



Mayor Cam Guthrie, Chair, Ontario's Big City Mayors
Remarks to Standing Committee on Heritage, Infrastructure and Cultural Policy
re: Bill 23, More Homes, Built Faster Act, 2022
Wednesday, November 16th, 2022
3:00pm (Virtual)

Introduction

- Good afternoon
- Thank you for the opportunity to address the Standing Committee on Heritage, Infrastructure and Cultural Policy today
- I am here today as the Chair of Ontario's Big City Mayors, OBCM for short...
- On behalf of the Mayors from Ontario's 29 largest single and lower-tier municipalities, collectively representing nearly 70 per cent of the province's population
- Our role is to advocate on issues and policies that are important to Ontario's largest cities
- OBCM supports the governments' goal of building 1.5 million homes over the next 10 years.
- Daily we see the impact of the housing crisis on our residents and work hard to deliver housing that is affordable for all income levels, but still agree more can be done to reach our collective goal.
- We have been working with AMO (Association of Municipalities of Ontario), and other municipal organizations to better understand the root causes of this housing crisis and the impacts of the government changes.
- There are parts of Bill 23 that are positive, however we are concerned about the unintended consequences of other aspects of this legislation and will be addressing some of these today.



Housing Supply Action Plan Implementation Team, Development Charges and Parkland Dedication Rates

- First, to ensure that the implementation of this legislation is impactful to reaching our shared goals, the province must activate its Housing Supply Action Plan Implementation Team.
- When Drew Dilken, Mayor of the City of Windsor, was announced as Chair of the Implementation Team and Cheryl Fort, Mayor of the Township of Hornepayne as Vice-Chair, OBCM applauded the province's commitment to collaborating with municipalities...
- We agree with how important of a tool this group will be, bringing together all levels of government, including partner ministries, along with municipal associations and industry associations to oversee the implementation of Ontario's Housing Supply Action Plan for 2022–2023 - Bill 23.
- As committed partners in this process, OBCM would like to see the proposed Planning Act and Development Charges Act changes first up on its agenda.
- The Environmental Registry posting for DC and parkland changes provided an analysis of their expected impacts on incentivizing housing and cost savings for home builders, buyers and renters.
- And while we do not disagree, we are concerned that this analysis does not go into detail on the impacts to municipal revenues.
- If not addressed, the impacts will be billions of dollars' worth of infrastructure deficits severely hurting our ability to support the building of new homes.
- Municipal planning follows the principle that growth pays for growth, with development charges put towards key infrastructure needed to support new development, including water and wastewater services, sidewalks, roads and bridges.



- With or without development charges, this infrastructure still needs to be built.
- Municipalities had hoped to see a reference to finding solutions for this deficit in the Fall Economic Statement as currently, the only way a municipality can afford these costs are through significant property tax increases on the entire tax base.
- This means growth will no longer pay for growth, the rate base will, with some municipalities estimating property tax increases of upwards of 4%.
- Quantifying the value of public greenspace is a bit more difficult, however if anything was made clear throughout the pandemic, it was the necessity of the available greenspaces for public use.
- Residents used these spaces to connect, to find a sense of community, and to stay healthy - both physically and mentally.
- Usage of outdoor municipal amenities were at record highs and have remained elevated ever since.
- Increased density means a need for more public greenspace, not less
- Parkland is an important part of a community, however, if less is being created and the use of privately owned public spaces are able to count towards municipal parkland dedication requirements - it is not clear how Councils can guarantee safe spaces for outdoor activities or promote healthy behaviours.
- Ontario's Big City Mayors do not believe that there is enough time or capacity to fully appreciate the impacts of proposed parkland and development changes, at the speed the legislative process is moving.
- We believe a pause in the implementation of the financial pieces of this legislation is needed...



- And that the province should bring these proposed changes to the Housing Supply Action Plan Implementation Team.
- At that table, a full review can take place, with all partners working together to find solutions that reduce home prices, create green spaces, and include a sustainable funding model to address the critical infrastructure deficits outside of the property tax base.

Accountability + Pledges

- We know the government wants to work with municipalities.
- We have seen the positive results of taking a collaborative approach when facing a crisis.
- During COVID, all three levels of government came together to address the needs of our residents as best as we could. We were a team.
- We are now facing a different type of crisis, and rather than finger point, we have the opportunity to once again come together to find solutions.
- OBCM's second request is if we are all in this together, we would like to see all partners, not just municipalities, required to sign pledges outlining the actions each partner is responsible for...
 - This could include how they will work with municipalities to do their part to make sure each city's specific home building targets are met.
- At the Housing Summit held by the province in January, the Premier stated we all have to look in our own backyards. Municipalities have done that and are requesting that both industry partners and the provincial government do the same.



- Homebuyers deserve accountability throughout the entire home building process.
 - What if a municipality is waiting on a Ministry's approval?
 - What if we receive an incomplete application and are having a difficult time getting the developer to complete it?
- We are also requesting that the government require all partners to report annually on their progress as well.
- A lot has changed since the Task Force came out with their recommendations at the beginning of 2022.
- The Canadian Home Builders Association recently released their 2022 Q3 Housing Market Index, summarizing the 3rd quarter with: "As interest rates continue to rise, builder confidence declines and construction activity slows."
- They reported that 93% of single-family builders are seeing a slowdown in sales and 54% of the builders in Ontario rate current conditions as poor... with increases in interest rates, cost of living and inflation as key factors.
- A great illustration of how this is impacting Ontario is found in the Fall Economic Statement which reduced the projected housing starts for 2023 from 84,000 to 76,900 starts.
- And 2024 housing start projections have also been reduced, by almost 10,000 starts, from 87,300 to 77,800.
- With so much uncertainty, and the province already reducing their targets, it will be tough for municipalities to stay on track for theirs as well.
- Will the province address these changes? What metrics are municipalities being measured by and will there be a process in place to revise these metrics if the economic climate continues to be uncertain.



- It is important that all partners are held to account if targets cannot be met, especially through such unprecedented outside forces.

Timing and Capacity Issues

- The third piece we want to address is how the timing of this legislation restricts municipal participation.
- The provincially set date for the beginning of a Mayor and Council's term in office was November 15th, with first Council meetings taking place over the next couple of weeks.
- Because of this timing, it is impossible for most City Council's to be fully engaged in the legislative process for Bill 23, or even approve a Council position in time to submit comments to the regulatory registries.
- That is why OBCM is also requesting that the Government of Ontario extend the comment periods for these postings to allow for full municipal participation.
- It is critical that the full impacts of these measures are explored before implementation. We need to get this right.
- We are also seeing capacity issues in many of our municipalities.
- With the introduction of Bill 23 and the work required to determine its implications to each municipality, on top of the resources being used to implement Bill 109, I am afraid that some municipalities will not be able to meet the deadlines set by the province.
- There are only so many planners, software workers, and consultants' municipalities can call on to help.
- And while we appreciate that we were selected to present today, it is hard to miss that we are one of only two municipal presenters over the four committee dates.



- With such an extensive piece of legislation, with proposals that will forever shift the way municipalities run their planning departments, it is so important that more than just our voices are heard.
- There is no such thing as a one-size fits all approach with municipalities, and I encourage the government to continue consultations with the municipal sector before final reading of this legislation, and to continue this approach throughout the creation of regulations.

Conclusion

- Thank you for your time today, and I look forward to answering any questions you may have.