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**Official Report
of Debates
(Hansard)**

HE-34

**Journal
des débats
(Hansard)**

HE-34

**Standing Committee
on Heritage, Infrastructure
and Cultural Policy**

Affordable Homes
and Good Jobs Act, 2023

**Comité permanent du
patrimoine, de l'infrastructure
et de la culture**

Loi de 2023 pour des logements
abordables et de bons emplois

1st Session
43rd Parliament

Wednesday 15 November 2023

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43^e législature

Mercredi 15 novembre 2023

Chair: Laurie Scott
Clerk: Isaiah Thorning

Présidente : Laurie Scott
Greffier : Isaiah Thorning

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

**STANDING COMMITTEE ON HERITAGE,
INFRASTRUCTURE
AND CULTURAL POLICY**

**COMITÉ PERMANENT DU PATRIMOINE,
DE L'INFRASTRUCTURE
ET DE LA CULTURE**

Wednesday 15 November 2023

Mercredi 15 novembre 2023

The committee met at 0900 in committee room 1.

**AFFORDABLE HOMES
AND GOOD JOBS ACT, 2023**

**LOI DE 2023 POUR DES LOGEMENTS
ABORDABLES ET DE BONS EMPLOIS**

Consideration of the following bill:

Bill 134, An Act to amend the Development Charges Act, 1997 and the St. Thomas-Central Elgin Boundary Adjustment Act, 2023 / Projet de loi 134, Loi modifiant la Loi de 1997 sur les redevances d'aménagement et la Loi de 2023 sur la modification des limites territoriales entre St. Thomas et Central Elgin.

The Chair (Ms. Laurie Scott): Good morning, everyone. The Standing Committee on Heritage, Infrastructure and Cultural Policy will now come to order.

We are here to conduct public hearings on Bill 134, An Act to amend the Development Charges Act, 1997 and the St. Thomas-Central Elgin Boundary Adjustment Act, 2023.

We are joined by staff from legislative research, Hansard and broadcasting and recording. Please wait until I recognize you before starting to speak, and as always, all comments should go through the Chair.

Are there questions before we begin?

**STATEMENT BY THE MINISTER
AND RESPONSES**

The Chair (Ms. Laurie Scott): Our first presenter is the Minister of Municipal Affairs and Housing, the Honourable Paul Calandra. He will have 20 minutes to make an opening statement, followed by 40 minutes for questions and answers, divided into two rounds of seven and a half minutes for the government members, two rounds of seven and a half minutes for the official opposition members, and two rounds of five minutes for the independent member.

Are there questions? Seeing none, Minister, welcome. You have 20 minutes for your presentation. You may begin.

Hon. Paul Calandra: Good morning, colleagues. So look, it's obviously an honour for me to be here in front of your committee to talk about the proposed Affordable Homes and Good Jobs Act. As all of you know, we are in the midst of a housing supply crisis, not only in Ontario but across Canada, and too many Ontarians have been

priced out of the housing market through no fault of their own. After decades of inaction, burdensome red tape and NIMBYism, it has created a housing supply crisis, and we are, of course, fighting back.

My ministry is working in partnership with the Ministry of the Attorney General and Treasury Board Secretariat by proposing policy changes, along with consultation, to address these problems. Our government's latest proposals in the Affordable Homes and Good Jobs Act are meant to help support the building of more affordable homes in Ontario and help Ontarians find an affordable home based on their household income. These changes support our government goal of helping to build at least 1.5 million homes by 2031. The proposed changes also help our province attract and create jobs.

Since taking office, our government has taken meaningful action to help get more homes built and tackle Ontario's housing supply crisis. Since 2019, we have released four housing supply action plans, taking significant action to unlock more housing supply.

Interruption.

Hon. Paul Calandra: Sorry, my daughter is texting me incessantly, so I'm just going to try and figure out how to turn that off, colleagues. There we go. She's fine. She's doing a clarinet test later on today, so she's a bit nervous about it. Anyway, I digress.

As you know, we have four housing supply action plans meant to significantly unlock more housing supply. In spite of market challenges, Ontario has made some meaningful progress. Both 2021 and 2022 saw the most housing starts in over 30 years, with close to 100,000 homes built in each year, and 2022 also saw the highest level of rental starts on record, with almost 15,000. And 2023 has seen nearly the same pace.

Our government's previous housing supply action plans and other significant measures we've taken to date are having a positive effect on housing supply, helping us to transform Ontario. However, more action is needed to speed up the creation of new homes.

Changes to the affordable housing definition, of course, are one of the hallmarks of this legislation. Our government will continue to move forward to champion an increasing level of proposals to help us with our housing supply. Even more needs to be done to help Ontarians, because we are facing an issue of both housing supply and housing affordability.

Through the proposed changes introduced in the Affordable Homes and Good Jobs Act, we are bolstering our efforts to lower the cost of building, purchasing and renting affordable homes across the province. We're proposing to change the definition of "affordable housing units" used for municipal development-related charge discounts and exemptions. These changes are development charges, community benefits charges and parkland requirements.

We are proposing to incorporate income factors in addition to market factors into the revised definition of affordable housing units. This approach will reflect the ability of local households to pay for housing and recognize the diversity of housing factors right across the province.

Affordable residential units, both rental and ownership, that meet the province's new definition will be eligible for discounts and exemptions from municipal development-related fees. Discounts and exemptions on municipal development-related fees will help lower the cost of building, buying and renting affordable homes across the province. This would help ensure more Ontarians in all parts of the province could find a truly affordable home. It would put the dream of home ownership within reach of many more Ontarians.

The proposed changes, if passed, will also incentivize builders to create housing at a lower cost. By exempting and discounting municipal development-related charges on affordable housing units, we are counting on the community home building sector to step up and help build more affordable homes. Of course, we welcome feedback on the proposed amendments through our postings on both the Environmental Registry of Ontario and the regulatory registry.

The proposed changes in the Affordable Homes and Good Jobs Act also support our government's goal to attract and create good-paying jobs in our municipalities. Good-paying jobs, obviously, are essential to build our economy and help move Ontario forward. Our government is proposing changes that would, if passed, help support Volkswagen Group and PowerCo SE's historic investment to build an electric vehicle battery cell manufacturing facility in St. Thomas. This facility will help to create thousands of direct and indirect jobs.

The agreement that was negotiated in partnership with the city of St. Thomas provides for the city to grant assistance as part of the PowerCo SE project. The current rules against municipalities providing financial assistance to any industrial commercial enterprise limit the city of St. Thomas from providing some of the assistance outlined in the agreement. The changes we are proposing through the Affordable Homes and Good Jobs Act would give the city of St. Thomas the authority to provide PowerCo SE municipal-based incentives that were negotiated in partnership with the municipality. The new authority would be restricted to the city of St. Thomas only.

The Minister of Municipal Affairs and Housing would be provided with regulation-making authority to impose restrictions, limits and other conditions on the new authority. The province consulted, again, on the proposed changes through a posting on the Regulatory Registry of Ontario

for a 30-day period. Creating and supporting more shovel-ready mega-sites like St. Thomas will help Ontario remain competitive as the province competes for major global investments. We are proud to help St. Thomas move forward with this investment because we know it will strengthen the local community.

These proposed changes represent our government's efforts to attract new investment that will create more good-paying jobs and spur economic growth. Today's proposed measures will also speak to our government's strong commitment to work closely with municipalities across the province to achieve the best outcomes for all Ontarians.

To complement the legislative proposals in our Affordable Homes and Good Jobs Act, our government will also be consulting on other changes that can be made to help get more affordable homes built in Ontario and increase municipal efficiencies. To support building more housing, our government will be asking for feedback on proposed regulatory changes aimed at streamlining hearings and expediting decisions at the Ontario Land Tribunal.

The Ontario Land Tribunal, or OLT, is an independent adjudicative tribunal and is an important piece of municipal planning and housing framework here in Ontario. When people are unable to resolve their differences on land and planning issues or have disputes with a municipal council that can't be settled, the OLT provides a forum to resolve these disputes independently of government.

Improving the processes at the Ontario Land Tribunal and helping to resolve land use disputes faster will obviously help minimize delays. It will help us get priority projects built faster for communities across the province, including much-needed homes. The proposals support our government's efforts to provide more certainty for municipalities and make it cheaper and easier to build homes across Ontario.

To further streamline hearings and speed up decisions at the OLT, Ontario is consulting on and developing proposed regulations to set service standards and to prioritize resolution of certain cases, including cases that would create the most housing. Consultations will begin later this fall.

Ontario obviously—as you know, colleagues—has already made significant investments to help the OLT to streamline processes, improve customer service and resolve land use planning disputes more quickly. Some of these investments were made to address key recommendations in the Housing Affordability Task Force report to increase resources at the OLT so homes can be built faster.

0910

We know that principled and timely resolutions play an important role in the province's housing supply. We will not let red tape and long waits delay critical projects in our communities, including much-needed housing.

We will also be engaging with municipalities to ensure that they can benefit from provincial supply chain programs and strategies led by Supply Ontario. This includes having access to category management and vendor-of-record arrangements, which combine Ontario's purchasing power together to obtain better value for procurements. Currently, municipalities spend billions of dollars each year acquiring

goods and services through a variety of methods. Through our proposal, we want to help ensure municipalities can benefit from provincial supply chain programs and strategies which will be led by Supply Ontario.

As colleagues know, Supply Ontario is an Ontario crown agency supporting procurement across the Ontario public service and broader public sector. It works to bring cohesion to the public sector supply chain by embracing innovation and leveraging diverse partnerships and relationships with suppliers. Municipalities, we believe, could collaborate with Supply Ontario on a voluntary basis to allow cost savings and efficiencies by both levels of government. This can help harness Ontario's buying power to enable economic development province-wide, resilience and value for Ontarians.

In conclusion, colleagues, the act before you is meant to provide more affordable homes, create more jobs and make it easier for municipalities to get more homes built faster. It is also about working with our municipal colleagues to make life more affordable for Ontarians.

With that, colleagues, thank you for your indulgence, and I'm prepared to take some questions.

The Chair (Ms. Laurie Scott): Thank you very much for your presentation, Minister.

We'll start this round of questions with the official opposition, then the independent member and the government members for seven and a half minutes. It's going to be MPP Bell.

Ms. Jessica Bell: Thank you to the Minister of Municipal Affairs and Housing for coming and speaking today about the affordable housing bill.

It's important to put this bill in context. This government has been in power for five years now and housing has never been more expensive to rent or buy. This government's work to increase supply has led to thousands of acres of farmland being opened up for development using questionable means, and now the RCMP is investigating this government for corruption. So that's where we're at.

Now we've got this bill. There are some things in this bill which are pretty interesting, some of it supportable. The first question I have is around the definition of affordable homes. I've been looking at the submissions that have been coming in about this new bill, and one definition has come in from the Canadian Centre for Housing Rights. When they did a deep dive into what this new definition of affordable housing is, you've got your income-based definition and then you've got your market-based definition, and you use whatever is lower in order for a developer to be exempt from development fees. When they did a deep dive into it, their assessment is that this definition might actually lead to a higher rent price and sale price than the affordable housing definition that was used in Bill 23.

So my question is, what is the rent going to be in a home that will enable a developer to get their exemption from the development fee discounts? What's it actually going to look like for Ontarians?

Hon. Paul Calandra: The hallmark of the bill is that it would be different from community to community. That's why we put a definition that is based on income and based on CMHC definitions across the province. So it will be

different in Toronto than it will be in Stouffville, Ottawa or North Bay. That was one of the things that we heard from our municipal partners and it's something that we heard from colleagues, that one can't simply legislate for the city of Toronto; one has to legislate for the entire province.

Again, I know one of the reasons why it was so important to put income as part of the definition was for that reason, especially because, under the current definition, much of the province would not have access to affordable homes. An affordable rent in Toronto is certainly not an affordable rent in almost any other part of the province.

Ms. Jessica Bell: Absolutely, Minister; I agree with you. My request is that the minister and the ministry release information around what the affordable definition of rent would be for various municipalities and what the affordable definition would be for sale prices for developers to get these discounts. Because what we're seeing in the analysis is that it's really opaque.

Second, it seems to me, and it seems to be from experts, that the definition of affordable housing is actually worse than what it was in Bill 23, and certainly a lot worse than what it was originally, which is that the definition of affordable housing needs to be permanent, not just for 25 years, and it needs to be based on income. So we're seeing some backsliding here.

I've got another question. This is related to the construction of affordable housing and ensuring that developers do their fair share in helping solve the housing affordability crisis. That's around inclusionary zoning. Two years ago, the city of Toronto passed its inclusionary zoning law, requiring developers to build some affordable housing in big developments. We're talking 100 units or more. They've been waiting for two years for the ministry to sign off on these definitions so that they can go ahead and ensure that not just the city and the province are doing their fair share but that it's also developers doing their fair share as well.

During this time, it looks like we have missed the opportunity to build 6,000 affordable homes during this period while we're waiting, which is a massive lost opportunity. My question to you is, when is the ministry going to allow municipalities to move forward on inclusionary zoning?

Hon. Paul Calandra: As you know, we've put a limit of three and we're working very closely through the housing supply action plan. We sent a letter out to our municipal partners and asked them, of the housing supply action plan items, which are the ones that you are most likely to move on? What are the ones that you think we can make progress on? That wasn't always the number one issue for a lot of them, but we have heard back and what we have been doing is specifically around transit-oriented communities. We're working very closely with the city of Toronto on this proposal, frankly—their OP right now—to ensure that we maximize density around the transit infrastructure.

We've been quite clear on this: People should expect that we're going to do everything we possibly can within the existing urban boundaries to meet our goals. That

means doing things a lot differently than people would have done that before. We are very encouraged by working with our partners and not against them.

They have raised some concerns, I would say. Some councils have raised certain concerns about the ability for certain parts of the community to handle certain densities. That's why I'm taking our time to work directly with the city of Toronto on this one. I'm not going to impose anything on them. But I'll be very honest: I'm not bending on transit-oriented communities. I think pretty much everybody agrees. And I'm not suggesting that they are, either. I don't want to let the allusion out there that somehow they don't want to build around. We're really together and focused on that, and focused on what their target is and how we are going to meet that target with the proposals that they have. I've been quite encouraged, frankly, with how well Toronto has been working with us on that.

The Chair (Ms. Laurie Scott): Forty-five seconds.

Ms. Jessica Bell: To be clear, the city has explicitly requested inclusionary zoning. It's not something that they're asking to be imposed. They've been very clear. They've been asking for it for many years, and every year that we delay it, it means that we get less affordable homes constructed at a reasonable price.

I don't think I have any more time, so thank you for your responses.

The Chair (Ms. Laurie Scott): MPP McMahon for five minutes, please.

Ms. Mary-Margaret McMahon: Thank you for coming to our committee. This is the first time for me with you, Minister Calandra, and I appreciate it. Good luck to your daughter. I did attempt to play the clarinet at one point, a painful time for my parents, so I hope she's a lot better than with my talents.

0920

So thank you very much. Anything we can do to build housing, we're all on board here at Queen's Park, especially affordable housing and all types of housing, especially rental.

I have a very short time for questions, as you know. So my question is, with the OPAs for the protected major transit station areas, especially in Toronto, what's the hold up?

Hon. Paul Calandra: As I just said, we are working closely with the city of Toronto on this one, and I'm expecting that we'll have resolutions soon. But we're working directly with the city of Toronto. We've made it very clear that around transit infrastructure, we expect certain levels of density to make it easier to move people around. Again, I don't want to leave the illusion that the city of Toronto is being in any way difficult around it.

We have two things we want to do—more than two things, sorry. We want to ensure that they can meet their target. We want to ensure that the target that they are meeting is a broad base of housing, rental housing and affordable housing. And we want to ensure that around our transit hubs, they can meet the majority of those targets. I think they are in line with that. As I've said, we've taken

the step of working very, very closely with them on each of their proposals.

Ms. Mary-Margaret McMahon: Okay. And do you have a definition for “soon”? Like, how soon is soon, because we really want shovels in the ground.

Hon. Paul Calandra: Yes, I do too, and they do as well. I think it's taken a bit longer than any of us would have liked, if I'm being honest with you. But the ministry is working very closely with the city of Toronto planning staff, so I'm confident that “soon” is—look, I want shovels in the ground as fast as possible. We've told them, “You're meeting your deadlines,” and they've said, “We will meet our deadlines” as well. And “soon” means very soon.

Ms. Mary-Margaret McMahon: Okay, very soon. And now it's a little more—

Hon. Paul Calandra: But I don't want to give the illusion that they're not working with us. It's not that type of—

Ms. Mary-Margaret McMahon: Right. And it's a little more difficult now that we're going to need a new chief planner. Unfortunately, her amazing one has announced his retirement, much to our dismay, but I'm wishing him all the best.

When we're talking about transit—I've spoken in the House, but I'm not sure if you heard this. I had an address in my area, 8 Dawes Road; Metrolinx owned it and sold it, with no affordability mandate in that. So how can we—I mean, that's appalling. How can we prevent that in the future?

Hon. Paul Calandra: As I said, we're working with the city of Toronto. The city of Toronto has not been shy—and frankly, most of the municipal partners have not been shy of identifying where and how much affordable housing they want to build in their communities. I've actually been quite encouraged by it. For us, though, first and foremost, it's a supply crisis. We've just got to build more homes faster.

We listened to the municipalities and our partners and said, “Listen, you have to change the definition of affordable housing,” and we have done that. We'll continue to work with them. I think there is no reason why we can't build all forms of housing, whether it's rental, affordable, attainable market housing, meet our goals and meet our targets.

Ms. Mary-Margaret McMahon: But this is Metrolinx. How can we get Metrolinx to get on board with affordable housing?

Hon. Paul Calandra: I think Metrolinx—again, I'm not the minister responsible for Metrolinx, so you'd have to ask them directly on that. But when you look at the transit-oriented communities and the work that is being done around that infrastructure, it is enormous. There are enormous amounts of housing that will be going in and around that infrastructure. And it's not just, obviously, in Toronto; we're seeing some great proposals coming out of Ottawa, frankly. I can't remember the councillor—I'm remiss to remember the councillor's name that I met with—oh, my gosh. He had some really good ideas. The Pinecrest councillor?

Mr. Joel Harden: David Hill?

Hon. Paul Calandra: No.

Mr. Joel Harden: Theresa Kavanagh.

Hon. Paul Calandra: I think it was her, yes—some really good proposals.

I think everybody's moving in line in a direction to ensure that it is a broad mix of housing. That is, again, one of the primary factors of why we changed the definition of affordable housing, so that everybody could come on board and make it more affordable.

The Chair (Ms. Laurie Scott): You're out of time. Thank you very much.

The government side: seven and a half minutes. MPP Coe, please go ahead.

Mr. Lorne Coe: Good morning, Chair, and thank you. Through you to Minister Calandra, thank you, Minister, for your delegation. You'll know that we've often said that bringing change will require short-term solutions as well as long-term commitments across all levels of government, the private sector and not-for-profits.

Can you expand, please, Minister, on how this legislation, if passed, will encourage our non-profit and private sector partners to continue investing in Ontario and building the affordable homes Ontarians need and deserve? Thank you, sir.

Hon. Paul Calandra: You have a really good example in and around your community. We were in Oshawa, just about a month ago and—forgive me, the name of the—

Mr. Lorne Coe: The Refuge.

Hon. Paul Calandra: Yes. In speaking with the executive director there, he said frankly that that place would not have been able to open up had it not been for changes that we had made under Bill 23. He was encouraged by a lot of the things that we're doing.

When it comes to non-profit, I think most people would agree that the number one thing that we have to do is reduce the costs to make it affordable for people to get in. Many of our municipal partners, frankly, in a lot of different parts of the province—not all, but many—already discount development charges for the creation of not-for-profit housing. This definition will allow far more to participate. It will give certainty to our friends in the development industries, as well, who are building homes, and they have been asking for that level of certainty.

I think it speaks to the real big problem too of the NIMBYism. We get this all the time, right? People have to understand that when we are encouraging—you know, there is a difference in wording. I'll say, when we are encouraging 500,000 people to come to Canada, each and every year—and I say “encouraging” because we need people. We could probably use even more than that, frankly, right? We have to have the housing for them, and that means across all sectors.

I've heard it constantly: “Give us a definition that works. Give us a definition that works in all kinds of different parts of the province. And give us certainty.” I've heard it from our municipal friends, and I've heard it from the building industry. On those accounts, these two and the not-for-profit sector have agreed that this definition really

helps move the bar and gets them to a place where we can get more shovels in the ground even faster.

Mr. Lorne Coe: Thank you to the minister for that response. Chair, through you, to my colleagues who I know have questions also.

The Chair (Ms. Laurie Scott): MPP Sabawy, please go ahead.

Mr. Sheref Sabawy: Thank you very much, Ms. Chair. My question for the minister, through you: One of the most common concerns I hear from my constituents is that they are worried. Parents are worried that their children are being priced out of the housing market and will not have the same opportunities they had.

In my riding, Mississauga—Erin Mills, 55% of the residents are not born in Canada—immigrants, newcomers, families, new Canadians, and the people we are welcoming to Canada every year, 500,000 people. Young families are worried that they will not be able to find their dream home to grow. Hard-working professionals are worried that they won't find a home close to their work and loved ones.

How will this proposed legislation help Ontarians find the home that meets their needs and dreams? As myself, an immigrant, my first dream when I came to Canada was to have a home. How will this meet their budgets and bring the dream of home ownership back into reach?

Hon. Paul Calandra: It's a continuum, right? This legislation, in and of itself—and I'm sure you appreciate that it is not the magic bullet that is going to solve our housing crisis across the province of Ontario, but it is another step in helping us understand what we have to do to get shovels in the ground quicker. It is a recognition of the fact that right now too many people—not only in Ontario but across Canada, frankly—feel that home ownership is completely out of reach for them. We are creating a generation of people that, for the first time ever, are not dreaming of owning or renting their first home. They feel like they're saddled in their parents' basement forever. And that is just not something that we can do.

0930

Look, the bills that we've done before, we've seen steady progress. We're starting to remove obstacles and we're starting to see more shovels in the ground. We're up to, as I said in my opening remarks, record levels of housing starts and record levels of purpose-built rentals as well. So those are all very, very good steps. But one of the things I hear all the time—and I'm sure you all do. I mean, you say it's for you in Mississauga; I know it's much different in Whitby and Brampton. Although you're close, they are much different scenarios. The definitions that we do have to be more broad and have to be able to impact more communities, and I think this definition of affordable housing does that.

But it's the other parts of the bill, too, right? The work that we've done with St. Thomas is really groundbreaking work. Colleagues on all sides of the House, I know, supported the St. Thomas legislation. It will bring thousands of jobs to that community, and in that community, it will mean thousands of homes need to be built in order to support the thousands of workers that are coming to that

community. So this bill helps us move that on. It helps us not only get housing built, but also, in St. Thomas, where a multi-billion-dollar facility will lead to the creation of well over 3,000 direct jobs and, I think, over 4,000 indirect jobs—this bill helps us do that and unleash that potential as well. So I'm excited about that opportunity as well.

Ultimately, we have more to do on this. I've said it in the House a lot. We're one of the largest land masses in the world and we have a housing crisis. We have a housing supply crisis. There has got to be a reason for that, and you've seen how hard it is to untangle years of red tape and decisions that slowed down the process. That's what this bill is: It's another step forward in that. And connecting housing with job creation is one of the better aspects of this bill.

The Chair (Ms. Laurie Scott): I'm sorry. That's all the time we have in this round, but you have another round.

Over to the official opposition for seven and a half minutes: MPP Bell.

Ms. Jessica Bell: Thank you, Minister. On November 2, 2023, the minister sent a letter to all municipalities giving the mayors permission to redraw their municipal boundaries without any public consultation, without any approval from other city councillors, and to do it within a very short period of time.

Understandably, when this letter came out, there were some concerns raised. This government redrew municipal boundaries without public consultation and without municipal approval in order, questionably, to help developer donor friends at the expense of farmland. It was very concerning.

Now I fear we have a situation where municipalities will be able to redraw those boundaries again, which in some ways might mean that you get it both ways: You get to help developers who have bought some land, but you also get to distance yourself from the decision because you get the municipality to make the decision.

This is especially concerning because experts, time and time again, have said that we don't need to build more housing on farmland in order for us to meet our housing targets, which you and I and the Liberals and the Greens all agree on. It's not necessary to build on farmland in order for us to meet our housing targets.

So what's going on with this letter? Why ask mayors to just redraw boundaries in such a hasty fashion?

The Chair (Ms. Laurie Scott): MPP Rae has a point of order.

Mr. Matthew Rae: Point of order, Chair: This question is not relevant to the bill that we are currently debating.

The Chair (Ms. Laurie Scott): Yes, we were listening intently, MPP Bell, and I encourage you to stay within the parameters of the bill that we're discussing here, Bill 134. So for further comments, stay within the boundaries of Bill 134, please, everyone in the room.

Ms. Jessica Bell: Okay. So when we're talking about affordable housing, one of the things that municipalities have raised again and again, especially when we're talking about building new supply, is the issue they have in providing infrastructure. When Bill 23 was passed, municipalities looked at their books and said, "Well, that means

we're going to lose up to \$9 billion overall in funding for infrastructure that we need to build the houses that are so critical." Many municipalities have been asking this government to make municipalities whole so we can build the homes we need, as well as the sewer systems and the daycares and the transit, and all the infrastructure that's needed to make these homes work. Can you honour that commitment and make municipalities whole?

Hon. Paul Calandra: Well, obviously this bill is another step forward in that, right? Many of our municipal partners were waiting on the definition of "affordable housing" so that they could factor that into their development charges regime. This bill helps them do that. They are also now, frankly, waiting for me on a definition of what attainable housing will be in their communities. So without that definition coming from me, they are looking at the current definition of attainable housing and suggesting that—under the current definition, I think it's "market less 10%," and they are factoring out development charges on anything that is below that. That's certainly not something that I've ever said would be our definition of attainable housing, but I can appreciate why they're contemplating that, in the absence of a definition from me on attainable housing.

Some of the other decisions that we made on development charges in other parts, in other bills—whether it was Bill 23—were meant specifically to get shovels in the ground faster and to ensure that when development charges were put in place, they were there for the purpose of infrastructure. We've always believed, and I still believe, that development charges should be for infrastructure: for building roads, and everything associated with it. It shouldn't be for a library in an existing community; it shouldn't be for a museum. Ratepayers should pay for that on their own. That does not get a shovel in the ground on affordable housing. That was part of the changes in Bill 23 that we made.

I've been working very closely with our municipal partners to ensure that now that we've got the affordable housing definition in place. I'm working with them on what "attainable" means and what the impact of that definition will be on them. We will work with them to ensure, as we've said, that it does not cost municipal ratepayers what they are currently being told. Again, I don't want to leave the illusion that municipalities are out there doing something wrong. They're expressing what the cost would be based on the current definition of attainable housing in the absence of me coming forward with a new definition, which I will be doing soon.

Ms. Jessica Bell: Minister, I think when we look at Bill 23, we see that the bulk of the loss in development fees is coming from every development no longer being required to pay any money toward affordable housing and shelters. And that applies to any development, even developments that don't meet this affordable housing definition. That's where the bulk of the development fee reductions are coming from, as well as parkland, which, when we're looking at Spadina–Fort York and you see big, vertical communities being set up, parkland is key when people don't have access to a backyard. It's very, very important.

So my question is, when will municipalities get some clarity on how much funding they're going to get for the necessary infrastructure that they need in order to build attainable and affordable homes? When is that coming?

Hon. Paul Calandra: Yes, very good question. As you know, in the fall economic statement we did set aside funding for housing-enabling infrastructure. We also have the Building Faster Fund, which is meant to assist municipalities that are able to meet their targets sooner. Those are the ones that have access to water and sewage capacity, so they'll be able to move more quickly to meet their housing targets. The BFF is available for them to help offset some of the costs of them moving quicker. We've also said to our federal partners that—and it's not just Ontario. Frankly, every province and most municipalities have said, "We need housing-enabling infrastructure, and we need to do this in partnership." This is a massive, massive priority.

In York region alone, the cost of increased water capacity will be about \$1.8 billion, which will unleash thousands of homes within the current settlement area, homes that are approved and sitting and waiting for the capacity. That's \$1.8 billion. So when you hear the Premier getting upset that the federal government is making decisions—we don't want hundreds of homes being built; we want thousands of homes being built.

0940

I noted yesterday, in the city of Toronto, the federal Minister of Finance was here and introduced 2,600 homes at a cost of \$1.1 billion—

The Chair (Ms. Laurie Scott): Thank you. Minister, I'm sorry. We have to interrupt.

Thank you very much. We're out of time for the official opposition. We'll give the minister a second to get some water, and then we're going to go to the independent. MPP McMahon, you know the drill. You're good on the timing?

Ms. Mary-Margaret McMahon: You're going to hold my precious, small amount of time?

The Chair (Ms. Laurie Scott): I'm going to hold your precious five minutes.

Ms. Mary-Margaret McMahon: Great. Thank you so much.

The Chair (Ms. Laurie Scott): Okay.

Ms. Mary-Margaret McMahon: I'm just wondering when you're going to end exclusionary zoning.

Hon. Paul Calandra: I'm going to work with my municipal partners to understand what it is in each of their areas. I've heard differences across the spectrum. I'm working with AMO on this. I know later on today you have the mayor of Burlington here, so we'll be meeting with her later on today. I met with the mayor of Guelph yesterday. We've made it very clear that the recommendations of the Housing Affordability Task Force aren't up for negotiation. We're meeting the 1.5-million target, and that is an important part of getting there. We're going to work with them to get there.

Ms. Mary-Margaret McMahon: Is there any timeline in your mind for that?

Hon. Paul Calandra: We've got to work together with them. I have a goal of 1.5 million homes over the next 10 years, and that will be an important part of it. I think some communities have raised some very important—including here in Toronto, frankly; that it has to be done in a coordinated effort, working with them and not imposing. I'm going to continue to work that way.

Ms. Mary-Margaret McMahon: Okay. And what about looking at provincial lands? Can you walk me through how you're going to do that?

Hon. Paul Calandra: Yes. We've said all along that any provincial lands that aren't required for other infrastructure, if it can be made available—working in co-operation with our municipal partners in different areas of the province—we should take a look at that.

Ms. Mary-Margaret McMahon: At one of our committees, someone threw out the LCBO as an example. Is that something you would be open to considering? We're look outside the box. The 1.5 million homes is a lot, and we need to think creatively. Is that something that you would consider and looking at other interesting ideas?

Hon. Paul Calandra: I'm not following you on the LCBO, sorry.

Ms. Mary-Margaret McMahon: Well, provincial lands, right? So building, discussing with them, looking at all of our properties.

Hon. Paul Calandra: Yes. Sure.

Ms. Mary-Margaret McMahon: You're open to that?

Hon. Paul Calandra: Yes. We've said that any provincial lands that are not being used or required for other infrastructure—

Ms. Mary-Margaret McMahon: But even being used, we could look at some sort of partnership—

Hon. Paul Calandra: Are you talking about air rights above?

Ms. Mary-Margaret McMahon: Yes, right. Parking lots, yes.

Hon. Paul Calandra: Oh, yes. Absolutely. We've got a lot of really exciting proposals out there. Some would say exciting, some not so much.

If you look at every Cadillac Fairview, for instance: I know in Markham there's an expanded GO train at Highway 7 and McCowan. Cadillac Fairview, which is the Markville mall there, has a proposal to turn unused parking lots into various forms of housing, because it's literally right next door to the GO train station. I'm very supportive of that, but the community that is around it—not so much. They don't want that level of housing in their community. But this is just the reality. We are building infrastructure. We're going to have to build above—air rights. We've seen this in a lot of different areas where air rights have been used. Churches, for instance, have used air rights. We have air rights above our GO train stations—

Ms. Mary-Margaret McMahon: Right. Schools.

Hon. Paul Calandra: 100%.

It's not a—the 1.5 million keeps us steady. It's not a negotiable. People have to get over the fact that we are not the Toronto, the Ontario of the 1970s. We're 15 million

people, and we're encouraging half a million people to come to this province every single year, and not—we need. We're desperate. That means every piece of infrastructure, every piece of available land where we can get higher densities out of existing, we have to look at all of that if we're able to meet the goal. If we don't, we will never see prices come down and we will never see the mix of housing.

Ms. Mary-Margaret McMahon: Right. No stone unturned. Okay.

Last question, quickly: When are the conservation authority changes coming in? Hopefully they can be reversed, but when are they coming?

The Chair (Ms. Laurie Scott): Thirty seconds.

Hon. Paul Calandra: Well, I think conservation authorities have to appreciate that they're going to have to work with us and work with our communities in order to ensure that we can have houses built.

Ms. Mary-Margaret McMahon: Thank you.

The Chair (Ms. Laurie Scott): Okay, thank you very much.

Over to the government side: MPP Kusendova-Bashta.

Ms. Natalia Kusendova-Bashta: Good morning, Minister. Thank you for your thoughtful presentation this morning. You've mentioned already that Ontario's population is growing, and we're expected to bring in close to four million new Ontarians over the next decade. We know that the federal government has an action plan to bring in 500,000 immigrants every year, but I heard the Premier actually mention the number 800,000 that might be coming and settling in our province every year, and so we need to prepare for that growth.

I'd like to talk a little bit about my city of Mississauga. Currently, in Mississauga, we have 15,000 units under construction. The target is to build 120,000 units over the next 10 years. Since last year, the city of Mississauga has only approved about 9,600 new starts. So if we do the math, we know that over 10 years, they're not going to reach the goal of 120,000. We may ask ourselves, "Where's the leadership of our city to ensure those shovels are getting into the ground?"

Currently, Mississauga is the third-largest city in Ontario and the seventh largest in Canada. Our growth is expected to be close to one million residents by 2051, so we really need to prepare for that growth.

I also want to thank you for your work in long-term care because, you know what? Long-term care is part of the housing continuum, and these are homes that we are building for our seniors. I want to specifically thank you for the work you've done on Wellbrook Place, which we have built in 32 months—accelerated build; the largest facility in the province. We created over 600 homes for our seniors in Mississauga, and it's just phenomenal. This is exactly the kind of innovative thinking—accelerated builds—that we need to get for our residents in order to keep up with this growth.

Can you tell us a little bit more about how this legislation, if passed, will help us continue to prepare for this

growth that our cities are experiencing and to welcome new Ontarians looking to lay down roots in our province?

Hon. Paul Calandra: I actually get very excited when I hear the amount of people that are coming to the province and that want to come to this country because we need so many more. We need as many as are coming and then more, right?

But again, for my family and a lot of different families—Mr. Sabawy and all of us—the deal when you came here was, you'd come here, yes, to build a better life. My parents came specifically to Ontario because a better life also meant a home, full stop. They could work hard, and they could build and own a home. For many right now, that dream seems to be a bit out of their hands.

It's interesting, because communities like Mississauga are behind, whereas smaller communities, like my hometown of Stouffville, are exceeding their housing targets. The city of Toronto will likely exceed their housing targets. This is a case where, full stop, the NIMBYism that we've had in the past has got to stop.

You mentioned long-term care. When I was the Minister of Long-Term Care, I had to fight in certain parts of the province to build a long-term-care home because people didn't want long-term care in their neighbourhoods. They wanted us to put long-term-care homes into industrial parks, and it's just not our vision of long-term care.

The reality is, we've got to break down NIMBYism. Communities like Mississauga which have the benefits of infrastructure, have the benefits of transit, transportation, pipes, water in the ground—they have to meet their targets, not just talk about meeting their targets. Communities around them are meeting their targets, and they talk about meeting the targets.

We are in a housing supply crisis right now. Millions are going to be coming to this province. They're going to settle in areas where they know. My parents came here, and they settled on the Danforth in Toronto because there were a lot of Italian people that could speak Italian there and they could get along. That's what happens in our larger cities. So there is an increased responsibility on our larger cities to go above and beyond, because they've also been given special treatment.

In Stouffville, I have one bus. If my daughters don't make that school bus—it's not even a school bus; the York Region Transit bus—in the morning, well, they're getting driven to school. But that's not something that you have in our larger cities and that's why people go there.

When they have excuse after excuse for not meeting their target, it's just that: an excuse. Again, I'm going to be very clear on this: The 1.5 million is non-negotiable. It is a target for a reason. When we put these targets out there, we are also listening to the communities that are saying, "We also need infrastructure to meet that target." But in those areas that don't need the infrastructure, that have the ability to meet their targets, they're going to meet them. It's going to be our responsibility to say, "Enough. Get to the table, do what you have to do and let's build housing for people."

Their starts have been slow, and they've been very resistant and hesitant. It's frustrating, because you know what else happens? I've said this at a speech today. Do you know what else happens? Eventually what happens is that people start to blame the people that are coming. They start to blame them. They say, "They're the reason why this is happening. They're the reason why we can't afford homes. They're the reason." And that's not the case. As much as we've got to build homes, we also have to fight those who say that "they" are the reason. Because many of us who are coming from other places have always been the "they," and without the "they," you aren't building anything this that province, full stop. As important as it is to build housing, it is also equally important that we beat down the attitudes that "they" are causing the crisis. It's not. It is us who have caused the crisis. It's municipalities that have refused to participate, who have put obstacles in the way.

The Chair (Ms. Laurie Scott): Sixty seconds.

Hon. Paul Calandra: Sorry, I really get passionate on this.

They put obstacles in the way. In a place like Mississauga, for crying out loud, they have so many more advantages than so many other communities and they have to meet their targets and they will meet their targets.

The Chair (Ms. Laurie Scott): MPP Sabawy. You've got 40 seconds.

Mr. Sheref Sabawy: I know we have 40 seconds, but Minister, thank you very much for the answer to the question. In Mississauga, as far as my research found, the last rental building was built in Mississauga in 1999—25 years ago, a quarter century. It was actually built last century.

How will this bill incentivize investing and not-for-profit organizations to build rental homes, which is the first target for new grads, new small families and new immigrants to rent?

The Chair (Ms. Laurie Scott): Eight seconds.

Hon. Paul Calandra: I would say all the housing supply action plans together have created the environment where you're getting 15,000 rental housing starts, which is literally a record in over the last 15 years. It's not one thing; it's a combination of a bunch.

Mr. Sheref Sabawy: Thank you.

The Chair (Ms. Laurie Scott): Thank you very much, everyone. That ends this time. We'll conclude our business. The committee is now recessed until 1 p.m. You're free.

The committee recessed from 0953 to 1300.

The Chair (Ms. Laurie Scott): Good afternoon, everyone. The Standing Committee on Heritage, Infrastructure and Cultural Policy will now come to order. We're here to resume public hearings on Bill 134, An Act to amend the Development Charges Act, 1997 and the St. Thomas-Central Elgin Boundary Adjustment Act, 2023.

Today's remaining presenters have been scheduled in groups of three for each one-hour time slot, with each presenter allotted seven minutes for an opening statement, followed by 39 minutes of questioning for all three witnesses, divided into two rounds of seven and a half minutes for the government members, two rounds of seven and a half

minutes for the official opposition members and two rounds of four and a half minutes for the independent member of the committee. Are there any questions? Okay.

MS. NINA DEEB

ASSOCIATION OF MUNICIPALITIES
OF ONTARIO

FEDERATION OF SOUTH TORONTO
RESIDENTS' ASSOCIATIONS

The Chair (Ms. Laurie Scott): Seeing none, our 1 o'clock group are, I believe, all at the table here: Nina Deeb, the Association of Municipalities of Ontario and the Federation of South Toronto Residents' Associations, just in the order I read them.

Nina, if you would like to state your name, and you have seven minutes for your presentation. Thank you very much.

Ms. Nina Deeb: Good afternoon, Chair, and through you, my name is Nina Deeb. I am a real estate broker. I've been a full-time realtor since 1996.

On this act: Development charges, otherwise known as lot levies, were introduced in Ontario in the early 1980s. This was the creation of a new tax. This concept was that growth should pay for growth, and the existing population would not be paying for the new subdivisions that are being built. Development was paying for the new infrastructure. Therefore, this tax was a front-loaded onto the cost of new homes.

Over 40 years, what was recoverable under development charges has been expanded. The development taxes of today have surpassed the price of a single-detached home in Ontario when this tax was introduced.

Development charge waivers were introduced in 1990s to revitalize city core areas, among other municipal priorities. This waiver meant that development taxes were shifted to the rest of the tax base. This practice has been recently expanded to waive any development taxes on any housing project that meets the definition of affordable. Developers have been empowered with shifting their tax responsibilities onto taxpayers province-wide.

I would like to delete schedule 1. Changing definitions of affordability will not make housing affordable. Linguistics are being used to diminish housing affordability and to shift developer taxation to the people of Ontario. Over the last 47 years, the province of Ontario has been setting many places at the table for private corporations to add on inflation to the cost of housing. One of these examples recently is the Condominium Authority of Ontario. These private corporations are at the expense of housing participants. Six Ontario condominium residents died within one year of the Condominium Authority Tribunal's expansion of arbitration dispute resolution powers.

All delegated authorities must be abolished. These authorities break the law they're entrusted with. Private corporations are mandating billions of dollars to themselves. These private corporations are run by former members of Parliament, top public service staff and their partisan loyalists. These corporations do not pay taxes. They provide

no value to society. They have no product. All these corporations do is eat.

Consumer protection is protection for corporations. Organized real estate in Ontario was released into self-regulation in 1997. This partisan group that claims to have released it also captured it by appointing their loyalists and party members to the executive composition of these corporations. Examples are the Ontario Real Estate Association, Tarion, HCRA, CAO, BAO etc.—there are others. This is a policy loophole of redefining and recategorizing to force funds from others. All the one-person-opinion and one-person-rule legislation must be repealed. The individuals with this power include registrars of private corporations, mayors and ministers. All delegated authorities should be abolished. These are often the private businesses of former politicians and the top public service officials. This is a network consortium of 108 private corporations—

The Chair (Ms. Laurie Scott): I'm sorry to interrupt, Ms. Deeb. Can you just back away a little bit from the microphone? It's just hurting us here a little bit in the recording. Just back up a little bit more.

Ms. Nina Deeb: Sure. This is a network consortium of 108 private corporations. Their financial harvest of billions of dollars per year is not taxed. Their businesses are protected from the provincial independent watchdogs—

The Chair (Ms. Laurie Scott): Ms. Deeb, somehow—

Ms. Nina Deeb: Still loud?

The Chair (Ms. Laurie Scott): Yes, you're leaning into it. I'm sorry, it's just—there you go.

Ms. Nina Deeb: It's the seat. I'm tipped into it by the seat.

The Chair (Ms. Laurie Scott): Yes, don't tip in. Don't get so close. That's great. Thanks so much. Sorry about that.

Ms. Nina Deeb: These are often the private businesses of former politicians and top public service officials. This is a network consortium of 108 private corporations. Their financial harvest of billions of dollars per year is not taxed. Their businesses are protected from the provincial and independent watchdogs. These private, partisan corporations are running a wealth-transfer system. These corporations break the law.

In conclusion, I would like to say that all the new corporations who are in positions of authority since 1976 must be abolished. Monopoly power, authority must never leave government. These are political corporations. Waiving taxation responsibilities onto taxpayers is undemocratic. Developers do not share their profits with the people of Ontario. The people of Ontario are not interested in paying the taxes of developers.

The definition of affordable housing must be based on the net income of the people of Ontario—all the people of Ontario. This includes the people of Ontario on ODSP. This includes the people of Ontario that are single parents. This includes everyone in Ontario. This definition must be all-encompassing. We can't hook the definition up to market. The market will not provide the housing that we need for individuals living on ODSP. But these are individuals that live in our province, and we must provide all this housing.

When the federal government stepped away in the early 1990s and downloaded housing responsibilities to the provinces, the provinces turned around and downloaded this responsibility to the municipalities. The municipalities need the assistance to do the job—

The Chair (Ms. Laurie Scott): Sixty seconds.

Ms. Nina Deeb: —that has been given to them. They've been given the responsibility of housing and then they're handcuffed and shackled in being able to provide this very important service. The reason housing is so important is because, without housing, everything else falls like dominoes. Everything will cost us more. The people of Ontario will fail if they don't have housing. Sometimes they die. So housing is very important for government to play a very active role in, not to step away from. We need assistance to the municipalities, not handcuffs. We need money to be headed to the municipalities. The municipalities can make their acquisitions—

The Chair (Ms. Laurie Scott): Thank you very much for your presentation. I'll now move to—

Interjections.

The Chair (Ms. Laurie Scott): Is the association of municipalities—they've joined now? So we're good to go.

Thank you, and just state your name before you begin speaking, for Hansard purposes.

Ms. Lindsay Jones: My name is Lindsay Jones, I'm the policy and government relations director at the Association of Municipalities of Ontario. Hopefully our president, regional councillor Colin Best is—ah, there we go. He's joined us on the link, so I will turn things over to Colin to kick us off with some remarks.

Mr. Colin Best: Thank you, Lindsay, and thank you, Madam Chair and the committee members, for providing me the opportunity to address the committee today. My name is Colin Best, president of the association also known as AMO. Lindsay has already introduced herself.

As you know, municipalities are deeply committed to addressing the housing supply and affordability crisis. Municipalities continue to do everything within their power to meet the province's ambitious target of building 1.5 million homes by 2031.

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AMO has been pleased with the recent shift in the government's tone and approach to collaboration with municipalities on the housing file under Minister Calandra's leadership. Having all orders of government working together with each other and the broader housing partners is the only way Ontario will make progress. AMO approaches all policy proposals on housing by asking, "Will this produce more housing of all kinds for all income levels?"

Bill 134 makes critical steps towards these goals by including an income-based component in the definition of affordable housing. Any definition of affordable housing needs to consider everyone's ability to pay the rent. We commend the government for responding to AMO's request to update the definition of affordable housing to better target development fee discounts. This change will be much

more effective in trying to incent the construction of more affordable units.

While these changes are important, there remain a number of outstanding details that need to be finalized before municipalities can understand with certainty the fiscal impacts of this measure and begin implementation. We urge the government to move quickly to issue a ministerial affordable housing bulletin to ensure municipalities' 2024 budgets are informed by a clear understanding of these impacts. We also urge the government to address the significant administrative questions regarding how the province will ensure that these new units will remain affordable over time.

Bill 134 does not include a definition of attainable housing, a category of housing that Bill 23 also exempts from development charges. Attainable housing is a new concept which is not fully defined or understood. AMO has requested the government officially defer moving forward on exempting development fees for attainable housing until the province is able to assess the effectiveness of affordable housing development charge exemptions. A continuing deferral would increase the effectiveness of measures to incent affordable housing for those who are most at need. Continuing the official deferral of these measures until at least 2027 will provide stability and predictability for municipalities and builders.

As part of the province's Bill 134 news release, it announced a plan to consult on regulatory changes to streamline Ontario's land tribunal decisions. AMO endorses these changes in principle, as accelerating decisions can support both targets. However, it has been almost two months since the announcement and the consultations have not been initiated. We urge you to move quickly in consultation with municipalities to make these changes. Our sector needs every lever possible to support new housing.

We can't remark on Bill 134's changes to support affordable housing without raising the bigger issue of housing-enabling infrastructure. Last November, the government made an important commitment to fully offset the financial impacts of Bill 23. AMO is pleased that the province is moving forward with the additional steps to adjust and support effective Bill 23 implementation, including changing the "affordable residential units" definition. However, it is not sufficient to solve the affordable housing crisis, nor meet the government's commitment to fully offset the cost of Bill 23.

Recent infrastructure announcements for the Building Faster Fund and municipal water infrastructure fund are positive steps toward the province fulfilling its commitment to making municipalities whole, following its gutting of the municipal infrastructure revenue source. However, a significant gap remains.

AMO estimates that Bill 23 created a \$1-billion-a-year infrastructure gap for municipalities over the next 10 years. Recent provincial infrastructure announcements have the potential to make good progress but will not provide all that's necessary to support growth targets. AMO continues call for clarity on how and when the province will keep its commitment to make municipalities whole.

Municipal budget discussions for 2024 are well under way; I'm currently in one right now. The continued uncertainty around how the government plans to fulfill its commitment to make municipalities whole from the impacts of Bill 23 is forcing municipalities to make long-term decisions—billion-dollar decisions—without all the facts. Municipalities urgently need this clarity, or we will continue to see cancelled or deferred infrastructure projects that will put at risk the province's housing targets.

Solving the housing crisis is a major shared challenge. It requires innovative approaches, significant additional funding and true partnership among all levels of government. AMO and its members are wholeheartedly committed to these endeavours.

Thank you for your time.

The Chair (Ms. Laurie Scott): Thank you very much for your presentation.

We'll now move to the Federation of South Toronto Residents' Associations. If you would please state your name. You have up to seven minutes, please.

Mr. Walied Khogali Ali: Sure, thank you. I just want to make sure I'm able to share the screen.

I'm going to quickly introduce myself and I'll share the screen. Okay. My name is Walied Khogali Ali. I'll start off by thanking members of provincial Parliament for the opportunity to depute on behalf of the Federation of South Toronto Residents' Associations, FoSTRA, which is a federation that currently represents 25 residents' associations in the five downtown Toronto wards, specifically wards 4, 9, 10, 11 and 13, which encompass hundreds of thousands of Toronto residents.

In our written submission, FoSTRA submits a certain model that should be incorporated in Bill 134, which is the Affordable Homes and Good Jobs Act. Specifically, we support the direction to define affordable rent based on a percentage of household income. We're also deeply concerned that the definition of affordable rent tied solely to the 60th percentile of gross annual incomes in municipalities like Toronto will actually make rent dangerously unaffordable for many Toronto residents.

Further considerations of how to determine affordable rent as a function of income are very crucial. We recommend a two-tiered approach to rental affordability in the interest of equity and inclusivity. The first one—and we actually have a nice infographic that I was hoping to share on the screen, so I'll try after the end of my submission because I want to engage all of you visually as well on what the approach looks like.

The mainstream affordable housing—what we would like our lawmakers to consider is that this definition is defined as 30% of the 50th percentile of household income, accommodating the median income earner and ensuring broader applicability of the term "affordable." The second category is deeply affordable housing, a second tier dedicated to those that are at or below the 30th percentile of income. For these households, a rent-geared-to-income program that stipulates housing costs at 30% of household income would be more appropriate and humane.

We also recommend a reserve fund mandated for the maintenance of affordable housing as a prudent addition to ensure the longevity and quality of housing stock. What we don't want is to lose the current stock that we have due to the lack of maintenance.

The current proposed legislation as it stands does not sufficiently encompass the lower income brackets. In Toronto, for example, where the 60th percentile of income is approximately \$92,000 annually, the definition of "affordable" at 30% of this income does not serve low- to moderate-income households, effectively excluding a significant portion of our community. For those at the 30th percentile, dedicating 30% of 60th percentile income to housing costs will consume over 85% of their total income—a stark indication of the inadequacies of the current model.

For example, the city of Toronto's current definition of affordable rent is based on 30% of household incomes between the 30th and 60th percentiles, which is more humane but still requires a careful re-evaluation. Specifically, while the upper limit might appear generous, the 30th percentile threshold seems markedly inadequate. No family—and I just want to repeat this: no family—should allocate more than 50% of their income towards housing. That is devastating. Therefore, a more equitable formula would be 30% of the average household income, or the 50th percentile. This will better reflect the median economic realities faced by the residents of the city of Toronto.

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Our recommendations: To address these concerns, we are recommending a two-tiered approach to affordability, specifically the mainstream affordable housing, which I earlier defined as 30% of the 50th percentile of household income, accommodating the median income earner and ensuring broader applicability of the term "affordable."

The second is deeply affordable housing, which is a second tier that's dedicated to those at or below the 30th percentile of income. For these households, a rent-geared-to-income program that stipulates housing costs at 30% of household income would be more appropriate and humane. This tiered approach will not only align with the principles of equity and inclusivity but will also ensure that the spectrum of income levels within the city is addressed in a manner that is both fair and practical. It is imperative that the forthcoming affordable housing bulletins reflect these nuances to enable municipalities to implement solutions that are congruent with the lived experiences of all residents.

Moreover, the importance of a sustainable funding model to support the development and maintenance of affordable housing cannot be understated. The potential exemption of development charges for housing that meets the newly proposed criteria necessitates the introduction of alternative financial mechanisms.

The Chair (Ms. Laurie Scott): Fifty seconds left.

Mr. Walied Khogali Ali: In conclusion—thank you, Madam Chair—the province is strongly urged to revisit the affordability definition to include a dual-tiered income-based approach, ensuring that housing affordability measures are more than one-size-fits-all solutions but are tailored to

meet the diverse needs of our cities' populations and growing municipalities across the province of Ontario.

The Chair (Ms. Laurie Scott): Thank you very much to our presenters.

We will now begin with questions, and we're going to start with the official opposition. MPP Bell.

Ms. Jessica Bell: Thank you to the presenters who have come here in person as well as the president of AMO, who's here online. My first question to AMO—I have a few. The first one is, do you have an assessment on whether the private sector is going to build these affordable homes that they're going to get development fee exemptions for? Have you done any analysis on that to see if it's going to work?

Ms. Lindsay Jones: It's a great question; I think that it's one that municipalities are definitely highly engaged in. No, we don't have an analysis. However, we do think that developers are motivated by a variety of different responsibilities to shareholders and are driven by different kinds of incentives than are, for example, municipal governments or not-for-profits. So there's no question that the approach to ensuring that we increase the supply of both affordable housing and deeply affordable housing cannot depend on developers alone and needs to include a range of different public policy instruments and approaches to ensure that we are able to increase the supply that, of course, has been eroded significantly over the past number of decades.

Ms. Jessica Bell: This is a second, related question: I was here during Bill 23, and I was shocked to see that a lot of the development fee exemptions meant that there would be less money going to affordable housing and shelters, and this is a development fee reduction that doesn't just apply to affordable housing units; it applies to every single unit that is built. Did you do a calculation on how much funding municipalities have lost as a result of Bill 23 and how much less money is going to affordable housing construction and shelters?

Ms. Lindsay Jones: The global figure that we did estimate was that municipalities have lost now approximately \$1 billion each year for 10 years. That includes almost half a billion dollars that would be available to support housing services.

That's one of the most critical elements that AMO has urged the government to reconsider under Bill 23, which is the ability for municipalities to charge development fees to support housing services. It's created a huge gap in municipalities' ability to invest in community housing as well as the shelter system. So those are positions that we will continue to urge the government to reconsider going forward.

Ms. Jessica Bell: Thank you. That's also something we have noticed as well, because—

Mr. Sheref Sabawy: Point of order.

The Chair (Ms. Laurie Scott): MPP Sabawy.

Mr. Sheref Sabawy: I need to correct a piece of information. The member opposite said that all the units are subjected to the discount or reduced development charges. That's not correct.

Ms. Jessica Bell: Yes, it is.

Mr. Sheref Sabawy: No.

Ms. Jessica Bell: Okay, well—

The Chair (Ms. Laurie Scott): MPP Sabawy, that's not a valid point of order.

Ms. Jessica Bell: Yes, it's not a valid point of order. I'm happy—you can send information afterwards, but I think it is.

Mr. Sheref Sabawy: Thank you.

Ms. Jessica Bell: Okay, my additional question: When I look at this definition of affordable housing and I look at what impact it's going to have, my skepticism is that the private sector has had a very long time to build affordable housing and we're not seeing affordable housing being built. I'm worried that even with these changes, it's going to result in a net loss of affordable housing construction, especially when you factor in the half a billion dollars in funding that is projected to be taken out of affordable housing construction and maintenance because of Bill 23.

I'd love to hear your assessment. Are you doing an assessment on how many affordable homes the for-profit private sector is building in municipalities? Do you have numbers on that?

Ms. Lindsay Jones: We are definitely focused on being able to understand what the needs are across the province with respect to deeply affordable housing. We are committed to engaging with both the provincial and the federal government to urge additional investments be made to enable both municipalities and not-for-profit developers and corporations to be able to increase the overall supply.

We don't think that the answer lies in developers and the private sector alone. There needs to be partnership and increased capacity, both for the overall public sector housing developers as well as municipalities, to be able to make additional investments in this space that have been eroded significantly over time.

Ms. Jessica Bell: Thank you for that answer. I also share my concerns with just relying on the private sector alone to build affordable housing. I see huge value in incentivizing and encouraging non-market housing and helping municipalities build non-market housing.

My final question is to Mr. Walied Khogali Ali from FoSTRA. Thank you so much for coming.

Mr. Walied Khogali Ali: Thank you.

Ms. Jessica Bell: I was listening very carefully when you talked about the need to have two definitions of affordable housing: a definition of affordable housing that caters more towards the moderate-income level, middle-income people, which is this definition, and then also having a definition of deeply affordable housing that's really going to address the thousands of people who are waiting for community housing right now—people who are on social assistance, people who are low-income on minimum wage.

When we're looking at these two definitions, has FoSTRA done any kind of analysis on what kind of development fee reduction would apply to the affordable housing definition and what would apply to the deeply affordable housing definition?

The Chair (Ms. Laurie Scott): One minute remaining.

Mr. Walied Khogali Ali: Thank you. That's an excellent question. We're actually collecting a lot of data right now because there have been a lot of development applications across the city of Toronto. Unfortunately, at the municipal level, if you are in those committee hearings, you will understand the frustrations of the residents of Toronto, specifically because most of the funding that's coming from our federal government and our provincial government is not restoring investments in the creation of rent-geared-to-income units.

What's basically happening is subsidizing for-profit, market-driven development with—come on, my friends. In my deputation, I said, "Who can afford 50% of their income to pay for housing?" We can't live in a province where this is acceptable, right? So we need regulatory mechanisms and this bill is one of the solutions—

The Chair (Ms. Laurie Scott): Thank you. I'm sorry, we're out of time, but there are more rounds.

I will now move to MPP McMahon for four and a half minutes, please.

1330

Ms. Mary-Margaret McMahon: Great, thanks. It wasn't going to be this order, but it will be now. Do you want to finish that thought?

Mr. Walied Khogali Ali: Thank you so much. Just to finish the thought: We cannot have just policy and regulatory changes. We also need investments—investments in restoring the housing stock that addresses the critical needs we're facing across municipalities in Ontario, specifically because newcomers, new permanent residents and folks who are on a pathway to home ownership will not be able to access housing in many cities if we do not make the investments to create more rent-geared-to-income units.

The other suggestion that we've made, through our submission, is we need to have a fund that is created to deal with the maintenance of this affordable—we created this crisis. When government stepped back and stopped investing in the maintenance and operations of housing stock across municipalities, it created these conditions where it's now market-driven. We need those regulatory changes to capture more folks from living in conditions that are deplorable. No one should be paying 50% of their household income towards housing.

Ms. Mary-Margaret McMahon: Thank you. You know, I lived that in 2011, when we had, what was it, about 600 Toronto Community Housing homes that the mayor at the time wanted to sell off because of the lack of repair. We had these homes with the heating on in them, refrigerators running, and no one living in them for years and years and years. It's finally being dealt with now—12 years later.

I truly believe in your maintenance fund, your reserve fund mandate. I think that's fabulous, in addition to your other ideas, but I wanted to quickly go—and I only have four and a half minutes, so we're speed talking here, unfortunately.

To AMO, to Colin or Lindsay—and thanks for your presentation, everyone. You're talking about how this bill

does not contain an “attainable housing” definition. You’re asking the government—the main ask is to postpone until we get that.

The minister was here this morning, and he must have said a zillion times that he’s speaking to the municipalities. He’s speaking to the elected officials there. He is in talks. He is connected, and he’s speaking with AMO.

Given that beautiful conversation that is going on—endless conversations—where are you at with that, with the minister?

Mr. Colin Best: Thank you for the question. I’ll let Lindsay highlight that answer.

Lindsay Jones: Absolutely. As President Best remarked in his opening remarks, AMO has seen a market shift in the overall approach to working with municipalities under this new minister. We’ve been very pleased to see some of the course-corrections that have taken place, including walking back some of the unilateral ministerial modifications to official plans and taking a more collaborative approach to some discussions around infrastructure.

We are hopeful that we will be able to continue these conversations going forward, to be able too focus, in particular, on the question of housing-enabling infrastructure; on the question of how municipalities will be made whole from the impacts of Bill 23, where there remains significant uncertainty regarding next steps; and when it comes to the challenge of homelessness and, in particular, its root causes related to income security, the lack of supply of deeply affordable housing, and the need for more robust mental health and addiction supports.

Ms. Mary-Margaret McMahon: All right. And I think that’s my time?

The Chair (Ms. Laurie Scott): Five seconds remaining.

Ms. Mary-Margaret McMahon: All right. Thank you.

The Chair (Ms. Laurie Scott): Thank you very much.

We’ll now move to the government side. MPP Coe, please.

Mr. Lorne Coe: Good afternoon, everyone. Thank you very much for being here. My question is directed to the Association of Municipalities of Ontario. You talked about your level of engagement that you have, and I think most of the committee members here will know that that takes the form of regular meetings that were established through a memorandum of understanding. That’s still happening, isn’t it, regularly?

Ms. Lindsay Jones: Yes. The AMO MOU remains a critical part of the way that the province engages with municipalities on issues that have fiscal and policy implications for municipalities.

Mr. Lorne Coe: Right. And that provides an opportunity and it provides you with feedback on proposed policy directions and legislative directions, doesn’t it?

Ms. Lindsay Jones: That is correct.

Mr. Lorne Coe: Okay, thank you. I just wanted to establish that there’s an ongoing process that’s been well established for a number of years. This hasn’t started since we introduced the housing legislation.

Ms. Lindsay Jones: That’s correct. I believe it has been in place since 2001.

Mr. Lorne Coe: Right. Thank you. Some of you will know that I served both on the Durham regional council and the local council in Whitby for the better part of 13 years, and for 11 of those years, I chaired the planning and development committee.

As I travel through the region of Durham—there are eight municipalities that comprise that—I see a lot of construction under way, a lot of housing development under way, a variety of housing been built. More recently, we just announced \$5 million for the Refuge in Oshawa, which is designed to help create 26 supportive housing units for homeless youth—just illustrative of the level of building activity, shovels in the ground, in the region of Durham.

Can you share with us what you’re hearing from other municipalities and their level of need for more affordable housing? I know the majority have already set targets, but talk a little bit more broadly about their level of need in all sectors of the province. Maybe you can add to that the level of discussion you’re having with NOMA and ROMA as well on this subject in responding to that.

Ms. Lindsay Jones: Thank you so much for the question. I think, as we saw in the last municipal election and on an ongoing basis since then, municipalities across the province, elected officials and councils, have made housing the number one priority, both with respect to being able to support and drive growth, but also with respect to being able to respond to the growing homelessness crisis that we see in every corner of the province. Municipalities have, with very few exceptions, signed on to the housing target pledges that the province has set for the 50 largest municipalities to be able to move towards that 1.5 million new homes figure by 2031, and we’re doing everything we can within our ability to make those targets reality. It is definitely challenging circumstances, as no doubt everyone in this room will know, with the overall economic conditions, interest rates, the price of construction, materials and labour. It is a challenge, but municipalities are finding innovative ways to be able to make things happen.

The investments that the government has made as part of the Building Faster Fund and now with the new funding announced for water infrastructure are a very important part of municipalities’ ability to move forward on that target. There remain some significant questions with respect to financing of more housing-enabling infrastructure that’s required, and that is where we are hopeful that continued collaboration with the province around different ways of funding, be it re-examining developing charges, be it working to call on the federal government to make investments in infrastructure, or additional provincial investments. Those are all areas that we are quite focused on.

You asked me to speak a little bit about NOMA and ROMA. There are different needs in Ontario’s smaller municipalities, but there are needs, nonetheless. There continue to be challenges with being able to provide housing for a workforce to be able to support some of these industries, particularly in the north in terms of mining, or in smaller rural municipalities from a tourism and a hospitality perspective. So we urge the government not to forget about the smaller municipalities and what they need

to be able to enable growth in their municipalities, separate and apart from those with housing targets.

1340

Mr. Lorne Coe: Thank you very much for that response.

Chair, through you to my colleagues here.

The Chair (Ms. Laurie Scott): MPP Sabawy, there's a minute and 50 seconds left, just so you know.

Mr. Sheref Sabawy: I will do my best. Thank you very much, Madam Chair.

My question is for Nina. I can see from the profile here that you are a real estate broker.

Ms. Nina Deeb: Yes.

Mr. Sheref Sabawy: So out of your experience, let me try to ask you some questions. Based on your experience, the new families, younger families and new immigrants go more for rentals or for buying?

Ms. Nina Deeb: They usually go for a rental.

Mr. Sheref Sabawy: Yes. What city are you from?

Ms. Nina Deeb: I'm from Cambridge.

Mr. Sheref Sabawy: Cambridge. Can you tell me when the last time was that a rental building was built in Cambridge?

Ms. Nina Deeb: There's some being built and under construction right now.

Mr. Sheref Sabawy: Not in the new ones—based on our government.

Ms. Nina Deeb: I would say the brand new ones are 2016, 2017—roughly everything since has been condo. But there have been purpose-built rentals around 2016-17.

Mr. Sheref Sabawy: Perfect. So in your opinion, we need to incentivize building rentals.

Ms. Nina Deeb: We need specific rentals. We actually have a lot of rentals under way, but I'm looking for rentals for everybody, which includes the people living on ODSP and single parents. That's the type of housing that's missing. We have a lot of units under construction. There's no doubt about that.

Mr. Sheref Sabawy: So you agree with me that those incentives might help us to make some of the goals which AMO is asking for, like having more supply to be able to meet the demand?

The Chair (Ms. Laurie Scott): I'm sorry. We're out of time. But that's okay; there's another round.

Over to the official opposition: MPP Harden, please.

Mr. Joel Harden: Thank you very much, all of you, for coming this afternoon. I very much appreciate it.

I'd like to focus the seven minutes I have on housing affordability. I want to try to peel away some of what I'm hearing to try to assess the work of this committee, to try to understand some of the levers the government is suggesting we pull to get to housing affordability.

It would seem that my friends in government are suggesting that supply only is the answer. My colleague from University-Rosedale, in the morning questioning with the minister, talked about the tool of inclusionary zoning, a tool the city of Toronto's been asking for for two years?

Ms. Jessica Bell: Two years.

Mr. Joel Harden: It's a tool that we've asked for in Ottawa. It's not been a tool that's been approved by the ministry.

I just want to talk about an adjacent issue, and that is, what do we do with the amount of publicly funded housing stock that we have for office buildings that are sitting vacant in so many of our communities. This is a huge issue for the city of Ottawa, but I noticed when the Minister of Infrastructure was before this committee on a different piece of legislation, in that conversation we deduced—I think germane to the discussion of Bill 134—that the government of Ontario is currently sitting on 812 vacant properties in the province of Ontario. She mentioned in that discussion that they're doing an inventory to try to figure out how those properties could be reutilized.

As my colleague has said previously, if we want to get Ontario back into the business of building affordable housing, do you think that could make—and I'll start with Mr. Khogali Ali—a material difference so that the government could work to set a price that families could afford?

Mr. Sheref Sabawy: Point of order: This is out of the bill.

The Chair (Ms. Laurie Scott): MPP Sabawy, first of all, I have to address you and then talk to me. Go ahead.

Mr. Sheref Sabawy: Point of order: I think this is not actually part of the bill. Can we keep our discussion within the bill, please?

The Chair (Ms. Laurie Scott): It's really not a valid point of order, so keep going with the question.

Mr. Joel Harden: Thank you. I just will say to my friend over there, if Mr. Khogali Ali should begin, that the minister talked about affordable housing ad nauseam this morning, so let's give our friend an opportunity to do that. Go ahead.

Mr. Walied Khogali Ali: Thank you, MPP Harden. You raise a critical point, and that is, what are we doing with housing stock that could be actually community-controlled? For example, land trusts and co-ops. What I worry about is changes in government. Sometimes, a government will be elected by the people of Ontario that prioritizes housing; sometimes they don't. How do we mitigate those circumstances that do come up?

I think the best way is to listen to what the community is saying. The community right now is looking into those models, the land trusts and co-ops, but municipalities are also being innovative by building on city land, because it's also about rent control. It's about other regulatory changes that make housing affordable.

I think it's critical for us to have a holistic approach. Increasing housing supply is great, but who are you building housing for? Are you building it for those that are in need of housing or those that want to speculate with our housing stock so they could be multi-millionaires?

I think it's critical that we not just make the right investments but empower municipalities to come up with their own solutions. I will actually recommend that our provincial government, if they have nothing planned for the additional housing stock or real estate, pass it on to the municipalities. Let them work with communities to deliver housing that's needed. Sometimes it's supportive housing;

sometimes it's rent-to-own programs that address affordability.

In Regent Park—I'll tell you a quick story—in 2011, houses were \$330,000. If I took my mom's advice and put a down payment, I'd be a multi-millionaire just by sitting in my living room for five years. This is what's happening in our communities. Thank you so much for that question.

Mr. Joel Harden: I'm glad we're connecting on this because it seems to me often in government or in public policy, we're very focused on the important announcements that future housing will be built. But if we do have, in our communities, existing housing stock funded by the province of Ontario, funded by municipal governments, funded by the federal government that is sitting vacant when neighbours are sleeping in the street, when our shelters are full, when international students are staying 12 to 15 to a room, it seems to be an incredible waste of resources.

I want to just mention, Chair, for the record, we do have a developer in Ottawa, John Cosentino from CLV Group, who has partnered with the city of Ottawa to build something called Slayte, which has been the repurposing of a federal office building in 2019 that now has 158 units, but the general price for most of those units is about \$3,500 a month. The average rent in our city, in Ottawa, is \$2,000 a month, but Mr. Cosentino did feel a requirement, a social obligation to have 10 units at a cost of \$1,500 a month. This is a private developer doing a private initiative.

I'll turn it to our friends at AMO. Do you think there's an opportunity here for the provincial government, with amendments we could make to this bill, to strike up a partnership with your members to figure out how Mr. Cosentino's model, that he's doing out of the goodness of his heart and for his own enterprise, could be given some public funding with resources and building infrastructure we already have?

Ms. Lindsay Jones: Thanks so much for the question. I think that there are so many different innovative ways that we can come at this challenge. You're right to make sure that the debate doesn't just focus on building new, which takes a very long time, but that looks at strategies like retrofitting and repurposing, like enabling acquisitions as well for not-for-profit housing operators, as well as the income side of things, which is really the fastest way to keep people from falling into homelessness, which then, of course, requires a look at both the income security side of things and, potentially, the programs that are currently out there with respect to housing benefits.

The Chair (Ms. Laurie Scott): Forty-five seconds.

Ms. Lindsay Jones: No question that being able to work with the private sector, with not-for-profit developers and municipalities to then explore what is possible is going to be the only way forward, so we would welcome, as municipalities, the ability to explore the art of the possible with private sector partners, who are innovating in ways that are really exciting.

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Mr. Joel Harden: Thank you.

The Chair (Ms. Laurie Scott): Twelve seconds still. Thank you.

MPP McMahon for four and a half minutes, please.

Ms. Mary-Margaret McMahon: As you know, we all like to talk housing, and we all want to build housing. It's just always the devil is in the details.

First, I have kind of a specific question for AMO about the official plan amendments for—if you know anything about this, which I'm sure you must—protected major transit station areas. I've heard from my residents and some housing experts about the hold-up with that, waiting for the province. I asked the minister about that this morning, because, especially in Toronto, “When is this going to happen? When is it going to be signed off on?” And I got the ever-detailed answer, “Soon.” So I was asking for a definition of “soon.”

But have you heard about that from other communities? What are your thoughts on getting that action so we can get shovels in the ground?

Ms. Lindsay Jones: Well, AMO doesn't usually weigh in on the specific municipal issues. I wouldn't be in a great position to be able to speak to specific decisions. We have, however, supported our municipalities in the overall official plan process, which has definitely been evolving.

Our first recommendation to the government is that approvals, plans and timelines—there is definitely a need to streamline things, and it's not just about municipalities. It's also very much about provincial agencies and ministries, and the time that their decision-making adds to the developing process. So we have urged the government to review its own approval times and to make changes to make things as streamlined as possible—

Ms. Mary-Margaret McMahon: Okay. I'm just very short on time.

Do we have your thoughts on us building and looking in our own backyard? We talk about NIMBYs, but we're not even looking in our own backyard. I don't think, to the fullest capacity for provincial lands. Do you think we're doing a good job on looking at provincial lands?

Ms. Lindsay Jones: I think that there is a lot of—

Ms. Mary-Margaret McMahon: I noticed Colin's poker face that was over to Lindsay, but anyway. Go ahead.

Ms. Lindsay Jones: Definitely, being able to make the best use of provincial land, federal lands and municipal land is a key recommendation that AMO has had with respect to supporting housing. We are interested in partnering with the province to have more detailed discussions on that front going forward.

Ms. Mary-Margaret McMahon: All right. Super polite answer; I love it.

Now, we'll just do kind of a rapid round, because we have a minute or so and a bit left.

My standard question, I ask, any sage advice—one piece of advice that you have for us as we consider Bill 134? So maybe, we will go—Walied first.

Mr. Walied Khogali Ali: To adopt FoSTRA's submission, the two-tiered model, makes it possible for many hard-working residents of Ontario to access a basic human right, which is housing.

If we don't do something now, we're going to be setting future generations up for failure. Folks are working not

just twice as hard, but multiple jobs just to be able to access housing.

Ms. Mary-Margaret McMahon: Okay, great. And AMO?

Ms. Lindsay Jones: To address some of the uncertainties that are causing challenges for municipalities right now, in moving forward—namely, being able to take the opportunity to clarify that the development charge exemptions for attainable housing are currently on pause and will be on pause until 2027.

To reinstate housing services—

The Chair (Ms. Laurie Scott): I'm sorry. That's the end of the time.

Going to the government side for a seven and a half minutes: MPP Sabawy, please.

Mr. Sheref Sabawy: I would like to just, again, address the supply issue. In my opinion, changing the definition of affordable, deeply affordable, not really affordable, slightly affordable will add more layers of complexity and definitions of what we can define for different levels. At the same time, we are still discussing attainable and not-for-profit and rental, which are just three categories. We're still in discussions about that today. Now we are trying to add more layers of affordability and deep affordability.

My question is, if we extend the umbrella for more people to be eligible for affordable housing when we don't have affordable housing, that will make the line longer—instead of, like, staying for three years, they would stay for seven years waiting for that. Again, in my opinion, and I hope to get your input on that, we need to have the supply so that we can service the people.

Mr. Walied Khogali Ali: That's an excellent question and remark. I agree with you. We need more supply because our population is going to go up. There's no disagreement there.

But who are we building housing for? When we're talking about supply, who are you building the housing for? Is it for those folks who—you've got the data from Statistics Canada, from the city of Toronto—cannot afford to live in housing because the definition of affordable housing, and the subsidies that our municipalities qualify for, doesn't cover that need? I think we need to be much more intentional in making sure that the supply is delivered correctly.

We have the private market that will bring about supply to the market, but we need to make sure that the municipalities, not-for-profit organizations, land trusts—all those solutions—are part of it, so that cities can also take on the responsibility to ensure that the needs of local residents are met.

Mayor Olivia Chow has been championing for more funding from the federal government. Our Premier is on board with that agenda to secure more funding, but we don't want the funding to go specifically for market-based housing solutions. We need government intervention. We need housing stock through rent-geared-to-income programs that are administered by the cities to work.

I live in Regent Park. I love that community, not just because of how diverse it is socio-economically, but also

because we have a local social housing provider that is part of the solution. We need to make more investments in local social housing providers to make sure that there's more access to affordable housing.

Mr. Sheref Sabawy: I will leave the rest of the time for my colleague.

The Chair (Ms. Laurie Scott): MPP Pang, please. Four and a half minutes.

Mr. Billy Pang: Madam Chair, through you to AMO: Now we are in a housing crisis here. That's why we are driving the province in a crisis mode, not in a normal mode. We have a lot to deal with in a crisis and we need to move fast.

I have heard that there are municipalities that have challenges when we are exempting some types of development charges, right? Can you, please, from your perspective, let us know about how you understand those developments being exempted? What are they?

Ms. Lindsay Jones: Thanks so much. Bill 23 put in place a number of different exemptions in the context of development charges. Today, we've talked about exemptions for the construction of affordable units and, potentially, attainable units, but additional changes that were made to the development act include the eligibility of all of the different types of costs that can be included under municipalities' development charges, that cut across the entire spectrum of housing. The exemption of things like the value of land, the cost of studies or the cost of housing services have really significant impacts on municipalities' ability to collect revenue, to be able to fund growth. Those are areas that, as you go forward, municipalities would like to engage on further on potentially doing some course corrections there.

With respect to affordable housing, AMO does support the changes that the government has put in place to put discounts in place for the construction of affordable units with this new definition. We think that that is a way that we can help support not-for-profit developers to be able to move forward with some of the important work that they do.

1400

Mr. Billy Pang: Thank you for your answer. I heard "significant" a lot—big money. So can you let us know what would be the percentage that you are looking at? There are a lot of development charges that you are collecting for the municipalities, right? Now, those portions that are being exempted cover how many per cent of the total development charge income?

Ms. Lindsay Jones: It's challenging, given that all of the municipalities are at different points with their development charge bylaws—

Mr. Billy Pang: Can you give us an idea? That would be—

Ms. Lindsay Jones: —and that is why we have estimated that once all of the changes that Bill 23 puts in place are in place, it will be \$1 billion a year that we are short.

Mr. Billy Pang: Not the amount—percentage.

Ms. Lindsay Jones: I couldn't be able to speak to that right now.

Mr. Billy Pang: Because \$1 billion is a big number, but if you got \$100-billion income from development charges every year, \$1 billion is nothing. If you got only \$10 billion, then it may be huge. If you got \$2 billion—well.

So my question is about the portion. That I need to understand, because if we keep saying that it is a very hard impact, I need to know how hard it is.

The Chair (Ms. Laurie Scott): Fifty seconds.

Ms. Lindsay Jones: It is a very significant impact that is having the effect of municipalities not being able to move ahead with projects for water and waste water treatment plants, infrastructure that is needed to be able to support the increase in housing.

Mr. Billy Pang: So still no portion that you can give us as an answer?

Ms. Lindsay Jones: That's correct.

Mr. Billy Pang: Thank you. Thank you, Madam Chair.

The Chair (Ms. Laurie Scott): Okay, thank you very much, everyone, presenters for being here. I'll give you a second to leave the table and then a chance for the next set of presenters to come forward.

ONTARIO FOR ALL
ONTARIO'S BIG CITY MAYORS
MIRACLE ARENA CANADA

The Chair (Ms. Laurie Scott): Our next group is the Miracle Arena Canada, Ontario for All and Ontario's Big City Mayors. I think that we may have the odd person join us virtually, but other than that, those who are in the room, if you would just please come to the table. You have up to seven minutes for your initial presentation. For Hansard, just state your name at the beginning.

Okay, thank you everyone. We're going to begin today for this round. We just don't have the first presenter that I mentioned here right now, so if I could please call on Ontario for All—Sean, I believe—to begin, is that okay?

Mr. Sean Meagher: That's fine.

The Chair (Ms. Laurie Scott): Yes, just up to seven minutes. Just state your name at the beginning. Thank you.

Mr. Sean Meagher: My name is Sean Meagher, and I'm the coordinator of Ontario for All, which brings together hundreds of non-profit organizations all across the GTA to help inform public policy from a front-line perspective. Thanks for having us here today and for continuing to foreground housing policy.

Housing is a core challenge for this province, both in and of itself and because the challenges faced in the housing field are costly, damaging challenges that impact many other areas, including economic growth, workforce development, health care and the justice system. Fixing this problem is important, but fixing this problem is not an easy task, and it is not a simple task, and that means it can't be solved with tools that aren't properly attuned to the challenges that we face. Sadly, much of the housing action under way right now—and, to be fair, this is true of all levels of government—are not firmly focused on the core problems.

This bill is an effort to begin to correct one of those problems, and I applaud the government for taking this step. This bill rightly recognizes that to make housing affordable, it needs to be something that falls within a manageable share of the incomes people actually have. That doesn't sound like a big step, but it's very much worth taking, and it's one that virtually no governments in this province have taken before now.

Right now, with the current definition, housing is deemed affordable if it is below the average market cost. That is something the majority of Ontarians can't actually afford with the incomes that they have. Housing based on market rates doesn't tell us what's affordable; they tell us what is least expensive, and in this overheated market, those two are far from the same thing.

The average 2022 market rent for a one-bedroom apartment was \$1,350 a month. A single person on one income, on average, in Ontario earns enough to pay about \$900 a month. That puts an affordable one-bedroom apartment, under the current definition, 50% higher than the average individual can afford to pay. That's a terrible definition, and moving to this new definition will be very, very helpful.

While this bill does retain a market-based tool for setting affordability, it wisely allows that to be overridden by an income-based rate when the latter is lower. An income-based definition is more appropriate, more accurately reflective of what people can afford to pay and something that is commonly used all across North America, so it's very good to see Ontario catching up.

Unfortunately, Bill 134 takes some shortcuts in creating the income-based affordability definition, and that creates some serious problems. The bill bases the affordable income-based rent on all renter incomes. This will set a rate that is much too high for smaller households to pay. There is a wide gap in income among renters and that will create two distinct problems for this policy.

First, no one who needs a bachelor apartment or a one-bedroom will be able to afford an affordable unit based on all renter incomes. The average renter income in Toronto, for example, is about \$50,000. The average income for an individual living alone is about \$42,000. So that means an individual living alone can afford to pay about 20% below what this bill would define as an affordable unit based on all renter incomes.

Second of all, the rent based on all renter incomes means that no developer will be building larger affordable units. The rent that is based on all rental incomes will be far, far lower than a family of four would expect to pay. Multi-bedroom affordable apartments—already the hardest type of units to finance—will get harder than ever under Bill 134 because it doesn't differentiate among household sizes.

This bill, as it's written now, will work only for two-bedroom apartments and will be poorly attuned to the needs of renters and developers for all other sizes of units. The bill needs to be amended to differentiate affordability rates according to different household and different unit sizes.

Equally problematic is the fact that the bill only proposes to make homes affordable to renter households at the 60th

percentile of income. This means that we're defining affordability at a level that is not affordable for 59% of Ontarians. Making "affordable" something most households can't afford is not a good idea. Most importantly, it misses the core of the issue: the vast majority of households in core housing need live below the 60th percentile of income.

Setting affordability at a level that will fail address the challenges faced by most of the people this bill is seeking to serve undermines the purpose of the bill and necessarily means it will not succeed. We should be setting the income rate at the 50th percentile or below; certainly, below that would be better for most of the people who are facing housing challenges.

Third, under the draft legislation, there is actually no objective measure of what's affordable. The minister decides what the 60th percentile is in the minister's opinion, with few real constraints on how the minister forms that opinion. It is not the CMHC, it's not StatsCan, it's not any independent, third-party, statistical, analytical body, and you simply can't manage evidence-based public policy if politicians decide what the key statistics are. The income used to set rents should be set by an objective, independent third party.

Lastly, I want to point out that this model—the proposed legislation—ignores some critical contextual issues. It creates costly short-term exemptions in exchange for long-term benefits in terms of affordability of units over an extended period of time, but it lacks the enforcement tools you would need to make that viable over the long term. The legislation should ensure that there are legal mechanisms in place to secure the benefits, including the rental rate, the tenure and the duration of affordability that are registered on the title, because over the period that the benefits are supposed to be accrued, these units may pass through several owners. The legislation is also being brought forward in the context of Bill 23—

The Chair (Ms. Laurie Scott): Sixty seconds.

1410

Mr. Sean Meagher: Oh, dear. Bill 23 provides a range of fee exemptions for developers for affordable units. It's important that Bill 134 make good on the commitment under Bill 23 to make the cities whole, to ensure that the development charges that they are losing are compensated for by other incomes. Otherwise, we're simply moving affordable housing money around, taking it from cities and giving it to developers and not creating any independent capacity for more affordable units.

There are also concerns about the duration of affordability, but I think I'm not going to have enough time to talking about—

The Chair (Ms. Laurie Scott): It's 24 seconds.

Mr. Sean Meagher: Okay. The duration of affordability set under Bill 23 is 25 years. When Louise Carroll, who was the commissioner of housing in New York, came to Toronto a couple of years ago to talk about the lessons they learned in New York, she said the biggest mistake they made was short-term affordability periods. They spent a billion dollars buying back the affordability of the units that they set as short-term affordability because, as those affordability periods ran out, they lost the capacity—

The Chair (Ms. Laurie Scott): Thank you very much. I appreciate that. If that's okay, we'll move on to the Ontario's Big City Mayors. Welcome and please state your name.

Ms. Marianne Meed Ward: Good afternoon, everyone. It's great to be with you today. I am Marianne Meed Ward, mayor of the city of Burlington, but here today in my capacity as chair of Ontario's Big City Mayors.

You're probably aware our caucus represents 29 mayors of the largest municipalities in Ontario. We do represent 70% of residents of Ontario, and our role is to advocate on issues and policies that are important to Ontario's largest cities, which we do discover is often very compatible with some of the smaller municipalities as well. We are committed to working with the province in partnership to address the key priorities that impact our Ontario communities and the citizens that we all serve.

Housing affordability is a challenge that all Ontarians share and the reason that Ontario's Big City Mayors shares the province's goal of building 1.5 million new homes in Ontario by 2031. Every single one of the members of our caucus have endorsed and signed on to the individual municipality housing pledges.

Through the work we have done to improve our approval processes, we are doing our best to get shovels in the ground quickly, recognizing that we don't build housing; we issue approvals. But we are doing our best to try and do that faster. We continue to work with the province and partners in the home-building process to address the housing crisis in our communities, and with respect to this specific submission, to collaborate on the best approach to put into place housing options our residents so desperately need.

Turning to the affordable residential unit definition, we do appreciate the opportunity to provide comments on the change in definition. It is helpful. Once in place, this definition will provide clarity to our cities that we need to work with the development community and determine the financial impacts of affordable units to our budgets—which, of course, depending on the definition, could be quite significant.

We do understand the need for development charge discounts and exemptions for non-profit housing, which is a specific category of affordability, and many Ontario big-city mayors have already proceeded to offer those kinds of reductions. But it is critical that consideration is given to the impacts of achieving our goal of incentivizing affordable units.

Municipalities across the province are currently going through our budget process—we have full-day meetings next week in the city of Burlington—and many of us are experiencing unprecedented and unsustainable cost increases that, if we are not able to recover through development charges, we will have to pass on to taxpayers, which will make their cost of living higher, which, in turn, will make them less able to afford housing. So it becomes a double whammy for those individuals.

Regarding the income-based definition, we were pleased with the government's introduction of legislation that included an income-based component to the affordability definition offered by the province. We, also, like the earlier presenter, recommended the 50th percentile versus the 60th

percentile. We do look forward to continued conversations with the province.

An important part of the calculation of an affordable unit is the minister's affordable residential units bulletin, which we've been told will be amended from time to time. We are asking that that "time to time" be tied to our budget so we find out what those changes going forward are in an annual fashion before we go forward with our budget cycles.

We're also requesting that the bulletin use a five-year rolling average for market rate rents and average market rate purchase prices. This will help address the impact of any uncertainty that outside forces could bring to housing and rental prices, as we have recently all experienced fluctuations due to the pandemic, inflation and, of course, rising interest rates.

To complete the calculations for individual communities, we do need to ensure transparency in the numbers published in the bulletin, which is why OBCM is asking the government to use publicly available data from a trusted source to achieve this work.

Without further details on the bulletin, we can't comment directly on its impacts. However, on behalf of the caucus, I am asking that the government commit to consulting on the bulletin's creation and include in these discussions the municipal sector along with developers and other partners in the home-building process.

With respect to accountability, as the Minister of Municipal Affairs and Housing works through the implementation of the details of Bill 134, OBCM is asking for assurance that the municipal development charge exemptions for affordable housing units are truly passed on to homebuyers and renters. We recommend the province develop an accountability framework in consultation with municipalities for these exemptions with the following goals:

- a plan to hold for-profit developers accountable to pass on all savings to their buyers and renters;
- a plan to ensure that these affordable units are not purchased by investors, who will then sell them for a profit at market price. This includes reconsidering the 25-year time horizon on affordable rentals. That's probably not long enough for these types of units; and
- finally, assurances that developers are building the types of housing that our communities need, which varies in each community.

The Chair (Ms. Laurie Scott): Sixty seconds.

Ms. Marianne Meed Ward: In some municipalities, this may mean two- to three-bedroom family-size units; in other municipalities, this may mean seniors; and in other municipalities with post-secondary institutions, this may be affordable student housing. Incentivizing the right mix of housing is key to providing the types of housing that residents need.

With regard to non-profit, we do applaud the changes to exempt non-profit development from development charges.

Wrapping up, we request that consideration is given to how the current development charges exemption would hold municipalities responsible for defining, regulating

and enforcing affordable housing development definitions and charge exemptions. That will tie us up at a time we want to be processing applications. We need more assurances around keeping whole—

The Chair (Ms. Laurie Scott): Thanks very much.

We'll now go to the Miracle Arena Canada representative. Please just state your name, and you have up to seven minutes.

Mr. Isaac Oppong: My name is Isaac Oppong. Thank you very much. I'm speaking on Bill 134, under the affordable housing topic.

We at Miracle Arena, located at 10800 Weston Road in Vaughan by Weston and Teston, have been going through a great challenge. As we know, there is a housing crisis. Adding to that housing crisis is a few things: the homelessness and now also the refugee crisis.

As it stands, we have been able to do what we can in supporting out in the city, not just the city of Vaughan but in the city of Toronto, by coming out and helping those who are in need of affordable housing. What we have been doing: We have been reaching out to the various levels of government, having more success in the municipal and the provincial than on the federal, and trying to see how we can help out this agenda of affordable housing. The definition of a shelter is adjusted. In the time of a crisis, the first thing that one is supposed to do is to call for a leader, because leaders make the decisions. And right now, it is leadership that we need to step forward and to handle this situation.

1420

Toronto is trying various things. We are fast approaching winter, and we have looked into other things like hubs, warming centres, hotels. There's even now a demand being asked for about armouries. All of these things are, I believe, on the side. These things aren't even helping the short-term plans when it comes to affordable housing.

What is needed right now is fair access to the Housing Accelerator Fund. Grassroots organizations and organizations that aren't seen as the corporate elite that have land, such as Miracle Arena, are trying to tap into the objective of this funding, which is to help build about 100,000 units. We don't know if these units are affordable homes—it hasn't been announced by the Prime Minister what type of units these are—but these are the units that are in the Housing Accelerator Fund, and the city of Vaughan particularly has been issued \$59 million some weeks back.

As we're looking at how we can help the affordable housing situation—not just in this city, but province-wide—we are looking at how we can handle immediate, short-term and long-term solutions. Right now, on site at 10800 Weston Road, we have decided—in speaking with a few organizations like WillScot and Blue Door and EllisDon—on seeing how we can get transitional homes, tiny homes. We've noticed, as of last October, this model was taken for the veterans, where they built a community of tiny homes because they had an affordable housing issue, and it was quite successful. We have been asking the different levels of government, especially the provincial and the federal, to consider such a plan to help the people out.

The housing crisis, the affordable housing issue right now across the province is so dire that the city has announced that this upcoming winter their plans are no plans, so to say. We have about 170 spaces that are going to be made via warming centres, and the challenge we're going to find is we're going to find the influx of refugees that have come now—those who are already homeless in the city now—are going to be having challenges in finding a place to stay. The discussions of hubs and the discussions of warming centres to be a band-aid solution to this housing crisis is something that won't work.

People who are in Toronto, people who grew up here, they are quite different from those who have migrated over and now are facing the homelessness issue. It is a culture shock. Receiving testimonies direct from many of those who have been through our program that we've been sheltering and helping, we've come to find out that the African asylum-seekers, for example, are not used to, are not familiar with some of the things that the homeless community in Toronto, for example, is going through—for example, the mental trauma, the addictions and such.

So the plans that were released about five weeks ago from the city to help out with affordable housing by creating different warming centres and hubs is going to find people, within the next month when the weather changes, moving around chaotic. The plan to help out is 150 spaces via four warming centres. Also, after speaking with a few of the senior officers in IRCC, we've come to find out that there's also a lot of diversion of the homeless situation that is in the city throughout different places in the province. So we kindly were asking for the last couple of months, before the winter crisis will come, if the affordable housing can be accelerated, if the affordable housing could be looked into, and if grassroots organizations such as churches and other communities can be considered, especially in a program like the accelerator fund. In doing so, I believe that the affordable housing, because land is an issue—

The Chair (Ms. Laurie Scott): I'm sorry to interrupt, but we have a bell to go vote. There's a division in the House, so we will recess and just, to the members, please come back as quickly as possible after the vote. You have a minute and 11 seconds left, when we come back, to finish your presentation.

I'm sorry. We were trying to get it in and watch everything, but it just didn't happen. Thank you. We will return.

The committee recessed from 1425 to 1444.

The Chair (Ms. Laurie Scott): I'll just call the committee back to order.

Mr. Oppong, you have one minute and 11 seconds remaining in your presentation, if you'd like to use it.

Mr. Isaac Oppong: Sure, thank you.

The Chair (Ms. Laurie Scott): Okay. We'll just continue on, please.

Mr. Isaac Oppong: In closing, for affordable housing, landlords are stressed, shelters are at capacity, low-income units are full. Therefore, the opportunities I'm asking for should be given to the GTHA cities that meet the requirement of programs, like the requests for expression of interest,

and they shouldn't be denied because they're outside of the city. Land use planning permits, developmental approval, MZOs are all in order to make this thing a full effect in order to help out the affordable housing.

The Chair (Ms. Laurie Scott): Thank you so much. And we apologize for that interruption, but sometimes that happens here.

We'll now start with the official opposition for the first seven and a half minutes of questioning. Please, MPP Harden.

Mr. Joel Harden: Thank you to all the presenters for this afternoon; really appreciated your opportunity to be with us.

We are talking about development charges and doing everything we can to incentivize more housing, particularly deeply affordable housing. Something that troubles me, just from the perspective I have in our city of Ottawa—it came to mind, and we chatted briefly as I left, Mr. Oppong. I am struggling with the fact that we spend a significant amount of money in the province of Ontario through municipalities to house newcomers to our country, who we desperately need to expedite a path to citizenship—we need folks.

But in our city, in Ottawa, if you can believe it, the lack of available housing to people has put the city in a position where we're partnering with motels and putting families, in many cases, four or five to a room, with no functioning refrigerator, not even a microwave. I've met families who are cutting their vegetables on the kitchen counter in the bathroom at a cost of \$3,000 a month through the municipality. And there's no program that we have in place to locate existing housing stock we may have in the city to find a family in that situation, that very precarious situation, an actual home.

It would seem to me that I would love an amendment to this particular bill, as I said in an earlier round of debate, to have a bit of an environmental scan on how we're using the provincial monies we fund through municipalities to help people who are in a precarious housing position. It is a very tight housing market, but there are other organizations in my city back home—and I'd appreciate hearing what your experience has been in the city of Toronto. There are other organizations back home that are trying to endeavour to find housing for people. There's been a great, terrific effort for Ukrainian folks who have come to our city.

But I'm wondering if that troubles you also, to hear the fact that we are spending a significant amount of money to house newcomers to our country in absolutely substandard housing—five to a hotel room, again, as I'm telling you; whole families with young children. Do you have any concerns with that?

Mr. Isaac Oppong: I do. In York region, after about three deputations, we were able to get a hotel. It was \$4.3 million allocated to it. And the challenges that we're finding with that is that there are no wraparound services being given. It's for a short term of six months, which they've done the same with the Ukrainian families and such, but after the six months, where do they go? The follow-up, the retention

is not there. It's challenging enough for them to integrate into the region.

During their time there, they have provided—the system there is: They give them a little prepaid card, free breakfast, and then you have to fend for yourself. Laundry is a challenge. We've come to find that, on site, even Band-Aids weren't there. We had a pregnant woman who collapsed in the lobby. I had to wait for paramedics to come on site. And it seems that on the municipal level they're just focusing on the numbers and saying that they've got in a motel or a hotel, but the wraparound services are not there. What ends up happening, and is happening, is that the people are in need of other things. Once you put your head on the pillow, once you have the roof over your head, then what? The rest of the things are necessary to integrate within the community.

What has been happening is, unfortunately—the last I checked, a few weeks ago, they sent me the emails; 475 I think they sent to Niagara. What happens after a while is that they send them to Cornwall, to Windsor, to Niagara and all these different places, because the contract may be for six months—if you're lucky, a year, but usually six months. But they don't keep you there for six months. After about six to eight weeks, they want you to transition out to get the next group in there. They haven't fully registered. They haven't fully gotten into the system to get their benefits that are available and then it's kind of like you've given them a teaser and they're back high and dry.

That's what I've been noticing for the last couple of months. So, we are grateful for the hotels and the motels, but quite frankly, I believe it is a waste of money. It is better that we build. There are places that have land and that are willing. Toronto, the infamous 129 Peter Street where you see all of the people outside, only has a capacity of 26 people. Some of the other shelters, the 24-hour respite centres that are opening up, that capacity is about 40 or 46 people.

There are places that have land, and outside of having land, people have heart. So some places have land; they don't have heart. But if you can find places that are willing to do it—they have the heart to do it and they have the space—why are we not looking into those options instead of wasting millions of dollars? If I give the stats now, it would be staggering. Millions of dollars on hotels, and it doesn't help the people.

Mr. Joel Harden: Thank you for that and thank you for your work.

How much time do I have, Chair?

The Chair (Ms. Laurie Scott): Two minutes and 15 seconds.

Mr. Joel Harden: Okay.

Mayor Ward, on to you, and thank you for being here. There was something I raised earlier, again, around the repurposing of publicly owned vacant properties at the municipal, provincial and federal levels in an earlier round of questioning. I'm wondering, for your organization, is this on the radar for you? Because I believe it's a very relevant thing to raise in light of what this legislation is trying to do: encourage the development of affordable housing or

housing in general. The infrastructure minister has said she's doing an inventory, trying to assess vacant properties provincially. But where does this rank in your housing demands as an organization, repurposing existing public properties so they could be used to develop housing faster?
1450

Ms. Marianne Meed Ward: It's absolutely one of the tools that we all have to look at. Each municipality will have a different supply, of course. We have a couple of schools that have closed that we have our eyes on, if they are ever declared surplus. We have what's called, in Burlington, a Burlington Lands Partnership to acquire those lands, so funding from the Housing Accelerator Fund helps with that.

Our role as a municipality at a two-tier level is to issue the permits, but we're willing to buy and leverage land to make sure that affordable housing can be built. Yes, it is one of the tools; it's not the only.

Mr. Joel Harden: Of course not. As Mr. Oppong said, would you agree that having some wraparound services available for folks that are culturally appropriate, that offer them opportunities to meet existing communities with which they would be comfortable—do see this as being part of the housing package?

Ms. Marianne Meed Ward: Absolutely. Ontario's Big City Mayors has met with this government and the federal government at AMO. We had a meeting earlier with the health minister for the province to talk about the need for a comprehensive approach, which includes mental health and addictions. In most of our communities, that is a key part of homelessness—not for everyone, obviously, but for us it is a key part, and those wraparound services are absolutely critical. We have developed a housing paper and submitted that to the government and have had ongoing conversations around the need to see people as people.

The Chair (Ms. Laurie Scott): Thank you very much. I'm afraid we're out of time for this section.

MPP McMahon for four and a half minutes, please.

Ms. Mary-Margaret McMahon: Thank you, and I get a fraction of the time so it will be lickety-split on the questions and hopefully the answers. I do like this Burlington Lands Partnership.

First of all, thank you all for coming in; it's great. It's very enlightening and it's valuable for us as we make decisions that affect the health and well-being of Ontarians.

Do you know any other municipalities that have the exact kind of similar thing as you with this Burlington Lands Partnership?

Ms. Marianne Meed Ward: Some municipalities structure it through a municipal development corporation. Many of the bigger municipalities do it that way. We have our made-in-Burlington approach, which is a lands partnership, but the end goal is really the same: to allow us to have criteria for acquiring land. We have three goals for that land, one of which is affordable housing.

Ms. Mary-Margaret McMahon: All right. Great. I was asking questions of the minister this morning about where we're at or where he's at with the sign-off for official plan amendments for the protected major transit station areas,

because I know in Toronto there's a holdup. I'm wondering if you are awaiting sign-off so you can get those shovels in the ground that the government so eagerly wants, as we all do.

Ms. Marianne Meed Ward: We all need to work at lightning speed. That includes municipalities, as well as the province, as well as the federal government and regional municipalities in a two-tier structure. In Burlington, the vast majority of our growth will be around MTSAs, and that is true of most urban areas that have GO stations, either trains or buses.

Ms. Mary-Margaret McMahon: So you're awaiting sign-off, though, from the government on the OPAs—

Ms. Marianne Meed Ward: I don't know if all 29 of our municipalities are.

Ms. Mary-Margaret McMahon: Okay, but Burlington? Burlington is.

Ms. Marianne Meed Ward: Yes.

Ms. Mary-Margaret McMahon: And have you been given any timeline?

Ms. Marianne Meed Ward: I would have to get back to you on that.

Ms. Mary-Margaret McMahon: Okay. I heard this morning "soon," and so I asked for a definition of "soon."

Ms. Marianne Meed Ward: If you get one, let me know.

Ms. Mary-Margaret McMahon: Hopefully, that's sooner than soon. Thank you.

Then, Ontario Place for All, I'm going to have to memorize your written submission—hopefully you do that, because you had some captivating information in there, Sean. The one thing you were mentioning—a couple of things. One was that you are worried about this bill because it doesn't differentiate among unit sizing. Did you want to elaborate a bit on that?

Mr. Sean Meagher: Sure. The challenge with this bill is it uses a one-size-fits-all approach, and different renter households are very, very different both in terms of what they can afford and what they need. So individuals who are living on one income, who are looking for a bachelor apartment, on average they make enough to afford about \$900 a month. That's very different from a two-income family with two kids who are also renters who make significantly more at the median—and we're talking about the 60th percentile. If you add up how much you're missing the need of individuals seeking one-bedroom apartments by, it erases the benefit of the bill.

Currently, we're declaring affordable things that cost about 40% or 50% more than people can afford to pay. Under this bill, because it uses such a one-size-fits-all approach, we're going to end up at pretty much the same rental price.

Ms. Mary-Margaret McMahon: Okay. And you're asking us to look at the 50th percentile or below?

Mr. Sean Meagher: Yes.

Ms. Mary-Margaret McMahon: When you say "below," what is your dream?

Mr. Sean Meagher: Well, it depends on whether or not you're having—and I heard this in the prior discussion. If you're going to have distinct affordability levels for

deeply affordable, which should be about 30%, and affordable, what was being talked about by my colleague earlier in terms of the shelters and what was driving the crisis in the hotels is people who are at the 40th percentile or below. That would be optimal.

Ms. Mary-Margaret McMahon: Okay.

The Chair (Ms. Laurie Scott): Thirty-seven seconds.

Ms. Mary-Margaret McMahon: All right. I'm going to get to Isaac and give him more time next time around.

The Chair (Ms. Laurie Scott): Now to the government side for seven and a half minutes, and it's MPP Coe, please.

Mr. Lorne Coe: Chair, through you: Welcome to all the presentations.

Your Worship, in your presentation, you talked about the need for enabling infrastructure. I'd like you to talk a little bit about an initiative that we announced in the most recent economic statement, the launch of a new Housing-Enabling Water Systems Fund. Earlier today, you might have been here when Colin Best, the former president of AMO, spoke about the importance of that particular fund and what it meant to municipalities in helping to meet their targets of housing and the overall target that we have of 1.5 million affordable houses going forward.

I'd like to get your perspective, also, on that particular fund and how you, as the chairperson of the big mayors, would think that that particular fund will, in fact, be an enabling piece, as Mr. Best described earlier and, similarly, his director of policy and government relations did as well. I'm very interested in your perspective because you are, in fact—not you, personally, but Burlington is a member of AMO.

So if you could just speak to that little bit, please, and depending on your response, it will lead to a supplementary.

Ms. Marianne Meed Ward: Absolutely. Ontario's Big City Mayors were very pleased with both of the funding announcements, the water and waste water, and the Infrastructure Ontario program, the \$3-billion fund. All of it will be helpful and all of it is critical. On water and waste water alone, the \$200 million, that's what one plant in one municipality costs, just to give you an order of magnitude, so it is helpful. It won't do everything, but we're very grateful for the announcements, and keep it coming.

Mr. Lorne Coe: Well, it's \$200 million, as you know, for three years. It's a significant amount of money and I think it's going to be a key factor in enabling the construction of the type of housing that we have envisioned and spoken about for quite a long time, and leading the way to fulfilling what the expectations are of some of our current residents that we represent and future generations, as well. Thank you.

To my colleagues, through you, Chair, please.

The Chair (Ms. Laurie Scott): MPP Rae, please.

Mr. Matthew Rae: Thank you to all the deputations today and for coming to Queen's Park to comment on Bill 134. My question is for the mayor, as well as the chair, obviously, of Big City Mayors. I will say, \$200 million is a start, as you mentioned. I always encourage my municipalities I talk with to remind their federal colleagues that

it would be great if they would join us in funding some of this waste water and housing-enabling infrastructure, as historically has happened in Ontario and Canada. It is a start, as you mentioned, Your Worship, but more can be done, and I know you will be meeting with Minister Calandra after this, as well, so I'm sure he'll talk about that, as well.

But my question to you, Your Worship, is, in your opinion, will the proposed definition of affordable residential units that we're proposing result in more rental units being developed that are affordable?

1500

Ms. Marianne Meed Ward: We don't know, and the challenge is that, depending on different communities, the 60th percentile—in some of our communities, there is rent that is actually less than that, and so it may not be needed to incentivize rental housing. In other of our municipalities, it may incentivize, but there's no guarantee that that relief will be passed on to the renter. There has to be some accountability mechanism to tie the incentive to the end renter.

What has been suggested is a grant program or some other way of getting money into the pocket of people who need it, rather than flowing it through development charge credits, which, at the end of the day, will really negatively impact municipalities and our ability to build the very housing infrastructure that we need.

Mr. Matthew Rae: Thank you. My next question would be: The current definition, as all the presenters are aware, for an affordable residential unit doesn't take income into account. For the mayor, again, for the definition we are proposing that does take income into account, which definition would you as a mayor and the big city mayors prefer?

Ms. Marianne Meed Ward: We absolutely support adding income as a threshold. Fifty per cent was what we had recommended; I know it's 60%. But we are very grateful that income is now being considered. It has to be, for all the reasons that you've heard from the other presenters.

Mr. Matthew Rae: How much time do we have left, Chair?

The Chair (Ms. Laurie Scott): You have two minutes.

Mr. Matthew Rae: Okay.

My question, then, is for Isaac. Thank you for your comments today on the bill in front of us. I was just wondering, what would you view as helping get more affordable homes and units built in Vaughan and across Ontario? If you could talk a little bit about that.

Mr. Isaac Oppong: What process or procedure?

Mr. Matthew Rae: What process or procedure, in your experience?

Mr. Isaac Oppong: I believe that would be linked to the wraparound services. It seems that many of those who are going through be it homelessness or whatever the situation is, they don't know some of the available services that already exist. We have some things that are being advanced, like the COHB, that pays about 80%, I believe, of the rent base. But there are so many things already set in place—we're trusting for the government to give more funding, but there are things already set in place that I

don't believe people know about and, therefore, they don't have access to. Knowledge is a key thing.

Many of the people who are on the streets or who are being kicked out of their homes, if they knew they had other options, then that would help them a lot. So I believe that knowledge is a main factor, and that ties back into the wraparound services that are being offered to these people who are facing homelessness.

Mr. Matthew Rae: Thank you very much.

I don't think there's enough time.

The Chair (Ms. Laurie Scott): Okay, that's fine.

We'll now move on to the official opposition. MPP Bell, please.

Ms. Jessica Bell: Thank you to all three of you for coming in and speaking today and sharing your expertise.

My first question is to Sean Meagher. When I look at the definition of affordability and what it means in terms of household income, it's not—I don't yet understand what it actually means. Based on your assessment, how much household income would someone need to earn to afford this new definition of affordable housing and affordable rent?

Mr. Sean Meagher: Well, because it's based on all household sizes—that includes large families with two incomes and people living on one income—it's going to be significantly higher than what the people most struggling with incomes are. The average, a 50th percentile income, is about \$50,000 a year for renters. Since we're at the 60th percentile, it's going to be higher. It's going to be, probably, about \$65,000 a year, give or take, as an individual income, which is significantly above what the average person can afford and far, far, far above the folks living in the hotels that MPP Harden was talking about could ever muster.

We're a long, long way, with this particular definition, from something that's actually affordable to ordinary folks. In fact, we're very, very close to where we are right now, because those two gaps—the use of all household sizes and the use of the 60th percentile—push the number up to pretty close to what average market rent is.

Ms. Jessica Bell: Yes, \$65,000 is a household income. It means that a lot of people are left out. I did speak briefly to the city of Toronto about this definition, and their assessment is that anybody who is on a wait-list right now for community housing, there's not a chance they're going to be moving into these new affordable homes. So that's a concern.

This is a question first to Sean Meagher, and then second to Chair Meed Ward. Both of you talked a bit about how there needs to be enforcement and accountability around making sure the right people get to move into these homes, making sure that there is a mix of homes being built that suit the municipality and making sure that the definition of affordability is enforced throughout the entire time. So my overall question is, if you were me and you were writing amendments to give municipalities more power, what should be in these amendments? Help me out here.

Mr. Sean Meagher: I think there's a couple of challenges that we've seen with the legislation that has come out so

far to try and create affordable supply. One is that there isn't a statutory length, there isn't a requirement or an enforcement mechanism so that when a developer gets a benefit, they're under an obligation to deliver another benefit in return. So you get your DCs waived; you don't actually have to create affordable units for that. It is designed to create more supply—which it can in some circumstances, and has, in lower-inflation circumstances, done—but it isn't creating more affordable supply, because there is no link between the benefit the developer is getting and an obligation that they have.

So what we need, first of all, is that those benefits all have to be tied to some contractual obligation. Her Worship mentioned a grant process, which usually comes with a contractual obligation. That would work just fine. And these things need to get registered on title, which is not an easy thing to do under the current legislation.

It's great to enter into a contract with a developer and to say, "You're going to have these units be affordable for 25 years," but if they sell that building and it's not registered on title, you don't have a contract with the successor. So you don't have a mechanism that the municipality or the province can use to chase down that obligation and make sure it's delivered.

Ms. Jessica Bell: Same question.

Ms. Marianne Meed Ward: Yes, I would say, eliminate entirely the attainable housing portion of DC credits—push pause. We have asked for that. I think our members would look kindly if the affordable definition was eliminated entirely. Just let us keep our development charges; we need them. I know that's not, perhaps, what's going to happen right now. But there has to be a way to ensure that these savings are passed on. There has to be a way to ensure that the unit isn't flipped—or re-let out, if it's a rental unit—so the affordability disappears overnight. And there has to be a long enough time horizon to keep it affordable. Fifty years, which is double what's being contemplated, is closer to what would be required to actually keep these deeply affordable.

We have no issues with non-profit credits on development charges. That's exactly what we want to see. Many of us are doing that voluntarily anyway under the current Development Charges Act.

Ms. Jessica Bell: Thank you. The reason why I bring up some of these questions is—and I mentioned this to you earlier—we've had big developments built in our area where there has been some affordable homes allocated, mostly paid for through federal government money. And the municipality had very little say—no say—over who was going to move in or what the process was going to be. You had to be super savvy and go onto the developers' website, log on and register. You had to even know that they had affordable housing units available. Then, there was some mysterious opaque lottery process to determine who got them.

If we're going to be giving very big development fee exemptions to these affordable housing units, my fear is that they're not going to go to the right people.

Mr. Sean Meagher: This is not a new concern. This is not a new problem. This is a problem that's happened with affordable units in jurisdictions all throughout North America, especially with inclusionary zoning. In other jurisdictions in North America, they needed to create mechanisms to ensure that the allocation was appropriate, that there was long-term follow through.

Often, what they did—again, following OBCM's suggestion—is that they turned to the not-for-profit sector to say, "Okay, you're mission-driven to deliver this stuff. We don't have to chase you quite as hard. You don't have a statutory obligation to your shareholders to maximize profit, so we don't have to jump through as many hoops to make sure that you're delivering the benefit that you need to deliver."

But where they haven't done that, they did set up coherent infrastructure to make sure that somebody was checking and somebody was following on both the allocation and the—

The Chair (Ms. Laurie Scott): Sixty seconds.

Ms. Jessica Bell: Thank you for your time and your expertise. I'm sorry I didn't have time to ask you, Mr. Oppong, questions, but I can follow up with you after. I appreciate you coming here.

Mr. Isaac Oppong: I appreciate that.

The Chair (Ms. Laurie Scott): Thank you. Over to MPP McMahon for four and a half minutes.

1510

Ms. Mary-Margaret McMahon: I think I'll do some speed rounds just to shake it up a bit and then everyone gets a speed answer. All right.

Provincial lands: We talk all the time about NIMBYs everywhere else, but then we need to look in the mirror ourselves. Do you think we're doing a good job at building and utilizing provincial lands for housing? Yes, no, maybe so? Room for improvement?

Mr. Sean Meagher: Who goes first?

Ms. Mary-Margaret McMahon: Sean. Let her rip.

Mr. Sean Meagher: They need to be freed up as quickly as possible. They need to also arrive in a clean state. Some provincial lands are brownfield sites, so remediation is really important, and then municipalities need the latitude to upzone them readily.

We talk a lot about NIMBYism, but in fact for a lot of things like the Rapid Housing Initiative, the NIMBYism was there, but people worked through it. We can do that, too.

Ms. Mary-Margaret McMahon: Awesome. Marianne?

Ms. Marianne Meed Ward: One of the biggest challenges is actually when federal or provincial lands—and I'm thinking of surplus school sites. They're required to be sold at market rate. So what the taxpayer already owns, the taxpayer is paying for then when it changes hands between a municipality and a school board. That's just one example. So is there a way for us to truly partner together with other levels of government to eliminate that fee charge over, and then we can actually get more money to be building the infrastructure and the actual housing?

Ms. Mary-Margaret McMahon: Excellent.

Isaac, do you want to weigh in on that?

Mr. Isaac Oppong: I believe the job could be done much better. Just going off of the experience in York region alone, it seems that for the land that could be used, there's a lot of red tape and a lot of restrictions that are being faced by those who want to participate, to help out—as I mentioned, for example, the request for expression of interest. Because of what, I don't know. I don't know what all the red tape is for. If someone wants to help, you let them help.

But one thing that seems to stand out within the last couple months that I've seen personally is that when the lands are available and people do want to step in and work with the municipal and federal governments, it seems to be certain—be it the ministers or families that stop that process. That is what I've seen, personally.

Ms. Mary-Margaret McMahon: Great. All right. I was going to do two more, but I'll do one more, because I don't have time.

One piece of advice for us as we work through and consider Bill 34?

Mr. Sean Meagher: One size doesn't fit all. You need differentiated strategies that are tailored to the folks you are trying to serve. We saw in Bill 32 lots of changes that weren't targeted at affordable supply, which was the real goal. Let's not make the same mistake of being too broad again.

Ms. Mary-Margaret McMahon: Thank you.

Ms. Marianne Meed Ward: Making ensure there's accountability, that the incentive actually goes to the people it is intended to serve.

Ms. Mary-Margaret McMahon: Awesome.

Isaac, any advice for us?

Mr. Isaac Oppong: I would just say to consider all levels of organizations to be able to assist in this bill, so it doesn't become an issue like Bill 25 with the rent stabilization.

Ms. Mary-Margaret McMahon: Great. Well, I actually still have a minute, so let's go for that extra question. You guys are getting into the swing of this.

Ending inclusionary zoning: How quickly should we be doing that?

Mr. Sean Meagher: There's two sides to that coin, and one is exclusionary zoning and one is inclusionary zoning. There are big cities in Ontario that are ready to ensure that new developments have affordable homes, and then the only thing holding them back is the PMTSAs that have been sitting on the minister's desk, in some cases, for a couple of years. So we should be doing that—a couple of years ago.

On the exclusionary zoning side, we actually have a quarter of a million already approved units. We could be building faster if the capital was there to bridge the gap between what's affordable for people to rent and what it costs to build. So the zoning isn't always the problem.

There's work that we can do around zoning, but again, it's a mistake to think that there's this one silver bullet that's going to fix everything. Better zoning will help. Capital investment will help. Making sure that we're not

slowing down the process by not approving those PMTSAs will help.

Ms. Mary-Margaret McMahon: Awesome. Great. Marianne?

Ms. Marianne Meed Ward: Absolutely—

The Chair (Ms. Laurie Scott): I think we're out of time.

Ms. Marianne Meed Ward: Oh, we're out of time?

The Chair (Ms. Laurie Scott): Yes, we're out of time. Sorry about that.

We'll do the final round of questions to the government for seven and a half minutes.

MPP Kusendova-Bashta, please go ahead.

Ms. Natalia Kusendova-Bashta: My first question will be to Isaac. First of all, I want to thank you and your organization for the incredible work that you are doing, supporting our most vulnerable people in the community. I attended yesterday the 44th Cardinal's Dinner, and that community has been raising over \$6 million per year to support the needs of our vulnerable people. The faith communities across Ontario, certainly, every year help all of us to fill some of the gaps that exist to support those precariously housed or those at risk of homelessness.

Recently, our government, back in April, announced additional funding: \$202 million in our Homelessness Prevention Program. My region, the region that I represent, the region of Peel, received a \$42-million allocation, and I believe York received a \$36-million allocation as a service provider. I was just wondering, from your perspective, have you seen that money from within the region, and has that money made a difference? Are you seeing that money work on the ground?

Mr. Isaac Oppong: As of yet, frankly, no. Outside of that 30-something million dollars, and I believe for the COHB it was \$2.3 million allocated to York, we have seen literally a stop for some applications. I was told by a few of the directors that they have reached their limit, which, when I do my math, doesn't make any sense to me.

So the region receiving the funds, who the region is working with—that knowledge is not public, which we've asked it to be. We've had other organizations that we know are not, I would say, zoned to do certain types of services in York being called in to do that. We're asking, literally in deputations and in private meetings, "When can we get these numbers brought out and see where it's being dispatched to?" As until this current afternoon, I don't know.

Ms. Natalia Kusendova-Bashta: That's a very interesting perspective, hearing from someone who works day in and out to help, specifically in Vaughan. This \$36 million was a significant allocation that our government has increased funding for, specifically for homelessness prevention in the region of York. That we're not seeing the effects, at least from your perspective on the ground, speaks to some of the duplication that may be existing among regions, and that's why were doing some regional government reviews in other committees.

But just to stay on topic today about housing and affordable housing: From your perspective, what are the most important priorities in developing affordable housing for Ontarians?

Mr. Isaac Oppong: I wish I could also say something on the last topic of homelessness prevention. York, for example, their biggest contributor is actually a church with the Salvation Army. So that is a program that is already set in place. As for the new allocation of money, like I said, it hasn't been dispatched yet.

And to your question now, the biggest thing I would say to help out the whole affordable housing dialogue—I think the places, the organizations, those who have the land and those who have the will to use their land should be greatly considered.

It seems to me that right now, of course, in York, for example, there's a lot of construction going on. I believe it's 110 condos or so they're trying to put up soon. The rent for those—they're not affordable. So what units are being built, when they're going to be built, the plans and the strategy for it, none of that is being spoken about to date. I believe it would be nice if the knowledge is public so then everybody could get hands on deck, and we can have minds at the table to be able to dialogue around this, because many are having such lands available but they're not getting the information.

Ms. Natalia Kusendova-Bashta: Thank you. You also spoke about wraparound services that are very important for those who are seeking supportive and affordable housing. I'm a registered nurse. I'm always very passionate about mental health and how we can support people who are facing some challenges. What are some of the wraparound services that you think would be helpful for the clients you serve?

Mr. Isaac Oppong: Other than them getting their shelter, putting their head down—of course that's good for the body, but the soul needs to be at rest—counsellors, whether it's psychologists or psychotherapists. Many, I've come to find out, have gone through shocks, cultural shocks and different types, so the mental aspect needs to be addressed.

Then also, there's a lot of families that are coming in, and I see that there's no maternity plan. I'm not a woman, but from what I've seen of those that were pregnant and the issues that they had, there's no services that are supporting for child care, for mothers, and then also—I guess you're a registered nurse you said, so you know more about that than myself—employment services, the wrap-around services that will help them to integrate and to not just get into any random job field.

1520

I know skilled trades are being pushed right now, so that is nice, but many of them are coming—for example, I'm talking about now the asylum seekers and refugees; they're very learned. Some are doctors. We have a doctor on our site. We have two lawyers. So some of them would like to go back into their career, but those options and those portals aren't open yet, so I believe that part of the wraparound services also will help them very much to continue.

Ms. Natalia Kusendova-Bashta: Thank you so much. Certainly, our government is doing a lot of work in other ministries—for example, through our Working for Workers legislation—to ensure that people who come with skills

and experiences from other countries can actually actively participate in our job markets and work in their profession.

I wanted to ask Madam Mayor a few questions. Thank you very much for bringing up the school infrastructure, because that is a piece that our government is actually tackling.

The Chair (Ms. Laurie Scott): Sixty seconds.

Ms. Natalia Kusendova-Bashta: Prior to our government's Bill 98, we didn't know where the surplus properties were located across our Ontario school boards. For the first time in the history of Ontario, now the minister has oversight of where these old school buildings are that are, frankly, collecting dust.

Can you speak a little bit more to that, why we need to put those surplus properties onto the market so that we can build affordable housing, long-term care or anything else that can serve our communities?

Ms. Marianne Meed Ward: Well, the properties are fairly large. Some of them have buildings already that you could put people into housing immediately or redevelop and repurpose those lands. You've also got green space around them that can be protected, so they're very suitable for re-development.

I would just encourage the minister and the province to continue to talk with municipalities, because we know where all the school sites are. I can tell you, we keep track of them, and as soon as they are surplus and available, we'll be talking to them about how we might purchase them.

Ms. Natalia Kusendova-Bashta: Thank you.

The Chair (Ms. Laurie Scott): That's it. Thank you very much.

Thank you to the presenters for appearing here this afternoon. I'll give you a few minutes just to leave the table.

Interjection.

The Chair (Ms. Laurie Scott): I'm sorry; that's the end of the questions. I'm sure you wanted more, but, no, that is the end.

ONTARIO HOME BUILDERS'
ASSOCIATION

WATSON AND ASSOCIATES
ECONOMISTS LTD.

The Chair (Ms. Laurie Scott): The next group of presenters—we have two. When you can, just come forward to the table and we'll begin.

Interjection.

The Chair (Ms. Laurie Scott): Yes, you can both come at once.

Mr. Neil Rodgers: Who's first?

The Chair (Ms. Laurie Scott): Well, I had down the Ontario home builders. Is that you? Would you like to come first?

Okay. The last round is the Ontario Home Builders' Association and Watson and Associates Economists Ltd. We will begin with the Ontario Home Builders' Association when you're ready. You have up to seven minutes for your presentation. As always, just state your name at the

beginning of your presentation for Hansard purposes. We're almost cleared in the room, so I think that you can begin.

Mr. Neil Rodgers: Thank you, Madam Chair and members of the committee. My name is Neil Rodgers. I am the interim CEO of the Ontario Home Builders' Association, taking on this role this past October—so only several weeks ago. I'm sure that our paths have crossed in the past, so it's fair to say, while I am new to the position, I am not new to the industry, with almost 40 years of experience.

I'd like to note that my MPP is here, Mary Margaret McMahon. I'm a proud resident of Beaches–East York for some 40 years.

The OHBA is the voice of the residential construction industry in Ontario, representing over 4,000 member companies in 27 associations across our great province. Our members include builders, professional renovators, trade contractors and suppliers. Collectively, we have the vital responsibility of building housing supply and the choices of housing that people wish in Ontario.

We commend Minister Calandra and the government's work to bring forward changes to the Development Charges Act to lower the cost of building, purchasing and renting affordable homes across the province. The OHBA supports all measures to reduce the cost of building new housing and provide more financial certainty for families. Under the right conditions, we will support the principle of municipal development-charge-related exemptions for affordable and attainable housing.

In Ontario, up to 25% of the cost of a new home is composed or comprised of government taxes, fees and charges. Since 2004, these costs have increased by anywhere from 300% to 1,000%. And make no doubt about it, homeowners are directly saddled with this burden. The new definition of affordable housing under this bill is a step in the right direction, but it has some limitations.

Affordable housing relies on broad societal supports. Through the bill, an even greater need is necessary to make the legislation work and deliver the quantum of units needed to solve the housing crisis. We want to help in shaping that outcome. The proposed new definition must be improved to facilitate partnerships between private sector builders working alongside not-for-profits and municipalities to cost-effectively deliver affordable housing units within larger-based housing projects.

First, robust housing data through regular updates is essential. Using CMHC data renders the data obsolete almost from the start. With unprecedented cost increases across the market, these forces have profound implications for the cost of housing, whether it is rental or ownership, and the viability of such projects.

Furthermore, sadly to say, incomes have not kept pace with housing production costs, labour materials and, of course, inflation. The affordable housing bulletin, which has not been articulated in this bill, should be updated at least semi-annually using the latest available data on local housing market conditions and income. The data must rely on credible data sets generated more frequently than census data.

Once these data sets have been validated, it must be paired with targeted modifications to the proposed definition for affordable residential unit for rentals. It's our understanding that the purpose of these amendments to the definition under the bill is intended to incentivize private sector developers to build affordable housing. Regrettably, the proposed definition of affordable rental residential unit is not aligned with the realities of the economy and the sector.

To test the definition, we used the greater Ottawa market as a significant housing market, but not like the extreme conditions found here in the GTA. Using the 2021 census data, Ottawa's 60th-percentile income would be approximately \$61,000. Applying the 30% of household income threshold available for rent in the bill would yield a \$1,500-per-month rent. I would submit to the committee, it would be near impossible in today's markets to develop, acquire, finance and build rentals at this rate without further substantial incentives from all levels of governments in today's conditions.

If the goal of Bill 134 is to truly create affordable rental housing opportunities within a wider spectrum, OHBA recommends that the annual accommodation cost be amended from the proposed threshold of 30% to 40% found in section 5(b).

The other variable to the definition is the means test of household income to support affordable rents. Household incomes vary dramatically across the province. A one-size-fits-all approach will not yield the intended results of this bill.

Again, the absence of details with respect to the affordable housing bulletin makes it difficult at this time to ascertain if the bill's provisions will address the affordable housing crisis with any urgency. And what I'm really saying is, are the expectations real?

In identifying the income-based affordable rent for a residential unit, we recommend the threshold used for gross annual incomes for renter households be modified from the 60th to 75th percentile. And that's in section 5(a)—

Interjections.

The Chair (Ms. Laurie Scott): Sixty seconds.

Mr. Neil Rodgers: Sixty? Holy smokes. Okay.

Also, there's no distinction made for housing type in the bill. A unit is a unit is a unit. That's not right. We don't build a homogeneous unit in the province of Ontario. We have to cater to a wider range. We recommend the ministry go back and test the regulation, like we did. We strongly advise continued engagement with OHBA on the attainable housing definition, which has long been understood to be something coming forward but has yet to.

1530

Our members are best suited to build the 1.5 million homes committed to by the government. We are ready to start, but we require a feasible framework that can deliver the quantum of units desired to solve the affordable housing crisis and meet this ambitious goal.

The Chair (Ms. Laurie Scott): Thank you very much for your presentation.

We'll now move on to Watson and Associates Economists Ltd., please.

Mr. Peter Simcisko: Thank you. So good afternoon. I'm Peter Simcisko, managing partner with Watson and Associates Economists. I believe joining us virtually is also my colleague Erik Karvinen, who is a manager with our firm.

Firstly, I would like to thank the committee for providing us with an opportunity to speak this afternoon. We have provided two different documents in the package that has been distributed to the committee. There's a detailed letter submission, and that is accompanied by a few slides at the front of the package which provide the key highlights I will be speaking to today.

The scope of our submission and this presentation is focused on schedule 1 of Bill 134, specifically the proposed definition of an affordable residential unit, as this will determine which units qualify for discounts and exemptions from development-related charges. It is our understanding that development-related charges extend beyond development charges and also to community benefits charges and parkland dedication requirements as well.

Our firm has a long-standing history and a proven track record of addressing the evolving needs of Canadian public sector entities, primarily in the areas of municipal finance and land economics. The vast majority of our clients are municipalities, school boards as well as conservation authorities in Ontario, but our work also extends to a broader range of public sector entities right across Canada.

Just to highlight some of our experience that is particularly relevant to the discussion this afternoon, we have undertaken over half of the development charge studies in Ontario. We have also been involved in consultations on this subject going all the way back to the original Development Charges Act and have continued to participate in those consultations with each subsequent amendment to the act as well. Then, in more recent years, we have also been assisting municipalities with preparing strategies related to community benefits charges and parkland dedication reviews as well.

Firstly, we wanted to explore what the revised definitions of affordable units might mean. To do that, we looked at data that's contained in the provincial policy statement housing tables, which are provided in the appendix of our submission.

Firstly, what we observed is that the income test that's proposed appears to be irrelevant for rental units based on that data set, as the market rent is consistently lower than the affordable rent across all regional market areas that are included in that data set. With the Bill 134 proposal, the rent at which a unit would be considered affordable is higher than what is provided under the current definition, and what that would imply is that more rental units would qualify for this exemption, which would provide a greater incentive for affordable rental units. Conversely, the affordability threshold for ownership housing units generally appears to be lower when applying the income-based approach, and so that would tend to have the effect of incentivizing purpose-built rental units over ownership housing.

We also observed that, based on the overall provincial average, market purchase prices are approximately double the affordable purchase prices. What that means with that big gap between the affordability threshold and going market prices is that perhaps only very small residential units may be priced at a point where they would actually qualify for that affordable residential units exemption, and therefore using these broader averages across all unit types may not help address the problem of the missing middle housing, which would be larger housing typically geared towards families.

With all of that said, it is currently unclear what the source data will be to be used for the affordable residential units bulletin, and until some of those details are known, the full impacts of the proposed definitions cannot be assessed with accuracy.

In light of that, we wanted to list a few technical clarifications that we feel should be further addressed with respect to the bulletin. Firstly, more clarity is needed on the geographic scope of the bulletin. While the definition of "income" seems to be clearly tied to the local municipality, the definition of "average purchase price" and "rent" does not include a reference to geography. The level of granularity of market averages will have implications on how this impacts different municipalities due to variations in income levels.

Secondly, more clarity is needed on whether the market rents and purchase prices will be disaggregated by unit type and size. Using overall averages across all unit types and sizes would produce higher average values, with the implication that this would tend to favour smaller, perhaps typically condominium and studio apartment units, in contrast to larger, family-oriented homes, as those would be less likely to meet the affordability threshold.

Thirdly, a clear definition of what is to be included in accommodation costs is required. The PPS housing tables indicate that mortgage carrying costs, which would include mortgage insurance and property taxes, are included. However, additional accommodation costs, such as water and waste water charges, condominium fees etc. should perhaps be included in that definition as well.

And then more of an observation: There are certain areas of the Development Charges Act that define "rented development" to be buildings with four or more units that are all intended to be used for the purposes of residential rental premises. That requirement does not appear to extend to the affordable rental units for the purposes of the exemptions that have been proposed.

A couple of other areas that could benefit from clarification, as was mentioned by some of the speakers earlier today, is the frequency of publication of the bulletin and then the basis for determination of the gross annual income and average market rents and purchase prices—so what is the data source that's going to be used for—

The Chair (Ms. Laurie Scott): Sixty seconds left.

Mr. Peter Simcisko: In the final part, I would just like to highlight a few items for the committee's consideration. Firstly, as already highlighted, the technical details of the bulletin need to be carefully considered, and perhaps

further consultations on the content of the bulletin could be beneficial.

Secondly, those details then need to be assessed relative to the objective of incentivizing affordable housing. As our observations demonstrate, the proposed definitions relative to the PPS housing tables indicate that there could be some unintended implications. And then also, moving forward, the effectiveness of the exemptions needs to be periodically reviewed to ensure that they continue to provide the desired outcomes.

Thirdly, the Development Charges Act requires that agreements be entered into to ensure that these units remain affordable for a period of 25 years. I just wanted to note that this will increase the need for resourcing on the municipal side and, together with the need to fund these exemptions from other sources—

The Chair (Ms. Laurie Scott): Thank you. I'm sorry, we're out of time, but you might be able to finish in some of the questions.

I'll start with the official opposition: MPP Bell, please.

Ms. Jessica Bell: Thank you very much, both of you, for coming in. I'm going to start off by giving you, Mr. Simcisko, time to finish your presentation.

Mr. Peter Simcisko: Thank you very much. I just wanted to note, in the final remark, that the funding of these exemptions and the resourcing requirements to administer the agreements will put additional financial and resourcing burdens on municipalities that are already facing significant challenges at the moment, especially as annual infrastructure funding gaps continue to be identified through the ongoing asset management planning efforts.

That concludes the remarks. Thank you for the additional time.

Ms. Jessica Bell: Thank you. I was truly fascinated by both of your presentations and the level of detail and expertise and thought that has gone into them. I appreciate it, both of you. I don't have a lot of questions. I have questions for both of you, but I probably won't use all of my time.

My first question is to Mr. Rodgers. Welcome to your new role. When I was listening to your presentation, the question that came to mind for me is, how many affordable homes are going to be built by the for-profit sector if this definition of affordable housing stays as it is?

Mr. Neil Rodgers: I can't specify a specific number, but we don't believe that there will be a lot of uptake, simply because the mechanics don't work. That's why I mentioned we are more interested in hearing the attainable housing definition. I think if that one is crafted carefully, through the consultation between the ministry and the stakeholders—municipal, private sector, not-for-profits—there is a hope, because hope is our only strategy right now. We have to do better. People of Ontario need to be housed. I just don't think that this is, as built, is really going to deliver what we need. And that's why I said that I think it's about managing expectations.

1540

Ms. Jessica Bell: Thank you. You were pretty clear about that, and that one way to make it work would be to change

the affordable housing requirement so that it's closer to the 75th percentile of household income. Is that a correct summary?

Mr. Neil Rodgers: That's our recommendation, yes.

Ms. Jessica Bell: Thank you. I appreciate that.

My second question is to Mr. Simcisko. I have not read your presentation yet. After this meeting, I will be reading your presentation in great detail. Thank you very much.

When I was listening to you, I drew some conclusions that I want to test with you to make sure I heard correctly. One is that this would only work, when it comes to affordable homes for sale, for small residential units, but for different-size units, it likely wouldn't work. By that I mean, developers likely wouldn't build larger-sized homes for sale that would meet this definition of affordability. Is that accurate?

Mr. Peter Simcisko: That is correct. That's our current interpretation of the only comprehensive data set that we have available to make those assessments. From what we see in those tables, there's a significant gap between the average market purchase price or selling price relative to what would be considered affordable, when we look at overall averages. So something that we are putting forward is that that's why additional consultation is required on the specifics of the bulletin because that's what going to drive all of this.

Ms. Jessica Bell: Right. I'm waiting also for the bulletin to be released, but they have mentioned that it will be related to CMHC data, so I'm guessing that's where you got some of your information.

The second thing I just want to test with you also is, from what you said, would it be reasonable to say that the affordable housing that would be built using this definition would likely be more expensive than average market rent in many municipalities? Am I right in saying that, based on your presentation, or did I get that a little wrong?

Mr. Peter Simcisko: What we found in the data is that when we look at the income test that's proposed in the definitions, the average market rental rates are already lower than that in all jurisdictions.

Ms. Jessica Bell: In all jurisdictions?

Mr. Peter Simcisko: Yes, that are included in the data set that's appended to our submission. That's why, as some of the other speakers have alluded to, the differentiation of units by size or by type may be quite critical moving forward.

Ms. Jessica Bell: Thank you for raising that. Other people who came in earlier today have raised the issue that if we want to build different-size units that are affordable for people who are going to use them—so if we're going to build a family-friendly-sized purpose-built rental apartment, we need to look at what is the average income of people who are likely going to move into that unit versus a bachelor, where you're likely looking at people who have a lot lower income than some of the bigger units, and we need to be respectful of the mix.

Honestly, those are the questions that I have, and you answered them very well. Thank you so much for your time. I appreciate it.

The Chair (Ms. Laurie Scott): MPP McMahon, for four and a half minutes—your round.

Ms. Mary-Margaret McMahon: I have a very short period of time. And it's not that I'm in purgatory over here, but I don't—there are other reasons why I have a short period, but hopefully that will grow soon.

Thank you so much. Not that we saved the best to last, but we saved the most factually informative, I guess, till last, so I really appreciate that. And I'll have to go with my constituent first. Sorry, Peter.

Welcome, beautiful Beacher. Thank you for your information, and congratulations on your role, even if it's just interim. Who knows? It could be permanent. So yes, you're talking—both of you are speaking, actually, about robust housing data from credible sources and credible data sets. In your definition, who is credible?

Mr. Neil Rodgers: Well, I don't think we need to re-invent the wheel here. I think CMHC would be the authority on this one, though it would require a sort of special commission study on an ongoing basis, that they publish this data. Even our colleagues before us, I thought I heard that one-size-fits-all is not going to work. That seems to be the recurring theme in the 45 minutes that I have been in this room, but I think it's a compelling enough conversation point that we do need robust data.

The housing market is not static. The income streams of families are not static. To put something that's very dynamic in a static box is not going to work.

Ms. Mary-Margaret McMahon: Right. I totally appreciate and understand about the exponential increase in construction costs and also the cost of borrowing. I heard that at a panel, with a horrific story of a NIMBY holding up a huge development site for one year and then not going to the board to continue fighting it, and then that development application not happening. I'm sure that happens over and over, which is a problem.

All right. The next question, to Neil again: You were mentioning that it's near impossible to actually build and address these goals. And so, without getting more government support—ideally, in a dream world, what would that support look like to you?

Mr. Neil Rodgers: I think one really, really important measure was recently announced in the fall economic statement, when this government—I'll use the word “partnered” with the federal government on the HST for purpose-built rental. That will go some way, but there are other supports that are needed.

If we need to fit the production of a housing unit and the cost of renting that unit to meet the income of that person or that family, there's a gap there. So how that gap is addressed—I mean, if Mayor Meed were still here and I were to say just reduce more development charges and reduce it more on the municipal sector, we're going to get a strong reaction back. So there has to be other ways, other systems, that governments—and I meant it at all levels—have to address this problem.

Ms. Mary-Margaret McMahon: Do you think we're doing enough to look at provincial lands?

Mr. Neil Rodgers: I'm not the authority to speak on that. There is an agency called Infrastructure Ontario. The

province of Ontario has a vast, vast land bank. Whether or not it's being looked at, the problem is getting it into the development stream, getting it serviced, getting it approved. Building is the easy part.

Ms. Mary-Margaret McMahon: Okey-doke.

The Chair (Ms. Laurie Scott): Twenty seconds.

Ms. Mary-Margaret McMahon: And what do you think, Peter? Are we looking at our provincial lands enough, in your opinion?

Mr. Peter Simcisko: That is outside of my area of expertise.

Ms. Mary-Margaret McMahon: Outside of your scope? All right.

I'm going to have to get to you next round, because we're done.

The Chair (Ms. Laurie Scott): Okay, thank you very much.

Over to the government side. MPP Rae.

Mr. Matthew Rae: Thank you to the presenters for your very informed deputations to the committee. To Neil, you are represented by my favourite Liberal member in the House, so you are very blessed in that.

Interjection.

Mr. Matthew Rae: I'm only her second-favourite Tory, though. I'm just going to say second-favourite Tory, for the record.

I appreciate both of your comments today on Bill 134. I think there's a consensus over today that, as the minister mentioned this morning in his deputation, there is no magic solution to the housing supply crisis we are currently facing in Ontario and across Canada. If there was, no matter the stripe of the government, they would have done it by now, and so I think it will take a variety of initiatives, which our government continues to put forward through housing supply action bills and other initiatives. One of them, obviously, is the bill before the committee right now, with the Affordable Homes and Good Jobs Act.

My question is to Neil first: From your perspective, you mentioned the HST rebate with the feds and the province partnering within that aspect, but what else could you see that could incent developers to build affordable residential units for rent or, obviously, ownership, as well, that Ontarians need?

Mr. Neil Rodgers: Building rental is fundamentally different than building a condominium. The equity it takes for purpose-built rental is two and a half or three times more the equity, so we're looking at a risk-reward for those private sector entities that want to consider purpose-built rental. Therefore, at the end of the day, like any other business, you would look at your costs, your revenue, the carrying costs, and you would say, “Does this make sense?” Right now, under the financial regime, the economic regimes that we are in, interest rates—people are asking the question, and it just doesn't work right now. You are asking them to take a risk that other private sector businesses, no matter what they would be, would question, and therein is a significant problem.

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I don't know the finer details of whether or not CMHC could provide better financing to bridge that gap. You've

read, like I have, the quotes from some of our largest rental builders in the country. They are really looking forward to making it work. When the federal government came out on the HST and when the province doubled down, if I can use that term—hopefully, that will unleash more units into the production stream. But whether or not you're a not-for-profit or whether or not you're a municipality that has the incentive or desire to build housing, unless I don't know something they do, we're still buying concrete, steel, electrical copper wire, lumber and drywall.

Really, the issue here is, if land costs could be considered in the component of the pro forma, and that land cost is vended in at a substantially different rate, that will help. Every bit will count.

My municipal partners—it's easy for the sector to ask for more relief on taxes, fees and charges, building permits, development charges, parkland levies, community benefit charges. But they're going to say, "No more. We can't. They're vitally important to funding the infrastructure that we need to support these projects and to support the population that's coming in."

We're in a very difficult period of time, economically. It's going to be very hard to build affordable housing. It's even going to be very hard to build purpose-built rental housing. Let's be fair with each other.

This definition—I don't think you're going to get the uptake that the government hopes. So I just didn't want—part of our submission and the conversations that we've had with the ministry and the minister is, "I applaud you for doing this, but let's manage expectations."

Mr. Matthew Rae: I have a quick follow-up to Neil on a comment I believe you made when Mary-Margaret McMahon had some of her questions around infrastructure. In the fall economic statement, we announced a housing accelerator waste water fund of \$200 million. Do you think that will help get housing online from the home builders that you represent?

Mr. Neil Rodgers: We were extremely supportive of that announcement. My president, Dave Depencier, was, I believe, quoted as part of that package, so we were very pleased. Housing-supportive infrastructure is critical. So anything that can help unlock opportunities for housing to be built and create supply in the system is good. We hope there may be more down the road, but it's a great first start.

Mr. Matthew Rae: How much time do we have left, Chair?

The Chair (Ms. Laurie Scott): You have a minute, if you wish.

Mr. Matthew Rae: We'll save it for the next round.

The Chair (Ms. Laurie Scott): Over to the official opposition. MPP Bell.

Ms. Jessica Bell: Honestly, I'm not going to use a lot of my time because you have answered the questions that I need answered.

The overall message I am getting from you is that this bill is not going to incentivize the private sector to build the affordable housing that everyone in Ontario knows we need to build. These people are telling you this very clearly.

The numbers don't work. We're not going to get the affordable housing that we need.

We've heard various stakeholders come in and talk about some additional other options that are needed. Maybe it's incentives; maybe it's accessing public land; maybe it's doubling down on municipalities building non-market housing or partnering with the non-profit sector or the co-op sector. But this bill is not going to solve our housing affordability crisis; that's what I'm hearing loud and clear today.

I look forward to reading your submissions and talking to both of you in more detail if I have other questions. I'm going to cede my time. Thank you for coming in.

The Chair (Ms. Laurie Scott): MPP McMahon, would you like to participate?

Ms. Mary-Margaret McMahon: I'm going to max out on my time because it's half the amount that my neighbour gets here.

Peter, I didn't want to make you feel lonely there without questions. You said that this will not address the missing middle. What would, in your opinion?

Mr. Peter Simcisko: We're suggesting that it may not address the missing middle, with the data that we're looking at today. Again, part of the equation is getting a good understanding of what data will ultimately inform the bulletin to make that assessment more accurate.

One of the ways to address that is by disaggregating the data, at least by unit type, rather than looking at overall averages. That would be just one suggestion, just based on looking at the data that we have in front of us today.

Ms. Mary-Margaret McMahon: The same question that I asked Neil: What data? What credible source do you think it should come from?

Mr. Peter Simcisko: I think the sources of data that were already spoken about. We do have credible data sources. I think one of the challenges is going to be making sure that they keep pace with the changing realities in the economy. Statistics Canada data tend to have a fairly long lag. CMHC data also have a bit of a lag in our annual, as far as I'm aware, for the most part, at least within the tables that are published. So the frequency of data update needs to be considered as well, in addition to the sources themselves.

Ms. Mary-Margaret McMahon: Great. And then you mentioned more clarity of the geographical scope—do you remember that?—with regard to the definition of average purchase price and rent. Did you want to elaborate what you meant by geographical scope?

Mr. Peter Simcisko: Absolutely. Within the definitions that have been provided, the income component is clearly tied to the local municipal level. There's an indication there that the incomes will be considered at the local municipal level. However, that same indication doesn't exist within the definition of market averages in terms of purchase prices and rents. So we, at this point, don't know whether those averages will be regional, whether they will also be considered at the local municipal level. That's what we meant with the reference to the geographic scope.

Ms. Mary-Margaret McMahon: Wow—the level of detail. Awesome.

Now, in the last few minutes, I'm just going to do speed rounds, because that's what I have to do to be creative with my time. Just one piece of advice to us as we deliberate and consider Bill 134—just fire it to us. Don't be shy.

Mr. Peter Simcisko: Maybe I'll go first because I'm closer to you. I think that the key bit of take-away from our end on this is to ensure that the details of the affordable units bulletin are released, ideally prior to this being enacted so that the full implications of this can be properly and rigorously assessed.

Ms. Mary-Margaret McMahon: All right. Thank you. Neil?

Mr. Neil Rodgers: I'll support my colleague from Watson on this one, the bulletin. It's like reading a book with no end. We really, really do need it to assess and test some of the provisions of the bill, or the definitions. If we've gone too far and it's not possible to put this on hold and test it, then I would urge the government to bring forward the attainable housing definition, because I think that's where the low-hanging fruit is available to the sector to begin meeting the 1.5-million-home housing target. I would urge the minister and this government to bring that.

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Ms. Mary-Margaret McMahon: Thank you very much. I'll see you on the boardwalk.

The Chair (Ms. Laurie Scott): Over to the government side. You have seven and a half minutes. MPP Coe.

Mr. Lorne Coe: Chair, through you to Mr. Rodgers: It's been a bit of journey, hasn't it? It's been a bit of journey—

Mr. Neil Rodgers: It has been a journey.

Mr. Lorne Coe: Yes—to get us to where we are right now. You've been working on the technical advisory committee yourself, and then you had a couple of your staff involved in meetings as recent as October 19 on this particular topic. So you've had an opportunity to provide input as we moved along the pathway where we are today, right?

And then added to that, my colleague talked earlier about the Housing-Enabling Water Systems Fund and the assistance it's going to provide municipalities—for example, up in Simcoe—who have been looking for a fund like this for a long time to allow them to move forward with development that's been long-awaited in that area. I know my colleagues from that area are very happy to see that fund. But added to that, we also had the Building Faster Fund. So we have two pockets of money there: \$1.2 billion and—let's see here; I have my glasses on—\$200 million over three years. Taken together, the effect is what municipalities have been asking for for a long time.

You can talk about the cost of building going up, and you can talk about some of the other variables that you spoke about, but that particular funding provides some offsets as well, don't you think? And combined with what we've been calling for from the federal government, a next-generational infrastructure program that has additional adequate funding in the face of rising costs—I think all those three features taken together are going to bring us to the point that we've been discussing as far back as the

technical advisory table, as far back as meetings that took place in October and the ongoing consultation that's occurred. Don't you agree, Mr. Rodgers?

Mr. Neil Rodgers: First of all, I only started on October 5. I haven't been participating in any previous meetings with this technical advisory table. I think I know the meeting or the phone call you were talking about—

Mr. Lorne Coe: August 11.

Mr. Neil Rodgers: I was not in the organization at the time. Sorry, Mr. Coe.

Mr. Lorne Coe: All right. Okay. Notwithstanding—but to my question, please.

Mr. Neil Rodgers: Yes. To the root of this challenge that we have and why we are suggesting you need to amend the percentages to make it work—now, if those changes are not deemed appropriate or acceptable to government, there is still a gap that exists in terms of an individual or a family to make the affordable rent work. If, through working with municipalities and the province, the planning and development conditions in that municipality are aligned with producing housing, then perhaps the Building Faster Fund can be a mechanism or a vehicle to help bridge this gap. Because what's really going to happen here is this is rooted in municipal development charge exemptions, so you're going to have to—the ask of the municipal sector is, “Keep me whole,” right? We've heard that story before. And we don't want to be, as a sector, the development industry—we want to work with our municipal partners. We need them critically to grant us the approval so that we can build housing. So we're not into this conversation to create more tension and animosity in the system; we're here to build homes.

Mr. Lorne Coe: Right. To that point, and through you, Chair: You mentioned the attainable housing definition and work that you would like to see done because you believe that there's some low-hanging fruit. I think that's the term you used.

Mr. Neil Rodgers: I did.

Mr. Lorne Coe: Right. So can you just connotate what you think is the low-hanging fruit if, through the subsequent discussion, the attainable home definition includes some of the features that you talked about?

Mr. Neil Rodgers: To my knowledge, “attainable housing” has only been a term used by the previous minister and our current minister, Minister Calandra. There has been no scope, no definition. It's just my and others' in our industry interpretation of what it could mean.

I think there's a general understanding of what the terms “affordable” and “affordability” mean, and that's packed with a lot of interpretation in and of itself. So our only hope is that “attainable” will be something much more different than “affordable,” and unlocking an opportunity for those individuals who may be, can I say, income challenged, that are on ODSP and other supports that they desperately need. So it's opening the door to another sector of Ontario's population that can afford housing at levels that are a little bit greater than individuals who need housing affordability or deeply affordable housing.

Mr. Lorne Coe: Chair, how much time do we have left?

The Chair (Ms. Laurie Scott): You have a minute and 15 seconds.

Mr. Lorne Coe: Fifteen seconds? Well, thank you both for your delegations today. It's been a very good conversation.

The Chair (Ms. Laurie Scott): Thank you very much, everyone, for coming. That's the end of the questions for today, so I'll give you a moment to pack up and leave.

I just want to ask if there's any further—oh, I've got to ask this: a reminder that the deadline for filing written submissions to Bill 134 is 7 p.m. on Thursday, November 16, 2023.

Is there any further business? MPP Rae.

Mr. Matthew Rae: I move that the committee enter closed session for the purpose of organizing committee business.

The Chair (Ms. Laurie Scott): Okay, we're just going to put MPP Rae's motion on the screen. On the screen, there's a motion.

Interjections.

The Chair (Ms. Laurie Scott): That's quite all right. We just wanted to let you know that a motion was brought forward. Discussion, debate—you're all right? We can move into closed session? Okay. I will just—very formal here. Please raise your hands. All those opposed, please raise your hands. I declare MPP Rae's motion carried.

We're going to enter closed session here.

The committee continued in closed session at 1609.

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