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MEETING DATE YYYY/MM/DD	MEETING NAME		
DATE SUBMITTED YYYY/MM/DD			
2025/11/11			
NAME OF INDIVIDUAL(S)			
Jordan Kupinsky			
POSITION(S)/TITLE(S)			
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NAME OF ORGANIZATION(S)			
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INDIVIDUAL(S) OR ORGANIZATION(S) ADDRESS			
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REASON(S) FOR DELEGATION REQUEST (SUBJECT MATTER TO BE DISCUSSED)			
Presentation on Municipal Bonds: Helping to lower the cost of Homeownership.			
A formal presentation will accompany my delegation <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
Presentation format: <input type="checkbox"/> PowerPoint File (.ppt) <input checked="" type="checkbox"/> Adobe File or Equivalent (.pdf)			
<input type="checkbox"/> Picture File (.jpg) <input type="checkbox"/> Video File (.avi,.mpg)			
<input type="checkbox"/> Other <input type="text"/>			
Additional printed information/materials will be distributed with my delegation:			
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Attached			

Please save the form to your personal device, then complete and submit via email attachment to council@peelregion.ca

Note:

Delegates are requested to provide an electronic copy of all background material / presentations to the Clerk's Division if possible 72 hours prior to the meeting start time. **Delegation requests and/or materials received after 9:30 a.m. on the Wednesday prior to the meeting will not be provided to Members.**

Delegates should make every effort to ensure their presentation material is prepared in an accessible format. Once the above information is received in the Clerk's Division, you will be contacted by Legislative Services staff to confirm your placement on the appropriate agenda.

In accordance with the Region of Peel Procedure By-law, delegates appearing before Regional Council or Committee are requested to limit their remarks to 5 minutes and 10 minutes respectively (approximately 5/10 slides). Delegations may only appear once on the same matter within a one-year period, unless a recommendation pertaining to the same matter is included on the agenda within the one-year period and only to provide additional or new information.

Notice with Respect to the Collection of Personal Information

(Municipal Freedom of Information and Protection of Privacy Act)

Personal information contained on this form is authorized under Section 4.4 of the Region of Peel Procedure By-law 27-2022, as amended, for the purpose of contacting individuals and/or organizations requesting an opportunity to appear as a delegation before Regional Council or a Committee of Council. The completed Delegation Request Form will be redacted and published with the public agenda. The Procedure By-law is a requirement of Section 238(2) of the Municipal Act, 2001, as amended. Please note that all meetings are open to the public except where permitted to be closed to the public under legislated authority. All Regional Council and Committee meetings are live streamed via the internet and meeting videos are posted and available for viewing subsequent to those meetings. Questions about collection may be directed to the Manager of Legislative Services, 10 Peel Centre Drive, Suite A, 5th floor, Brampton, ON L6T 4B9, (905) 791-7800 ext. 4462.



WINDSOR
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Municipal Bonds: Helping to Lower the Cost of Homeownership

November 2025

Presentation prepared for: The Council of the Regional
Municipality of Peel

Presented by: Jordan Kupinsky

The Problem

- Homeownership is becoming unaffordable for the average Canadian:
 - Average Home Price-to-Average Gross Household Income Ratio has increased to 54% in 2024 (up from 39% in 2019)¹.
 - Development Charges (“DCs”) have increased ~592% between 2011-2023, outpacing both inflation (~38%), and income (13%) over the same time frame².
- There are 2 questions we should be asking:
 1. Are DCs paying for the true cost of funding municipal works that support new homes?
 2. Assuming DCs are correct (which we question), are we properly financing how they are paid?



An Immediate Actionable Solution

- Issue municipal bonds and use proceeds to pay for the DCs.
- Fund infrastructure and municipal services currently paid via DCs over say 50 years. These charges are used to pay for long-term assets. Municipalities should align repayment with the useful life of these capital improvements.
- Utilize the municipality’s credit rating to secure the lowest possible borrowing rates.
- Add a dedicated “new development servicing fee” to annual property tax bills for affected properties, ensuring steady repayment and bond security.

The Outcome*

- **~\$127,000 upfront saving to new construction homebuyer**
- **~\$1,400 in annual interest cost savings**
- **~\$1,700 in annual cash flow savings to new homebuyer through longer amortization schedule**

**See page 5 for detailed assumptions and calculations*

Issue	Current Practice	Solution
Funding Horizon	Upfront, paid by first user	Asset life often 40-50 years
Cost Burden	Homebuyers	Should align with infrastructure users
Financing Method	Developer passes cost via price	Amortized via bond financing
Municipal Risk	Limited	Low-risk

What are Municipal Bonds

- Debt securities issued by municipal entities to raise capital upfront which are repaid over 10-50 years.
- Two main types:
 - **General Obligation Bonds:** Backed by issuer's full faith, credit, and taxing power.
 - **Revenue Bonds:** Repaid exclusively from revenues generated by the financed project (e.g. tolls, rent, utility fees).

Benefits of Using Municipal Bonds to Fund DCs

Lower Initial Cost of Homeownership

- Removes the upfront cost from the development, significantly reducing purchase prices for buyers.
- Improves housing affordability by lowering mortgage requirements and monthly payments for new homeowners.

No Loss to Municipal Revenues

- While initial DCs are removed from the developer's pro forma, the costs are financed through municipal bonds and repaid over decades.

Align Costs with Those Receiving the Benefits

- The long-term homeowners repay the bond, aligning costs with actual use rather than upfront purchaser being burdened with the full cost of the DCs.

Strong Track Record in the U.S

- Successful implementations in multiple U.S markets show viability across economic cycles.
- Demonstrates capacity to deliver affordable housing without compromising municipal fiscal health.

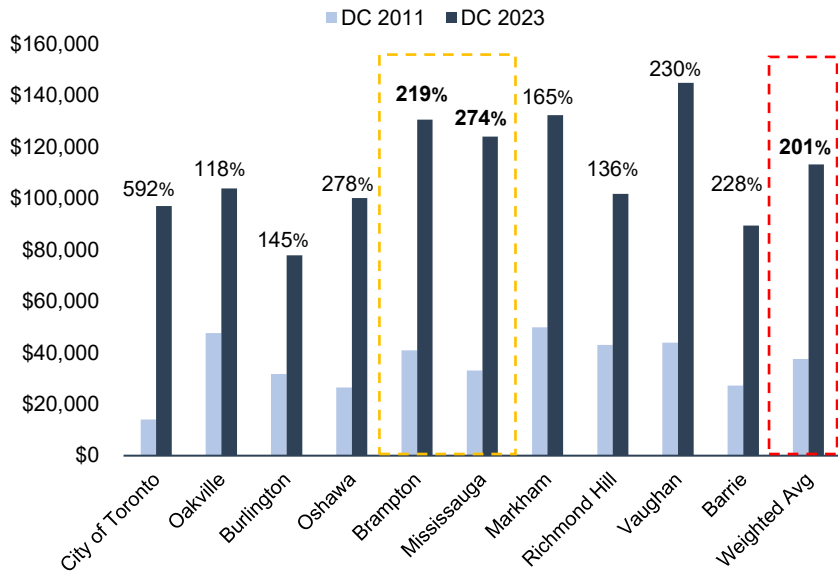
Grows the Canadian Bond Market & Provides New Safe Income Securities for Investors

- Attracts institutional, and retail investors seeking steady yields in a low-risk asset class.
- Increases supply of high-quality bonds in the Canadian market allowing Canadian investors to invest at home.
- Opportunity for the government to incentivize the market to reduce cost of funds by making bonds tax exempt as in the U.S.

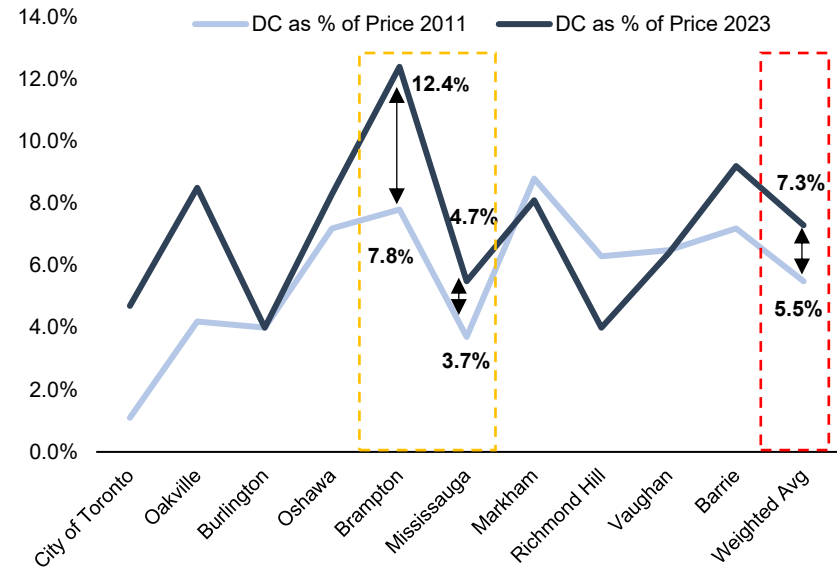
Development Charges – Outpacing Price and Income Growth

The high increase in DCs compared to home prices, inflation, and income growth have significantly worsened affordability across the Greater Toronto Area (“GTA”)

Development Charge Growth in Top 10 GTA Cities (2011-2023)¹



Development Charges as a % of Home Prices (2011-2023)¹



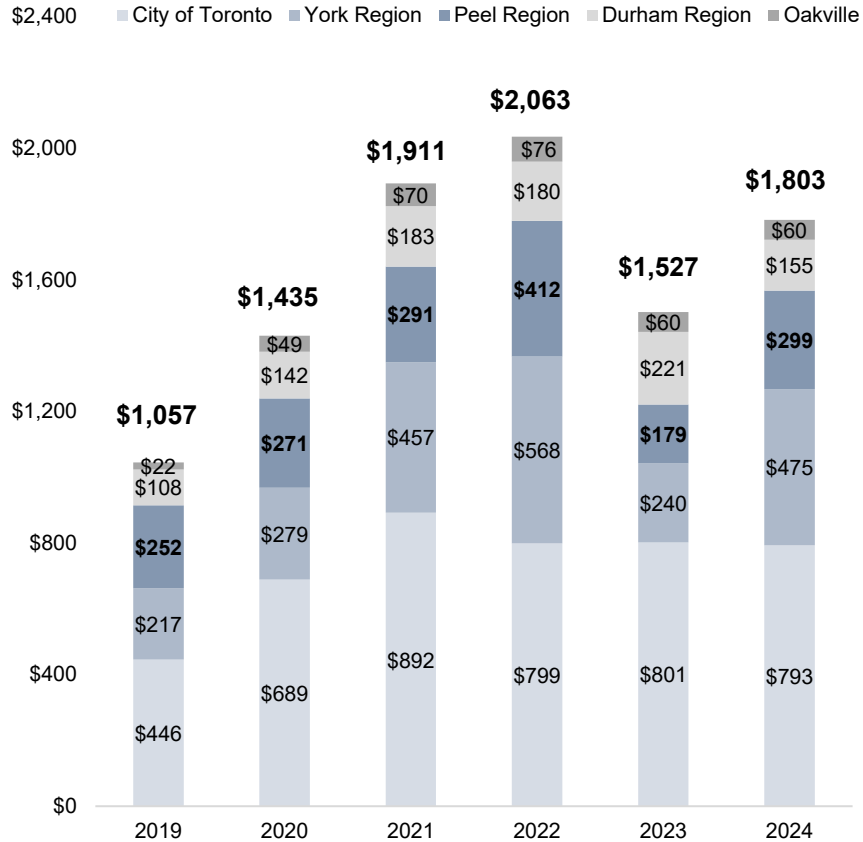
- Brampton and Mississauga have the 3rd and 4th-highest DCs among the top 10 GTA municipalities, both exceeding \$100,000 per unit.
- Since 2011, DCs in Brampton and Mississauga have risen 219% and 274%, surpassing the GTA weighted average increase of 201%.
- DCs represent about 12% of new-home prices in Brampton and 6% in Mississauga, compared with the GTA average of 7.3%.
- Toronto has recorded the largest DC increase (592%) among major GTA municipalities since 2011.
- Between 2010 and 2023, the Consumer Price Index rose ~38%², and median after-tax family income grew only 13%³, illustrating how development charges (201%) have far outpaced inflation and income growth across all of the GTA’s top 10 largest cities.
- **With these facts, one must question if growth is paying for growth as originally intended or is growth subsidizing existing homeowners' property taxes.**

¹ 'The State of DCs in Ontario' Report by KPEC Planning and Economics.

² Bank of Canada

³ Statistics Canada

Total DCs Collected by Region¹ \$(000,000's)



Across the GTA, there is an opportunity to grow the Municipal Bond market to \$1.5B - \$2.0B annually

Municipal Bonds Improve Affordability

- The cost of the DCs is ultimately borne by the purchaser of the home which puts a significant strain on affordability.
- With a typical home being purchased with 20% owner's equity and 80% mortgage debt, there is an opportunity to lower the cost of debt for the homeowner:
 - Current 5-year mortgage is 4.00%.
 - Based on conversations with municipal bond market participants, 5-year municipal bonds are priced 5 bps above the current Ontario 5-year bond of 2.86%.
 - With a 5-year municipal bond priced at 2.91%, there is +100 bps in interest savings for the homeowner for the life of the mortgage.
- Additionally, a longer amortization period of 50-years for municipal bonds compared to the standard 30-year amortization will contribute to lower mortgage costs.

Annual Cash Flow Savings Per Homeowner ²			
	Interest Exp.	Amortization	Total Cost
Conventional Mortgage ³	\$30,698	\$4,244	\$34,942
Municipal Bond Funded Mortgage ⁴	\$29,310	\$2,546	\$31,857
Difference	\$1,388	\$1,697	\$3,085

Using Municipal Bonds to fund DCs, would save the average homeowner ~\$3,100 / year (~\$1,400 in annual interest costs and ~\$1,700 in annual cash flow savings (~\$93,000 over the life of the mortgage))

¹ Public Financial Statements

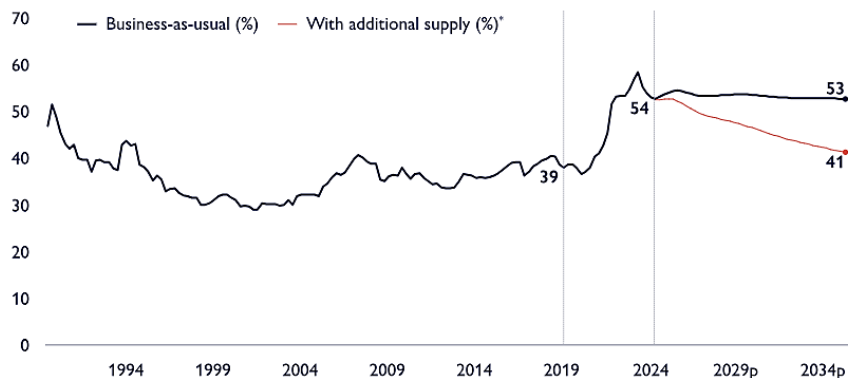
² Assumes purchase of a ~\$960k house with ~\$127k DC (based on the average DCs in Mississauga and Brampton)

³ Assumes 4.00% interest rate and 30-year amortization

⁴ Assumes 2.91% interest rate and 50-year amortization

With some of the highest DCs in the province, Peel can demonstrate leadership in Ontario by supporting a Municipal Bond solution to help solve the home affordability crisis while stabilizing and growing jobs in the construction sector

Improved Housing Affordability¹



- Target housing affordability is defined as monthly housing costs not exceeding 30% of gross household income.
- Under business-as-usual, the affordability ratio remains high at 53% by 2035, whereas with increased housing supply, it improves to 41%, highlighting the impact of higher output.
- To reach the improved scenario, annual housing starts must rise to ~478k units by 2035, nearly double the current projection of 245k per year.

Job Losses from 10,000 Less Construction Starts²

Employment Type	Direct	Indirect	Total
Construction	13,612	160	13,772
Finance and Professional Services	1,944	3,312	5,256
Trades and Transportation Services	20	3,448	3,468
Manufacturing	4	2,864	2,868
Other Services	0	736	736
Primary Industries	0	356	356
Non-profit and Government Services	36	180	216
Care Services	0	108	108
Utilities Services	4	52	56
Total	15,620	11,216	26,836

- 670k jobs were directly tied to 250k housing starts in 2024.
- A 4% drop in starts (~10,000 units) could eliminate ~27k jobs.
- CMHC projects starts will fall to 212,500 by 2027 — 33k fewer than 2024, or a loss of 75k – 100k jobs annually.
- A 100k job decline would rival the 2008 auto sector crisis, when 15k threatened jobs prompted swift government action.

¹ CMHC Housing Shortage in Canada

² Statistics Canada

THANK YOU

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