.

Action 1 - To reimburse the reduction in DC Revenue

Each municipality is made whole on financial losses related to Bill 23. The reimbursement should be made on annual basis.

Action 2 - To fund/finance the advanced growth capital expenditures

To advance the growth, accelerated capital infrastructure (preliminary estimate \$20 billion) would be required to be emplaced prior to development (i.e. DC revenues). Since there is no surplus fund in the Regional DC reserve fund, the capital expenditures would have to be financed through debt or be funded through tax and utility rate increases. Staff's analysis and discussion with the investment community concludes that this level of municipal borrowing is simply not feasible. Therefore, a combination of new provincial funding programs and innovative provincial financing solutions are required. The split of funding and financing should recognize that municipalities cannot borrow amounts that result in debt servicing costs exceeding the provincial ARL limit.

All levels of government and the development community are encouraged to work together to design and implement these funding programs while ensuring outcome-based commitment and accountability of all participants.

Action 3 - To fund/finance the increased and accelerated service demand impacted by quicker growth

Additional measures and interim funding are required to assist municipalities to address funding needs for affordable housing, as well as sudden rising service demands in services such as police, paramedics, waste management, fire protection and transit resulting from accelerated and increased growth.

Action 4 – Streamline Provincial processes related to infrastructure planning and approvals

The Province should review and simplify their processes related to infrastructure planning and approvals including environmental assessments, stakeholder consultation, certificates of approval, excess soil management and permits to take water.