Ministry of Municipal Affairs and Housing

Office of the Minister

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234-2023-4205

August 22, 2023

Dear Head of Council,

Subject: Building Faster Fund

The housing supply crisis affects all of Ontario – from rural communities to large, urban centres. Our government is committed to building at least 1.5 million homes by 2031, with municipalities across the province as our key partners.

On August 21, 2023, Premier Ford announced the new Building Faster Fund, a new three-year-\$1.2 billion program to help municipalities meet or exceed their share of the province's 1.5 million homes goal.

As announced by Premier Ford, 10% of the overall funding will be set aside for small, rural and northern communities that have not been assigned a housing target by the province, in order to address their unique needs in supporting growth in housing supply.

Ontario will be consulting with the Association of Municipalities of Ontario and the Housing Supply Action Plan Implementation Team on program design details of the Building Faster Fund, including how the funds can best support small, rural and northern communities, and I look forward to sharing more information with you in the future. As Ontario grows, we need to build more homes. I look forward to your support in ensuring that everyone – newcomers, young families and seniors – can afford a place to call home.

Sincerely,

Steve Clark Minister

c: Hon. Nina Tangri, Associate Minister of Housing

Ryan Amato, Chief of Staff, Minister's Office

Martha Greenberg, Deputy Minister

Joshua Paul, Assistant Deputy Minister, Market Housing Division

Sean Fraser, Assistant Deputy Minister, Planning and Growth Division

Caspar Hall, Assistant Deputy Minister, Local Government Division

Kelly Lush

From: Kelly Lush

Sent: August 31, 2023 1:10 PM

To: Kelly Lush

Subject: FW: Ontario Making Progress on Work to Build at Least 1.5 Million Homes



NEWS RELEASE

Ontario Making Progress on Work to Build at Least 1.5 Million Homes

Province announces next steps in its plan to increase the supply of homes of all types

August 22, 2023

Ministry of Municipal Affairs and Housing

LONDON — Today, Steve Clark, Minister of Municipal Affairs and Housing, addressed delegates at the Association of Municipalities of Ontario conference. He spoke about the progress the government is making on its plan to get at least 1.5 million homes built by 2031 as well as the next steps it is taking to tackle the housing supply crisis in communities across Ontario.

Minister Clark announced that the province intends to appoint regional facilitators in Durham, Halton, Niagara, Waterloo, York and Simcoe County by September 11, 2023. These facilitators will be tasked with assessing local governance structures in these communities to ensure they are prepared to support future growth and meet the needs of their residents, particularly when it comes to building homes and housing-enabling infrastructure.

Minister Clark also announced the next steps in the province's work to update the provincial definition of affordable housing, which will support the government's efforts to lower the cost of building affordable homes. The government intends to introduce changes to the *Development Charges Act* that would, if passed, incorporate income factors in addition to market factors in this definition. To ensure low- and moderate-income Ontarians in all parts of the province can find a truly affordable home, affordable homes that meet the province's definition would be eligible for discounts and



exemptions on development-related fees, to help lower the cost of building, purchasing and renting affordable homes across the province.

"Our government remains intently focused on helping Ontarians find the homes they need and deserve," said Minister Clark. "We are working closely with our municipal partners to ensure they have the tools they need to meet their housing targets and will keep fighting to reach our goal of 1.5 million homes by 2031."

The government will continue to work with other levels of government, industry and non-profit partners in order to achieve shared housing goals. To that end, a provincially hosted Housing Forum in November 2023 will bring together stakeholders and municipal representatives to discuss how Ontario can best continue increasing the supply of homes.

Through its recent Housing Supply Action Plans, the government has strengthened protections for renters and homebuyers, streamlined local development approval processes, and made it faster and easier to build homes under the Building Code, with the next edition of the Code expected to be released later this year.

In 2022, housing starts in the province surpassed 96,000 – the second-highest number since 1988 and 30 per cent higher than the annual average for the past 20 years. Rental housing construction improved as well, with 2022 setting a new record of nearly 15,000 starts. The trend continues in 2023, with a seven per cent increase in starts over the first seven months vs. 2022 and a 44 per cent increase in rental starts.

Quick Facts

- The government intends to support municipal efforts to tackle the housing supply crisis by creating a new <u>Building Faster Fund</u>, which will provide up to \$1.2 billion over three years to municipalities across Ontario that meet or exceed their housing targets.
- The province is expanding strong mayor powers to 21 additional municipalities, provided heads of council adopt a municipal housing pledge based on a target provided by the province.
- A majority of the province's population growth over the next 30 years is expected to occur in southern Ontario.
- Ontario municipalities follow either a single-tier or two-tier system of government.
 In a two-tier system, municipal responsibilities set out under the *Municipal Act*and other provincial legislation are split between an upper-tier and several lowertier municipalities. In a single-tier system, they are the responsibility of a singletier municipality.

Additional Resources



- Ontario's Housing Supply Progress
- Ontario's Housing Innovation

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Kelly Lush

From: Kelly Lush

Sent: August 31, 2023 1:13 PM

To: Kelly Lush

Subject: FW: To Build More Homes, Ontario Launching Building Faster Fund and Expanding Strong Mayor

Powers



NEWS RELEASE

To Build More Homes, Ontario Launching Building Faster Fund and Expanding Strong Mayor Powers

Three-year, \$1.2 billion fund will reward municipalities that deliver on housing targets

August 21, 2023

Premier's Office

LONDON — To reward municipalities that build homes, the Ontario government is launching the Building Faster Fund, a new three-year, \$1.2 billion program that provides significant new funding based on performance against provincial housing targets. To ensure more municipalities have the tools needed to build homes and to expand eligibility for the Building Faster Fund, the province is also expanding strong mayor powers to municipalities projected to have populations of 50,000 or larger by 2031 that commit to meeting their provincial targets.

"With these new measures, we're supporting municipalities and giving them the tools they need to build more homes faster to tackle the affordability crisis that's pricing too many people, especially young families and newcomers, out of the dream of home ownership," said Premier Doug Ford. "We have two choices: We can sit back and ignore the crisis, or we can build more homes. Our government is choosing to build homes."

The Building Faster Fund will provide \$400 million in new annual funding for three years to municipalities that are on target to meet provincial housing targets by 2031. Municipalities that reach 80 per cent of their annual target each year will become



eligible for funding based on their share of the overall goal of 1.5 million homes. Municipalities that exceed their target will receive a bonus on top of their allocation.

Funding from the Building Faster Fund can be directed toward housing-enabling infrastructure and other related costs that support community growth. Eligible expenses will be determined following consultations between the province, the Association of Municipalities of Ontario, the City of Toronto and the Housing Supply Action Plan Implementation Team. A portion of the overall funding will also be allocated to single and lower tier municipalities that have not been assigned a housing target, including small, rural and northern communities, in order to address their unique needs, following municipal consultations.

Ontario is also expanding strong mayor powers to 21 more municipalities that are projected to have populations of 50,000 by 2031 and whose heads of council are committed to a provincially assigned housing target. The expansion of strong mayor powers will take effect on October 31, 2023. The expansion is in addition to the 28 municipalities that already have strong mayor powers, having committed to targets through municipal housing pledges. Once a housing pledge is received from the head of council, these municipalities will also become eligible for and will have access to the Building Faster Fund.

"There is an urgent need to get more homes built quickly across Ontario," said Minister of Municipal Affairs and Housing Steve Clark. "By providing additional financial resources to our municipal partners as well as strong mayor powers to help speed up the approvals process, our government is acting decisively to tackle Ontario's housing supply crisis and build the homes our residents need and deserve."

Quick Facts

- The 29 municipalities assigned housing targets in 2022 and the 21 municipalities with newly assigned housing targets represent more than 88 per cent of the provincial target of 1.5 million homes.
- Municipal housing pledges identify the tools and strategies that municipalities intend to use to achieve their housing targets as part of the ongoing work to increase housing supply. Municipalities with housing targets must submit a pledge to access the Building Faster Fund.
- An eligible municipality would receive no funding if it is below 80 per cent of its annual assigned target. However, it would receive up to 100 per cent of allocated funding if it is on track to meet its target and could receive potential bonus funding if it exceeds that.
- In 2022, Ontario saw the <u>second-highest number of housing starts since 1988</u>, with just over 96,000 new homes. Ontario also broke ground on nearly 15,000 new purpose-built rentals, the highest number ever on record.



Additional Resources

- BACKGROUNDER: Ontario Providing New Tools to Municipalities to Build More Homes Sooner
- Ontario's Helping Homebuyers, Protecting Tenants Plan
- Ontario's Housing Supply Progress
- More Homes Built Faster

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Kelly Lush

From: Kelly Lush

Sent: August 31, 2023 1:10 PM

To: Kelly Lush

Subject: FW: Working with Municipalities to Build Ontario



NEWS RELEASE

Working with Municipalities to Build Ontario

Province announces new investments and tools for municipalities at 2023 AMO conference

August 23, 2023

Ministry of Municipal Affairs and Housing

LONDON — The Ontario government is working in partnership with municipalities to get shovels in the ground on priority projects and connect more people to jobs and homes, while enhancing critical public services to better serve the province's growing population.

At the 2023 Association of Municipalities of Ontario (AMO) conference in London, Premier Ford announced that Ontario is introducing a new Building Faster Fund that will provide up to \$1.2 billion over three years for municipalities that meet or exceed the housing targets they have pledged to achieve by 2031. This funding will help municipalities pay for housing-enabling infrastructure and related costs that support community growth. In recognition of their unique needs, 10 per cent of the funding will be reserved for small, northern and rural municipalities that have not been assigned a housing target, following municipal consultations.

Premier Ford also announced that Ontario will expand strong mayor powers to 21 additional municipalities, provided their heads of council commit to a municipal housing target as part of the province's work to build at least 1.5 million homes by 2031. Strong mayor powers offer municipalities tools to help cut red tape and speed up the delivery of key shared municipal-provincial priorities such as housing, transit and infrastructure.

As part of the government's work to support the construction of a range of housing types, Steve Clark, Minister of Municipal Affairs and Housing, announced that the province will be moving forward with a proposed definition of affordable housing for the



purpose of development charge discounts and exemptions. This definition would take local incomes into account in determining which units should be eligible for development charge discounts and exemptions. This approach will reflect the ability of local households to pay for housing and recognizing the variety of housing markets across the province.

Minister Clark also announced that the province will be naming regional facilitators in Durham, Halton, Niagara, Simcoe County, Waterloo and York no later than September 11, 2023. The regional facilitators will make recommendations to the province on what locally-supported governance models would best support Ontario's fastest growing municipalities in moving forward on shared priorities to help municipalities meet their housing targets and build housing-enabling infrastructure.

The government will also host a Housing Forum in Toronto in November 2023 to engage municipal partners and other key stakeholders on the province's Housing Supply Action Plan and next steps in our work to tackle the housing supply crisis. As Ontario works towards that goal, the government continues to look to its partners for their advice on the implementation of our Housing Supply Action Plans and insights on potential opportunities to get more homes built.

"Municipalities are critical partners for our government and we're absolutely committed to making sure they have the tools they need to succeed," said Minister Clark. "We have made substantial progress in our work to get more homes built faster across Ontario and I look forward to working together to build the homes Ontarians need and deserve."

The government is also taking an important step forward to deliver on Your Health: A Plan for Connected and Convenient Care by increasing provincial funding for public health agencies to build a robust public health sector that has the support and resources needed to connect people to care in their communities. Starting January 1, 2024, the province will restore provincial annual base funding for public health units to \$47 million, which is the level previously provided under the 75 per cent provincial / 25 per cent municipal cost-share ratio and will provide local public health units an annual one per cent funding increase over the next three years so they can more effectively plan ahead and prepare.

The province will also clarify the roles of local public health units, to reduce overlap of services and focus resources on improving access to services close to home. One-time funding, resources and supports will be offered to local public health agencies that voluntarily merge to streamline and reinvest back into expanding programs and services.

To connect people to emergency care faster and increase the availability of paramedics and ambulances in communities, Ontario is increasing land ambulance funding to municipalities by an average of six per cent, bringing the province's total investment this year to over \$811 million. The province is also investing an additional \$51 million into



the Dedicated Offload Nurses Program over the next three years which helps reduce delays paramedics encounter dropping off patients at a hospital and allows them to get back out into the community faster. This investment will help 30 municipalities cover around 800,000 dedicated hours to support offloading ambulance patients in the emergency department.

"Building a stronger public health system, with more convenient and consistent access to public health services, is one more way our government is connecting people in Ontario to health care closer to home," said Sylvia Jones, Deputy Premier and Minister of Health. "The pandemic showed that we need a stronger public health system and this increased funding will help to create a more connected public health system that will support Ontario communities for years to come."

"Since day one, our government has listened to and worked closely with its municipal partners to build the critical infrastructure our growing communities need to thrive," said Caroline Mulroney, Minister of Transportation. "From building new highways, to public transit, we are getting shovels in the ground on much-needed projects right across the province and supporting our shared goal of a stronger Ontario today and in the future."

"For Ontario to succeed and serve the public well, all governments need to work together to address difficult challenges," said Colin Best, AMO President and Councillor for the Town of Milton and Region of Halton. "We welcome the Ontario government's support to build infrastructure, increase housing and to make housing more affordable for all."

"This announcement is another tangible example of our government's commitment to building Ontario," said Nina Tangri, Associate Minister of Housing. "We know first-hand that municipalities across the province must be equal players in helping us achieve our goal of building 1.5 million homes by 2031. These new measures will help create more opportunities for municipalities and the province to work together, increase housing supply, and deliver for Ontarians."

Quick Facts

- The government's fourth housing supply action plan <u>Helping Homebuyers</u>, <u>Protecting Tenants</u> – contains a suite of new measures to make life easier for renters, help homebuyers and streamline policies to build more homes.
- Strong mayor powers are already available to <u>28 large and fast-growing</u> <u>municipalities</u> that have committed to a housing target.
- Ontario is investing an <u>additional \$202 million annually</u> through the Homelessness Prevention Program and Indigenous Supportive Housing Program - bringing the province's annual investment in these programs to close to \$700 million.
- The province is providing up to \$50 million in temporary support to assist municipalities most significantly impacted by the federal decision not to make



- payments-in-lieu of taxes (PILT) on federal properties at the provincially regulated rate. Ontario continues to urge the federal government to make these payments and encourages the province's municipal partners to join in this effort, as this is a federal responsibility.
- Ministers, Associate Ministers and Parliamentary Assistants held about 600
 meetings with municipalities and municipal organizations from across Ontario at
 the 2023 AMO conference. They discussed key priorities including skilled trades,
 public health, housing and homelessness supports, and transportation
 infrastructure.

Media Contacts

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