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(Hansard)**

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(Hansard)**

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

Building Homes and Improving
Transportation Infrastructure
Act, 2026

1st Session
44th Parliament
Monday 4 May 2026

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

Loi de 2026 pour la construction
de logements et l'amélioration
de l'infrastructure de transport

1^{re} session
44^e législature
Lundi 4 mai 2026

Chair: Hon. Laurie Scott
Clerk: Tanzima Khan

Présidente : L'hon. Laurie Scott
Greffière : Tanzima Khan

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CONTENTS

Monday 4 May 2026

Building Homes and Improving Transportation Infrastructure Act, 2026, Bill 98, Mr. Flack / Loi de 2026 pour la construction de logements et l'amélioration de l'infrastructure de transport, projet de loi 98, M. Flack	HE-443
Ministry of Municipal Affairs and Housing.....	HE-443
Hon. Rob Flack	
Mr. Stephen Lockwood	
Ms. Tamara Gilbert	
Ontario Home Builders' Association; Toronto Transit Commission; Association of Municipalities of Ontario.....	HE-452
Mr. Scott Andison	
Mr. Mandeep Singh Lali	
Ms. Karen Nesbitt	
Kagan Shastri DeMelo Winer Park LLP; ATU Local 113; The Atmospheric Fund.....	HE-462
Mr. Ira Kagan	
Mr. Marvin Alfred	
Mr. Bryan Purcell	
Building Industry and Land Development Association; TTCriders; Canadian Environmental Law Association.....	HE-472
Mr. Dave Wilkes	
Mr. Andrew Pulsifer	
Mr. Vincent Puhakka	
Mr. Krissan Veerasingam	
Ms. Ramani Nadarajah	
Ms. Pranitha Rathakrishnan	
Ms. Julia Campbell-Such	
Toronto Regional Real Estate Board; Canadian Union of Public Employees; Ontario Public Transit Association	HE-481
Mr. Daniel Steinfeld	
Ms. Krista Laing	
Ms. Karen Cameron	
Ms. Carla Stout	
Federation of Rental-housing Providers of Ontario; Environmental Defence; Ontario Professional Planners Institute.....	HE-488
Mr. Tony Irwin	
Mr. Phil Pothen	
Ms. Susan Wiggins	
Ms. Andria Leigh	

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**

Monday 4 May 2026

Lundi 4 mai 2026

The committee met at 0900 in committee room 2.

**BUILDING HOMES AND IMPROVING
TRANSPORTATION INFRASTRUCTURE
ACT, 2026**

**LOI DE 2026 POUR LA CONSTRUCTION
DE LOGEMENTS ET L'AMÉLIORATION
DE L'INFRASTRUCTURE DE TRANSPORT**

Consideration of the following bill:

Bill 98, An Act to enact the Fare Alignment and Seamless Transit Act, 2026 and to amend various Acts / Projet de loi 98, Loi édictant la Loi de 2026 sur l'harmonisation des tarifs et l'intégration des transports en commun et modifiant diverses lois.

The Chair (Hon. Laurie Scott): Good morning, everyone. I call this meeting of the Standing Committee on Heritage, Infrastructure and Cultural Policy to order.

We are meeting today to begin public hearings on Bill 98, An Act to enact the Fare Alignment and Seamless Transit Act, 2026 and to amend various Acts. The Clerk of the Committee has distributed today's meeting documents virtually via SharePoint.

To ensure that everyone who speaks is heard and understood, it is important that all participants speak slowly and clearly. Please wait until I recognize you before starting to speak. As always, all comments should go through the Chair. Are there any questions before we begin?

**MINISTRY OF MUNICIPAL AFFAIRS
AND HOUSING**

The Chair (Hon. Laurie Scott): The opening statements today are from the Minister of Municipal Affairs and Housing. Welcome, Minister. You will have 20 minutes to make an opening statement followed by 39 minutes of questions from the members of the committee. This time for questions will be divided into two rounds of six and a half minutes for the government members, two rounds of six and a half minutes for the official opposition members and two rounds of six and a half minutes for the third party.

Any questions? Seeing none, Minister, you may begin.

Hon. Rob Flack: Thank you, Chair and members of the committee. I hope everyone had a good constituency week—home, where the action really is.

I appreciate the opportunity to appear before you today to speak to Bill 98, Building Homes and Improving Transportation Infrastructure Act. I want to begin by positioning this legislation within the broader framework our government is undertaking to address one of the most pressing challenges facing Ontario today: building more homes faster and at a lower cost—or, simply put, facilitating affordability—and building more critical transit infrastructure and supports to help residents get from home to work.

Can you hear me or not?

The Chair (Hon. Laurie Scott): We're going to get it turned up. Just keep going. Thanks.

Hon. Rob Flack: The reality before us is very straightforward: It takes too long and it costs too much to build houses in Ontario and to get infrastructure in the ground. The consequences of that are not abstract. They are being felt right across the province every day: young people trying to move closer or move faster to where they work, families trying to put down roots, seniors looking to downsize and stay connected to their communities and employers trying to attract talent in growing regions.

This is not a challenge isolated to one part of the province; it is to all—it's being felt in large, urban centres, in mid-sized cities and rural communities in the fast-growing regions across Ontario. And it's shaped by pressures that extend beyond our province, including global economic conditions, supply chain constraints and rising input costs. This is impacting our ability to build homes, build transit infrastructure and build Ontario in general.

But while these pressures are real, they are not an excuse for inaction; they are the reason to act with greater urgency. That is exactly what our government has been doing. Over the past years, we have taken a series of steps to address the structural barriers that have slowed housing construction and driven up costs. We have reformed planning frameworks. We have invested in infrastructure. We have created more tools that support municipalities in getting more homes built and faster. We are providing municipalities with historic funding to expand and grow services and housing alike. We are cutting red tape by streamlining the approval process and driving costs down across the board.

Importantly, we are now seeing those changes beginning to take hold. We are seeing projects move forward that had been stalled. We are seeing increased alignment

between planning and infrastructure. We are seeing a system that, while still facing challenges, is becoming more focused on outcomes.

We also recognize that more needs to be done because the process of building a home is not just a single step; it's a process of many steps that tie into each other like chain links—linked together for strength and purpose, from land use planning to multiple approvals, to servicing, to construction. And when any part of the chain is weakened, the entire system is compromised or affected. The entire chain is weaker. And once this multiple-process approval is complete, once you move into your new home, we must have the critical infrastructure in place to service the community's needs now and in the future.

Bill 98 is about building a stronger, more efficient chain that will keep Ontario advancing forward. It reflects a clear understanding that housing supply depends on more than just planning decisions. It depends on infrastructure, it depends on coordination and it depends on a regulatory system that protects people while enabling progress. This legislation takes a practical, targeted approach to removing friction from the system, while maintaining the high standards Ontarians expect.

The core problem we're addressing is simple to describe, even if it is complex to solve: It takes too long and it costs too much to build homes in Ontario. So the question becomes: Where are the delays? Where are the duplications? And where are the unnecessary costs embedded in the system? Bill 98 responds directly to those questions.

One of the key areas addressed in this legislation is water and waste water infrastructure. This is foundational. If servicing is not available, housing cannot proceed. It does not matter how well a project is designed or how strong the demand is, without water and waste water capacity, development stalls. At the same time, we must be absolutely clear: Protecting public ownership of our water systems is and always has been the utmost priority of this government.

Let us be also clear: Anyone who alleges otherwise does not fully understand the facts before them in this bill, or simply chooses not to. In an unrelated committee last week, a stakeholder who will speak to you today made these claims. I suspect they will make them again today. They are incorrect. They're not grounded in the text of this legislation, they're not supported by the measures being proposed and they are not a reflection of the reality of Ontario's regulatory framework—full stop. In fact, the legislation does the exact opposite. It reinforces that any systems falling within this framework are subject to the same stringent public health and safety guidelines and standards that apply today.

Schedule 9 of this act makes it clear. I will read it to you now:

“(2) The shares of a water and wastewater public corporation shall not be issued to any person other than a municipality, the province of Ontario, the government of Canada or an agent of any of them ...

“(3) The shareholders of a water and wastewater public corporation shall not sell or transfer the shares of the

corporation, except to a municipality, the province of Ontario, the government of Canada or an agent of any of them.”

In simple, unambiguous terms, water is public. It always will be, and this is enshrining that in legislation here today. That is not changing. That is fact, it's not make-believe. There is no change to ownership requirements for municipal drinking water systems. There is no weakening of regulatory oversight. There is no removal of accountability mechanisms.

What there is is absolute clarity, as clear as the water you are drinking here today—clarity that ensures new models operate within the same rules, clarity that provides confidence to municipalities and clarity that protects the integrity of Ontario's drinking water system. To suggest otherwise is to misrepresent the bill, and I would go further: It is not just a misunderstanding, it is a narrative that ignores the actual provisions of the legislation in front of us now. This is not constructive criticism—let's keep this to the point—it does not help address the real challenges we're facing today by saying otherwise. If you sense I'm a little passionate about that, there you go.

Another important component of the bill addresses communal water systems and waste water systems, particularly in areas where traditional municipal servicing is not yet in place. In many parts of Ontario, the barrier to new housing is not a lack of demand, it is a lack of servicing. Communal systems can play a role in bridging that gap, allowing development to proceed while longer-term infrastructure is planned and delivered. That is a practical change, it is a targeted change and it is exactly the kind of reform needed if we are serious about reducing delays.

The bill also includes measures that support transportation infrastructure, recognizing that housing and mobility are deeply interconnected. Communities cannot function effectively if people and goods cannot move efficiently. This includes steps to streamline processes for transit projects, improve coordination across municipal boundaries and standardize road construction practices.

Today, there are thousands of different municipal standards in use. That fragmentation creates inefficiencies, increases costs and slows down project delivery.

0910

By moving toward greater standardization, we can reduce complexity, improve procurement and accelerate timelines. These are not abstract improvements. They translate directly into lower costs and faster delivery—just what the doctor ordered. Similarly, making better use of existing infrastructure, such as optimizing high-occupancy vehicle lanes during off-peak hours, helps reduce congestion and improve the efficiency of our transportation network.

Taken together, these measures reflect a broader principle: that infrastructure, planning and approvals must work together and not in silos, because when they are disconnected, delays multiply, costs rise and, ultimately, it is Ontarians who pay the price.

I will now turn my attention to another issue of concern: site plan processes and design standards. Here, again, it is important to be precise. The measures in this bill provide

flexibility. They allow municipalities and proponents to take a more streamlined approach in certain circumstances, but they do not eliminate standards. They do not impose changes unilaterally, and, critically, they are voluntary in nature. Municipalities retain the ability to determine how they apply these tools. Enhanced design standards can be pursued where appropriate. What this bill does is provide options—options to reduce unnecessary complexity where it is not adding value, because not every requirement improves outcomes. Some add time. Some add cost. When those costs are accumulated, they make housing less attainable. They also make housing more unaffordable.

The goal here is a balanced approach: maintaining quality, maintaining safety, maintaining good planning, while also ensuring that the process is efficient, predictable and consistent right across the province. That is what builders need. That is what municipalities need. And, ultimately, that is what homebuyers need now and in the future.

I would also like to look broadly and see how this bill fits into the greater whole. Bill 98 is one piece of a larger effort to address Ontario's housing challenge. It works alongside other measures our government has taken, including actions to reduce development charges and to lower the tax burden on new home buyers through the HST relief. Those measures matter, because the cost of building is directly linked to the cost of buying.

When we reduce costs in the system—whether through streamlined approvals, more efficient infrastructure delivery or targeted financial relief—we create the conditions for more homes to be built and for those homes to be more attainable—to be more affordable. That is the objective: to support builders in getting projects off the ground, to support municipalities in delivering the infrastructure needed for growth and to support Ontarians in finding a home they can afford in a community they want to live in.

The bill will help us move in that direction. It will help reduce delays, it will help lower costs and it will help ensure that the systems underpinning housing development are working as they should with better affordability. I continue to hit on the word “affordability.”

We're not perfect yet, but we are better. More clearly, more efficiently, we will continue to get better because, at the end of the day, this is about outcomes. It's about results—results that count. It's about moving from approvals to construction, from construction to completed homes. That is the work before us today

Chair, before I conclude, I want to highlight a few additional elements of this legislation that speak directly to how we are driving greater efficiency, transparency and accountability across the home-building system.

One of the most important reforms in this bill is the move toward simplified and standardized official plans. Today, official plans vary widely across municipalities. They can be lengthy, highly technical and inconsistent in structure. For builders, for municipalities and even for the public, that creates uncertainty. It slows down approvals; it increases the risk of error or delay and, ultimately, it adds costs. Again, creating affordability is the goal here.

By introducing a standardized framework with common land use designations, consistent formats and clearer mapping, we are making these plans easier to navigate and faster to implement. That means less time spent interpreting rules and more time focused on getting projects moving and off the ground. It is a foundational change that will make the entire planning system more predictable and more efficient.

We have also been taking a serious look at the building code. Over time, it has grown significantly in size and complexity, more than quadrupling since its introduction. While safety must always be at the forefront and paramount, there are provisions within the code today that are outdated, duplicative and unnecessarily costly. That is why we are undertaking a comprehensive section-by-section review for the first time in decades, supported by an expert advisory body.

The goal is not to lower standards. It's to modernize them. It's to ensure they reflect how homes are actually built today and to remove requirements that create delay or drive up costs without improving outcomes.

Another key area is land use efficiency. In many municipalities, minimum lot size requirements are larger than they need to be, limiting the type of housing that can be built and reducing overall supply. This bill creates the authority to establish more consistent province-wide standards, including exploring a smaller minimum lot size that would enable a broader range of more attainable housing options.

We're also taking steps to support specific segments of the housing market that are under pressure. For example, by proposing to exempt not-for-profit retirement homes from development charges, we are directly reducing the cost of building housing for seniors. This is an important component that not only supports aging in place, but also helps free up larger homes for families to improve movement across the entire housing continuum.

Transparency is another critical piece of this work. Today many homebuyers are not aware of the full extent of costs embedded in the price of a new home, particularly development charges and other government fees. In some cases, those charges can reach significant levels, adding tens of thousands of dollars to the purchase price. That is why we are consulting on requiring these costs to be clearly disclosed in agreements of purchase and sale. This is about fairness. It's about giving buyers a clear understanding of what they are paying for and it is about increasing accountability right across the system.

Taken together, these measures reflect a consistent approach: Simplify where possible, standardize where necessary and ensure transparency throughout. That is the work in front of us today. Again, it takes too long and it costs too much to build housing in Ontario—and, I would add, infrastructure as well. Bill 98 is a meaningful step in lowering the time and costs to home building. It complements Bills 17 and 60 by ensuring housing affordability is first and foremost in its intended outcomes in the months and years ahead.

Thank you and—I didn't write this—"May the Fourth Be with You."

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

We're going to now go to questions from the government for the first round. MPP Saunderson, please go ahead.

Mr. Brian Saunderson: Thank you, Minister, for your comments. I'm more of a Star Trek fan, so, "Live Long and Prosper."

In my riding of Simcoe–Grey, since coming into office in 2022 and prior to that, when I was in the municipal world, infrastructure has been a huge barrier for us to address the housing crisis and get housing in the ground. While there's demand and the builders are ready to go, in many cases the fact of the lack of linear infrastructure in the ground for water and waste water has been a huge issue. This government has been quite aggressive, through our HEWS funding and our health and safety funding, in giving municipalities a leg up. But even then, I think when you look at the overall picture—I think you've told us many times in the House that the infrastructure deficit across the province is in excess of \$200 billion. So even with these amounts that we're handing out, totalling, I think, coming up to \$4 billion, it's really a drop in the bucket.

There's been a lot of discussion about changing the service delivery and looking at municipal service corporations for water and waste water, and doing that not just on a municipal-by-municipal basis but doing it on a regional basis.

I'm wondering if you can talk to us about how you see the mechanics of that helping us to address this massive deficit across the province to ensure that municipalities not just in the GTA but in the Niagara region, Simcoe county, in southwestern Ontario and eastern Ontario have access to the infrastructure that they need and they can do that in an efficient way, taking it off the municipal books.

Hon. Rob Flack: Thank you for the question. I know you're a great proponent for publicly owned municipal service corps. Having not been in the municipal world, with your experience, when I got into this job the one thing I learned pretty quickly was so much of what we have to do as MPPs representing our particular communities—especially rural communities, with many different towns and villages and settlements in that region—is to help them manage water and waste water.

0920

Upon assuming this role, I learned pretty quickly, as you said, that the Ontario Sewer and Watermain Construction Association estimates \$200 billion to \$250 billion is needed in the next 10 to 15 years to replace aging infrastructure—and it's important to mention that—and new infrastructure. Development charges predominantly go towards new infrastructure, to build new homes. And if you don't build a home, because we've been sluggish the last couple of years, you're not collecting DCs. But they're also punitive, as you know. But what do the municipalities do?

As we've said all along, we're investing up to \$4 billion in housing-enabling water programs. We just announced an \$8.8-billion joint federal-provincial deal to reduce DCs across the province over 10 years and we're putting the details of that together, so that adds up to \$12.8 billion. As you say, I maybe wouldn't say it's a drop in the bucket—it's a lot of money—but it's not enough.

So where does the money come from? It can't come from the municipalities. They can't tax people enough. I think we've seen all our financial situations in the province. We're spending over \$100 billion in health care today on a total treasury of about \$240 billion to \$250 billion. And the federal government, I don't think, has the capacity either. So we need to look at innovative approaches.

And municipal service corps are not that innovative. They've been used before, but I don't think to the scale of need we require to look at them in the future. So the mechanics of it aren't settled yet. We've put together what I would call a group of experts that have done this before, especially in the electricity power arena. It's probably not going to be much different than that, but I don't want to come to any conclusions before they make their submissions.

What I would see is, hopefully, we would use our scale in this province, across this province, with 444 municipalities. The need is insatiable. The borrowing capacity is great. So I think we can lever that scale to get favourable terms, amortized over decades—and I mean not 10 years; I mean 60, 70, 80 years, as long as we feel these systems can work.

I used the example in Woodstock, Ontario, just beside my riding. They certainly recently dug up some waste water piping; they figured out it was made of wood, so that shows you how far back those waste water systems go. I think, again, the devil is in the detail, as always. We're going to make sure—I'd like to move faster than we are, and my team behind me here will know my impatience, but I want to get it right as well.

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

Hon. Rob Flack: As we work together, Brian, you would note that we've opened a portal for municipalities to explore, to show their interest. Frankly, at AMO, at ROMA, wherever it may be, we're getting insatiable interest in that. So while we have a Peel pilot project under way, my opinion today is that there's no reason why there couldn't be a Simcoe project; there couldn't be a Niagara project; there couldn't be numerous throughout the province, including communal water systems.

I really think that it's a tool. It's innovative. I think we can create it the way we want it best. And again, I emphasize, they will be publicly owned. I don't like the narrative that people are saying they won't be, because I think I've said right from the beginning that it's enshrined in this legislation that they will be publicly owned.

Thank you for your question.

The Chair (Hon. Laurie Scott): You've got 10 seconds.

Mr. Brian Saunderson: Thank you for that, Minister. I think you've been very clear as well that this will not change who owns these assets. It will be publicly owned by the municipalities, and also that there will be no changes in the standards and regulations that govern that.

The Chair (Hon. Laurie Scott): We will now go to the official opposition. MPP Burch.

Mr. Jeff Burch: Good morning, Minister. As you know, we supported this bill at second reading, and we did that because there are some good things in it: minimum lot sizes, communal water systems. There are things that we think could be positive. There are also some things we're concerned about, but we're happy that you've used the committee system; it hasn't always happened with the government, but it's the system that we have. And so, we hope that you are open to amendments as we hear from presenters today and hear people's concerns.

One of those concerns is something I'm glad you spent so much time talking about—the municipal service corporations and plans around that. We heard from CUPE last week, who I think you were referring to. We heard again from them today about their concerns. So there's a lot to hash out here because that's a union representing tens of thousands of workers in the province, and they're concerned about these plans and concerned that—I believe they used the words “privatization by stealth.”

I have some experience with this type of thing, with hydro, from serving a couple of terms on municipal council. I'm not sure how that translates into the water/waste water issue. But there are two issues for me. One is the public/private issue, and the other is making sure that if we do go down this road, it actually saves money and doesn't cost money for ratepayers. I wanted to make sure I understood in terms of the costs, so I talked to a number of CAOs about the issue, and a lot of them told me that municipal service corporations could actually increase water rates. And as I've watched this issue come forward, I've noticed that a lot of it's political.

In Niagara, for example, a lot of mayors jumped on board because, quite frankly, they were scared about forced amalgamation. There was a rumour in Niagara about that. They wanted to make you happy, so they didn't get forcibly amalgamated. And I know that for a fact because I talked to a lot of the mayors. They wrote a letter.

And I know from going to our governance committees that have travelled around the province—and there is a lot of interest, but it seems to me a way that a lot of politicians are signalling to their voters that they want to save money, but they don't really understand the system.

So how will you make sure that if we do go down this road, the decisions are going to be evidence-based—not going to be political; but that if a municipal service corporation or a water/waste water public corporation goes into effect, it's actually going to save money or it's not going to increase water rates, because a lot of CAOs are telling me that that's exactly what it would do, if it's implemented in the wrong jurisdiction.

Hon. Rob Flack: Great questions.

First, I would say that politicians are not on the organizing or the review committee; people with expertise are.

Down the road, I would think, I would hope, that in a governance model, politicians wouldn't be the only ones sitting on these publicly owned service corps; that you'd have expertise. Again, I don't think we need 444 of them across the province. I would hope that we could scale up and bring people together to make sure that we have proper scale.

When it comes to costs, who should put the infrastructure in the ground? Use the numbers. We have an insatiable need of \$200 billion to \$250 billion. Where is it going to come from? Ultimately, the people pay for it, whether they pay for it through their taxes, municipally, provincially or federally. It's got to come from somebody, or we take on insatiable amounts of public debt, running massive deficits.

I don't have the financial parameters understood yet because they're not there. But in a power situation, when you turn on your lights, you pay for your electricity, and the same is true with drinking water today. We have to figure out the waste water component.

Municipalities are going to have to pay for this debt over time, and it's going to be amortized. It's going to be competitive. But where is the money going to come from? If it doesn't come from the municipalities, the province or the feds, where is it going to come from?

Mr. Jeff Burch: So you're increasing the capacity to borrow money? Is that—

Hon. Rob Flack: We have to do that.

Mr. Jeff Burch: Where's the actual money? Changing the system is not going to do it, and—

Hon. Rob Flack: Well, I would hope our friends at CUPE—their pensions—I hope they would want to invest in this. I think there's an insatiable amount of money out there—a lot of money out there—that's looking for consistent, long-term returns. And, again, I'm not going to talk about what returns could be or could not be. That's up to the experts.

0930

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

Hon. Rob Flack: But again, I want to emphasize: Where does the money come from? We can build the debt, and I think we can borrow effectively. Don't create 444 different MSCs. Create a number—I'm not sure what the number—

Mr. Jeff Burch: So you will be looking for outside capital, outside of what's collected in water rates?

Hon. Rob Flack: Oh, to put the infrastructure in the ground? That's where it's going to come from. It has got to come from that.

Mr. Jeff Burch: So who's going to own it?

Hon. Rob Flack: The people and the municipalities—the municipalities will own it.

Mr. Jeff Burch: Why would anyone put money in, if they're not going to have part ownership?

Hon. Rob Flack: Do you own any stocks? You can invest in something without having ownership, and expect return without having ownership. It's not a new concept—

The Chair (Hon. Laurie Scott): Thank you very much. To the third party: MPP Shamji.

Mr. Adil Shamji: To continue along that line of questioning: In fact, when you own a stock, you own a part of the company. So—

Hon. Rob Flack: There's other investments you can own, but you don't own a stock. So there's no question they will be publicly owned. If a pension plan buys into it, they will not own the public service corporation. It's in the bill.

Mr. Adil Shamji: Sure, whether you own a stock or by owning a stock, owning the company or not—maybe they are different models. But, certainly, when you own a stock in a company, you have a say in how it's operated. So is your intention for these people who will be investing in these municipal corporations—will they have a say in how it's operated?

Hon. Rob Flack: I believe that we have to have the brightest and best people operating these municipal service corps—not unlike our power service corps—and not necessarily fully run by politicians' public involvement. Public intent, for sure, but people with expertise—engineers, people with understanding in that business, like any other business would hire expertise to be on their board of directors.

Mr. Adil Shamji: Sure, but people who are contributing capital don't necessarily need to be experts, or engineers or anything like that. They can simply be investors.

Hon. Rob Flack: They don't necessarily have to sit on the board, either.

Mr. Adil Shamji: But if you're putting in millions or more, you're going to want to have a say. Will people who contribute capital—if they're not experts, or engineers or on the board—will they have a say in the way these corporations function?

Hon. Rob Flack: Like any borrowing situation, they will have agreements with—and again, I don't want to preclude what this is going to look like, how we've amassed the capital. There will obviously be borrower-lender agreements, on which terms will be there and that's how they will be governed.

Mr. Adil Shamji: I have no intention of fearmongering here. I genuinely want what's best for municipalities, for our province. But I hope you can imagine, with this government's track record, you can begin to understand how with this kind of ambiguity, we have a genuine reason to justifiably be somewhat skeptical about some of the claims that are being made here.

I would never want to invest a substantial sum of money without a guarantee of a return—number one—and a guarantee that there is some way that I can right the direction of the ship if it's not going in a way that will be productive, or profitable or guarantee the return on investment for myself.

So how do you reconcile what would be a very reasonable concern of an investor contributing significant capital

and what you are saying—and your government's track record—that only and exclusively the municipal and public's best interests will be observed?

Hon. Rob Flack: Well, I don't know how much clearer I can be because I don't think there's any ambiguity at all, respectfully, submitted. They're going to be publicly owned. I do not have the mechanics of how every loan, every note, is going to be managed and borrowed and serviced, what the returns will be over what amortization period.

But I do know that this is not brand new. Municipal service corporations are not a new phenomenon in North America or the world. We will learn from those examples that have gone before us, and I know that's what the expert panel was doing.

I have no hesitation at all to say that I expect lender returns. Why would you not invest properly and expect a return? But I think it's going to have to be patient capital. It's not something you're going to get a big hit on over a year, or two, or five.

And I think pension plans, in particular, will enjoy this model because they can look at long-term, sustainable coupon clips, if you want to call it that in financial terms, where they can clip a coupon—a fair return over time—knowing they're secure, knowing they're going to grow, knowing they're good assets to invest in. They don't have to be at the table every day, managing every nuance of how those service corporations are run.

Mr. Adil Shamji: So that we're all on the same page about this, I want to return to a section that you had quoted and quote it back to you. It was schedule 9, section 1, subsection 2(b). It says, "No shares of the corporation are held by a" corporation "other than a municipality, the province of Ontario, the government of Canada or an agent of any of them." Could you define "agent," please?

Hon. Rob Flack: I'm going to call on the expert here, Stephen Lockwood, who is our lawyer. He can give you the specifics in terms of the legalese required there.

The Chair (Hon. Laurie Scott): Just state your name for the record, please.

Mr. Stephen Lockwood: Good morning. My name is Stephen Lockwood. I'm the director of legal services for the Ministry of Municipal Affairs and Housing.

In that context, "agent of any of them" would mean a crown agency or a municipal agency. An example could be the Ontario Clean Water Agency, but it would be an entity that is part of the crown, like the Ontario Clean Water Agency, Infrastructure Ontario. It wouldn't be a private entity designated as an agent; it would be that legal crown agency.

Mr. Adil Shamji: Exclusively?

Mr. Stephen Lockwood: Correct.

Mr. Adil Shamji: Okay, perfect. Thank you.

The Chair (Hon. Laurie Scott): One minute left, just to let you know.

Mr. Adil Shamji: Okay, very good. I'm going to just move on.

The question I wanted to ask, Minister, is it seems in successive iterations of legislation, for some reason, the

environment always seems to be the target. With Bill 17 last year going all the way back to 2019, there's always been what seemed to be a watering down of environmental standards for the purported purpose of increasing the rate at which we're building homes, yet the rate at which we're building homes always goes down after these standards are watered down. Why are we doing the same today? Instead of legislating the fourplexes, finally approving the federal Housing Design Catalogue, why is it always environmental standards?

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

Hon. Rob Flack: I don't agree that we're watering down these standards. We're trying to make them more consistent, voluntary versus mandatory. We've had a housing crisis—still have one. We're trying to lower the costs it takes. We want to bring consistency across the province.

I'll take an example of the building code. The green roof experts that build these things are going to be sitting at the table, going through section by section. We're going to work with everybody to get it done.

The Chair (Hon. Laurie Scott): Thank you very much. We have to go to the government side. MPP Racinsky.

Mr. Joseph Racinsky: Thank you, Minister, for your remarks this morning and for your leadership in making sure that we get housing more affordable here in the province of Ontario. That's important for everyone in the province of Ontario, but especially for young people like myself, people starting out in their lives and their careers. It's really, really important, so thank you.

You were very clear in your remarks, but it seems to be not clear enough, apparently, for the opposition, so I just wanted to go back to the discussion that we were having earlier. Can you please explain the difference between a lender and a shareholder? Because I think what you were describing is the lending as opposed to what is very clearly laid out in the bill, which is that a shareholder will only be the government or some sort of government.

Hon. Rob Flack: I'll explain it—101—but we all know, you buy a house, you go to the bank, you borrow the money. They don't own the house. They have security on your house, but they're the lender of the money to you, so you make the mortgage payments to pay it back and you build equity. In good time, a young guy like you is probably going to have a very successful life in the housing industry.

Versus a shareholder—when a bank lends you money, they don't take shares on your house, and the same as with a bank—when I was in business, we borrowed money from institutions. They lent us money. They did not sit on our board. They did not have ownership in our company. They lent us money. They expected a return on that money, and, thankfully, we were always able to give it to them. It's as simple as that.

Mr. Joseph Racinsky: And then now I wanted to ask about development charges, which is an important part of this legislation. Just earlier this week, I had the privilege of announcing 32 bed allocations for a not-for-profit long-term-care home, the Bennett Centre, in Georgetown. Pre-

viously, we exempted not-for-profit long-term-care homes from development charges, and we're proposing to expand that to retirement homes. Can you just explain more about why that's important to help get housing for seniors in our communities?

0940

Hon. Rob Flack: The DCs are a product of the last—what?—30-odd years, I think. Am I right there about the 30-some-odd years? Again, we come back to getting critical infrastructure in the ground. It used to be that the province or the federal government would give all the municipalities the money to put this infrastructure in the ground. We can't afford that anymore. That's why we're looking at different forms to get that done, like MSCs.

DCs have become punitive. Of the 444 municipalities, 219 are DC-levying municipalities—219. They represent 94% of Ontario's population. Many municipalities—225—do not levy DCs.

In the GTA, up to a third of the cost of a single-family home can be the cost of development charges, land transfer taxes, the HST, other government fees. It's punitive, and that's why we have a housing crisis. That's why we have a problem.

We're trying to fix that. By delaying or deferring development charges until occupancy, by reducing them for long-term-care homes and now for publicly owned retirement homes, by coming out with the \$8.8-billion program with the federal government to reduce DCs, we're reducing the burden of that on new home buyers, new construction.

That being said, I think our municipal partners were waiting for the details in terms of how that project will work. Again, hopefully we'll have something at the end of May or early June at the latest. We're working diligently on that. I think it's going to be a game-changer, just like the HST was.

DCs were needed. You can't blame municipal partners for implementing them. They just became punitive, and increased and increased and became a way to, I think, unfairly burden new home buyers.

Remember, the biggest part of our problem going forward is, yes, new growth. New growth requires infrastructure, but the replacement of aging infrastructure is massive in this province.

In Toronto alone, there was a road at Jarvis and somewhere where it flooded. I was talking to Mayor Chow, and one of her city managers said, "Yes, that water main was put in in the late 1870s." We're dealing with this type of aging infrastructure. It needs to be changed. We need to find creative ways, innovative ways to pay for it, to get it put in the ground.

I know in your community, they charge DCs, but they're probably too high. We're trying to ease that burden, working closely with our municipal partners to ensure that they get lowered, that affordability is back on the menu and that infrastructure gets put on the ground in a timely manner.

The Chair (Hon. Laurie Scott): MPP Sabawy, you have a minute and 30 seconds.

Mr. Sheref Sabawy: Thank you, Minister, I'll try to be fast.

Minister, our government has been clear that we are going to protect and grow Ontario by building the homes, infrastructure, roads, highways and transit our growing province needs. At the same time, we know families across Ontario are facing real cost pressures. That's why making life more affordable has to include making it faster and less expensive to build the homes people need.

We know that too many projects are still facing delays. According to the president of the mayors' association in an earlier hearing—he mentioned that the average for a developer to start the project until they start selling is 11 years, on average. This duplication of unnecessary costs before a shovel ever gets in the ground, every added month and every added cost eventually affects homebuyers, renters, workers and families.

Minister, can you pinpoint how Bill 98 builds on our government's broader plan to fight delays, lower costs and get homes and infrastructure built faster across the province?

The Chair (Hon. Laurie Scott): Fifteen seconds.

Hon. Rob Flack: The legislated 60-day timeline has become the exception rather than the rule when it comes to development standards and site plan reform. As you say, it can take years. We're going to change that in a meaningful way through this legislation. It takes too long, and it's ridiculous how long it's taking. That's why consistency needs to be on the menu.

The Chair (Hon. Laurie Scott): Thank you very much, Minister.

Over to the official opposition. MPP Rakocevic, please.

Mr. Tom Rakocevic: I want to thank the minister and all who are present.

My questions for my small block of time are with regard to transit. I understand that you're the Minister of Housing and not transportation, so I assume you'll be calling on some people behind you to answer some questions.

I want to talk about the fare integration portions of this bill. This is a government that loves omnibus bills. We find bills that are primarily on housing, but then you'll find other elements within it. It would be great if legislation was separated so that we could fulsomely look at them independently, but it is your choice to do it this way.

Fare integration is something that we all support and appreciate, but only if it's done right. And one of the only ways in which fare integration can work is if the funding is there. Because what happens is, if you have a rider taking transit into two different areas or two different regions or crossing a city boundary, what ends up happening is that with all regard to both municipalities, they each receive a fare. When you integrate it—which is good—what the individual pays is less. But then, where does the shortfall come from?

If governments are moving forward with legislation on this, it is incumbent upon them to help with funding and, of course, to properly consult and give enough runway to understand what will happen to those regions. You don't

want to pit municipalities against each other when it comes to who's going to pay.

One of the big concerns is that when municipalities are facing budget shortfalls around transit, the level of quality of transit can reduce because they may have to take smaller routes and put them on the chopping block. All sorts of things can happen that could actually reduce the transit experience for many.

My question is, with whom did you consult, and what funding are you coming to the table with that is stable for municipalities to ensure that this works as intended?

Hon. Rob Flack: Thank you, and I'm going to call on Tamara and James to come up with the specifics on that, as we talked about.

I think the overall intent is obviously to create flexibility, fairness in terms of costs and to keep people moving on a timely way. But when it comes to the specifics, I'll turn it over to Tamara to answer your questions.

Ms. Tamara Gilbert: I'm Tamara Gilbert, the ADM of integrated planning and policy in the Ministry of Transportation. Thank you for your question.

You're absolutely right that consultation is key. You'll note that this is enabling legislation in the sense that what you've described as a unified fare structure would come into place upon the passage of prescribed regulations. So you're absolutely right that consultation is key; we have just begun that process. We've brought municipalities and municipal transit partners to the table, begun that engagement and begun to talk about the implications of different unified fare structures, including cost implications—

Mr. Tom Rakocevic: Sorry, just—I know there's limited time, so I appreciate you saying that. But the legislation has been tabled now, and municipalities are seeing changes. And at this point, you're consulting. Why not consult well in advance and be very transparent about it? Why wait until this is occurring?

The question is, how long will this consultation period be? Because this could represent major, major changes to transit providers. If this legislation passes as it is, how can you expect them to make the necessary changes to make this work in the way in which you envision it?

Ms. Tamara Gilbert: Again, excellent question—there are no changes that take effect upon the passage of this legislation. Again, any changes take effect upon the integration of regulations and adoption of regulations.

We have already started and we're working very, very closely with municipalities and municipal transit agencies to understand what is a unified fare structure that drives the province's interests and municipalities' interests, and understanding the implications, including operational time that might be required to transition to new fare structures etc. That is all being discussed through those consultations and would be reflected in the regulations that eventually come into play.

Mr. Tom Rakocevic: Are you aware that without proper funding, this might lead to privatization? And if so, what are your thoughts about privatization with regard to this? Is this something that you expect will happen? And what are your thoughts about privatization?

Ms. Tamara Gilbert: I appreciate the question. I'm here to address the legislation. Again, the legislation introduces the commitment to a unified fare structure through regulations. We are undertaking that consultation now with municipalities and municipal transit agencies that will define the ultimate fare structure and reflect those implications.

Mr. Tom Rakocevic: And you are willing to come to the table if municipalities, during your consultation period, say, "Look, for us to maintain or even improve the level of standards that we have right now—in term of transit routes, access, all of it—you are willing to come to the table with additional funding, yes?" And how much? Have you, at this point, thought about it in terms of a number? How much funding would be required to make this work?

Ms. Tamara Gilbert: What I've said and am happy to build on is that we have already come to the table with municipalities, municipal transit agencies, and put very transparently on the table that we want to hear about all of that. That will reflect, again, what is ultimately implemented through the unified fare structure.

0950

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

Mr. Tom Rakocevic: So what you're saying is that, ultimately, you're going to be waiting for regulations to implement anything. You're setting up the rules for yourself, but if municipalities come and say, "Look, we can't make this work without this level of funding," and you are not willing or committed to be able to provide it, what do you do in that instance?

Ms. Tamara Gilbert: That is exactly the frame of the consultations that we're having with municipalities. We are discussing funding in addition to all the important elements that go into a unified fare structure. That is what is intended to be addressed and discussed through the consultation.

The Chair (Hon. Laurie Scott): Thank you very much. We'll now move over to the third party. MPP Hazell.

MPP Andrea Hazell: Minister, thank you for your presentation. It's always good to see you up close and personal. I think your staff had better keep sitting there and not go back to her seat.

My questions are all going to be on schedule 4, Fare Alignment and Seamless Transit Act, 2026. Minister, this gives you very broad power over the municipal transit services to regulate fares with the stated goal of expanding the One Fare program. I get the strategy, I love fare transportation integration, and I understand that the One Fare program can make transit more affordable and easier to use, so that is common sense—that is really common sense.

What I do not understand is how you came up with this integrated program. It's not detailed in the bill, and I don't think it's going to be fair. I don't think you've done your homework enough to come up with this legislation and put it into your Bill 98.

I'll give you an example. The Toronto Transit Commission accounted for more than 54.3% of all transit riders in Ontario, delivering over 321 million rides. Meanwhile,

Durham Region Transit recorded just 7.4 million rides, Hamilton Street Railway served approximately 15.8 million riders, Halton region transportation reached 7.8 million rides and York region served 23 million riders, with Peel region recording over 90 million rides. This cannot be a seamless strategy for you.

So, number one, how much time have you spent coming up with this strategy? And I want you to explain to me how you plan to compensate these transit agencies for revenue shortfalls because there will be a revenue shortfall. Where is this going to come from? Are transit agencies to cut services or increase ridership costs? If you can answer me those questions, I'll greatly appreciate that.

Hon. Rob Flack: I'll just maybe start quickly, if that's all right, with a couple of things. We're not privatizing transportation. That's not the intent—never has been, never will be. It seems to be the common theme today.

The part of the regulations that the ADM is talking about is important. You come up with a strategy, then you go out and you consult. You listen and you learn. Then, once you get your feedback, that's when you act. So we're not precluding anything about what these regulations are going to look like today. Again, we're going to listen and learn.

I'll turn it over to tell exactly how we're going to do it.

MPP Andrea Hazell: But can I add something else? I never mentioned the word "privatization."

Hon. Rob Flack: No, I just—sorry, I heard—

MPP Andrea Hazell: No, I didn't mention the word "privatization."

Hon. Rob Flack: I know. Sorry.

MPP Andrea Hazell: What I want to understand is the scope of your strategy for lost revenue. How did you come up with this strategy when I just explained to you that all these transit agencies are different? We can't bundle them together.

Ms. Tamara Gilbert: I think those are really important questions. On your first question on how much time or thinking went into the initial strategy, which, as the minister says, is reflected in the legislation to be fleshed out through the regulations, there's significant time in understanding the success of the government's One Fare program, and then, from the point of view of the transit user, where those best opportunities to improve the affordability and the experience of the transit user in the GTHA were. We know that over 30% of transit users currently cross boundaries on a daily basis, so what would be a meaningful improvement to the service experience for those transit users given the success of the One Fare program? The government received advice that were really three key areas where there could be continued progress: around the fare structure; around service on some priority routes; and around specialized transit. As the minister said, now the intention is to go away and with the really key partners who can help us understand how best to do that and the—

MPP Andrea Hazell: Can I just stop, in essence of time?

Ms. Tamara Gilbert: Of course.

MPP Andrea Hazell: Because for me, when you're saying that you have to go back in for consultation, that is like working backwards.

In this bill, what I do not see is clear funding and cost-sharing commitments—and you can correct me, maybe, if I didn't see it in the bill, please—mandatory consultations and transparency, which I think should be first and at the top of the list so you can bring us with you.

I want to support this because fare integration is important. In Scarborough, the minimum annual salary is below \$50,000. Of course, why wouldn't I support that? But then am I going to support it—and this experiment does not work, and then we do injustice to all the transit agencies?

Hon. Rob Flack: So if I could just jump in for a sec. Again, it's not unlike the building code. You come up with an idea or official plans, "Here's what we want to do," and now we go back and we consult. We listen and we try to get it right.

For a top-down approach—we're not a top-down approach here; this is the bottom-up. We're going out, we're listening—

Mr. Sheref Sabawy: No mike.

Hon. Rob Flack: —the results will speak for themselves when they come out. We're confident that we're going to get agreement. We're confident that it's going to improve fairness for the 30-plus-per cent of people who cross—

Ms. Tamara Gilbert: Cross boundaries?

Hon. Rob Flack: Cross-boundary transportation—so, again—

The Chair (Hon. Laurie Scott): Minister, there's 50 seconds left. We're just having some mike problems here.

MPP Andrea Hazell: Can I just ask one more question with my 50 seconds?

The Chair (Hon. Laurie Scott): Yes, it's okay. We've just paused for a sec, because we're having mike difficulties, so just hold on.

MPP Andrea Hazell: Am I going to get back my minutes?

Interjections.

The Chair (Hon. Laurie Scott): Okay. We don't need to repeat. We think Hansard got it because it's very close to the mike that's on.

Are we okay to resume, everybody?

The Clerk of the Committee (Ms. Tanzima Khan): If the ADM is responding, then we can resume. If the minister is responding, we might need to—

Hon. Rob Flack: I'll turn it over to the boss.

The Chair (Hon. Laurie Scott): Okay.

Are you okay, MPP Hazell, if it goes over—

MPP Andrea Hazell: Yes. So I can do my question now?

The Chair (Hon. Laurie Scott): You can.

Hon. Rob Flack: You have 50 seconds.

The Chair (Hon. Laurie Scott): Yes.

MPP Andrea Hazell: So just very quickly, I really want to make sure the transit agencies are going to get a fair shot through this in loss of revenue. I really want you

to detail this: If your strategy does not work, how would the transit agencies cover the deficit?

Number two, the transit agencies are already stretched for operational funding. Is this going to be added to their operational funding—the funding gaps?

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

Ms. Tamara Gilbert: I appreciate the question. Again, we are consulting on exactly those questions. I can reassure you that the city of Toronto, as well as the TTC, have been in the room with us for those consultations, and we're seeking advice from them on the implications of this model, the opportunities as well as the costs. That will be reflected in the ultimate regulations that come forward on this bill.

The Chair (Hon. Laurie Scott): Thank you very much, everyone. Thank you, Minister and accompaniments, for coming.

The committee stands in recess until 1 p.m. this afternoon, and we will resume public hearings on Bill 98.

The committee recessed from 1000 to 1300.

The Chair (Hon. Laurie Scott): Good afternoon, everyone. I call this meeting of the Standing Committee on Heritage, Infrastructure and Cultural Policy to order.

Just before we begin public hearings, I would like to inform everyone that due to the technical issues with the microphones from earlier this morning, it is possible that audio was lost for a portion of the minister's response to the member for Scarborough–Guildwood and may not appear in Hansard.

We are meeting to resume public hearings on Bill 98, An Act to enact the Fare Alignment and Seamless Transit Act, 2026 and to amend various Acts.

To ensure that everyone who speaks is heard and understood, it is important that all participants speak slowly and clearly. Please wait until you are recognized by the Chair before speaking, and as always, all comments should go through the Chair.

As a reminder, each presenter has up to seven minutes for their presentation. After we have heard from all the presenters, the remaining 39 minutes of the time slot will be for questions from members of the committee. This time for questions will be divided into two rounds of six and a half minutes for the government members, two rounds of six and a half minutes for the official opposition members and two rounds of six and a half minutes for the third party.

ONTARIO HOME BUILDERS'
ASSOCIATION
TORONTO TRANSIT COMMISSION
ASSOCIATION OF MUNICIPALITIES
OF ONTARIO

The Chair (Hon. Laurie Scott): I will now call on the first three presenters: Ontario Home Builders' Association, Toronto Transit Commission and the Association of Municipalities of Ontario. Everyone is here.

If you want to go in the order I just mentioned, please state your name before you begin.

Scott, go ahead.

Mr. Scott Andison: Thank you, Madam Chair and members of the committee. My name is Scott Andison, and I'm the chief executive officer of the Ontario Home Builders' Association. OHBA represents about 4,000 member companies and 26 local home builders' associations across the province. Our members range from builders and developers to renovators, to professional service firms and suppliers who collectively work to build and renovate homes, drive innovation, support housing that is affordable and champion the dream of home ownership for Ontario families.

The residential construction industry contributes about 550,000 jobs, \$40 billion in wages and \$85 billion in investment to Ontario's economy each year, as well as thousands of small and medium-sized businesses in construction, manufacturing, trades and services. It's also amongst one of the most important sectors both economically and socially in Ontario.

It will not surprise anyone in this room that Ontario is currently facing a very serious housing affordability crisis. For decades, we've seen a steady erosion of housing affordability. One of the most significant and often overlooked contributors to this crisis is time. Over the last 30 years, the amount of time it takes to plan, approve and build a home in Ontario has increased dramatically. What used to take months can now take years. That delay has real consequences. It creates uncertainty. It drives up costs. It reduces supply. And, ultimately, it puts home ownership further out of reach for Ontario families. Simply put, we are not building homes fast enough to meet the needs of a growing population. Therefore, something must change.

From our industry's perspective, we believe that the Ontario government understands the urgency of this challenge. We recognize and appreciate the steps that have already been taken to improve the housing supply framework and to accelerate timelines because they understand it costs too much and it takes too long to build in this province.

Bill 98 is an important step in the right direction because it is the next iteration of the government's objective to undo the impacts of decades of poor public policy that has negatively impacted the home construction process system-wide. This is critical not only for increasing housing supply, but also for sustaining jobs across Ontario's residential construction sector, which supports hundreds of thousands of workers and contributes significantly to the provincial economy.

I'd like to highlight a few areas where OBHA is particularly supportive of the direction taken in Bill 98.

First, we support the continued effort to streamline planning and approval tools, including reforms to municipal official plans. Too often, we see inconsistencies between provincial priorities and local implementation. Updating and aligning official plans in a more timely and coordinated way will help ensure that communities can

respond more quickly to housing needs while maintaining appropriate planning standards.

Second, we strongly support changes to site plan control. For many years, our members have raised concerns not only about the growing use of site plan control to impose requirements beyond the Ontario building code, but also about the structure and administration of the process itself. What was intended to be a streamlined, technical review has evolved into the most time-consuming and unpredictable stages of the approvals process and prolonged negotiations that contribute to delay, cost escalation and backlog.

We commend the province for recognizing both the misuse of site plan control and the broader challenges within the framework. Limiting requirements beyond the building code is an important step, but meaningful reform must also take a comprehensive approach to modernizing and standardizing the system itself.

Third, we welcome the long-awaited implementation of parkland dedication reforms that was first introduced in Bill 23 in 2022. This has been a long-standing priority for industry. The ability to provide the necessary flexibility in how parkland requirements are met, including recognizing high-quality encumbered lands and publicly accessible spaces, is a practical and modern approach. It reflects the realities of urban development, particularly in higher-density environments, while still promoting and supporting livable communities.

Fourth, we support efforts to increase transparency around development charges and other government-imposed costs.

The affordability of a home is not just tied to construction costs; it's also significantly impacted by government fees, taxes and charges. Current estimates show that these costs can be upwards of 30% or more on the price of a new home depending on where you build in the province. Improving transparency through consultation on the disclosure of these costs and agreements of purchase and sale is a positive step.

Finally, we're encouraged by the introduction of new frameworks to enable communal water and waste water systems. This is particularly important in rural and hard-to-service areas, where traditional infrastructure solutions may not be feasible. By enabling alternative servicing options, we can unlock new opportunities for housing development and communities that may have otherwise been constrained.

Put together, this means continuing to reduce approval times. It means ensuring that policies are implemented properly and consistently by all municipalities.

Many of the provisions introduced in Bill 17 were from the effective collaboration between OHBA and AMO to develop practical recommendations the government could implement to reimagine a more efficient way to calculate development charges and to initiate consistency in the municipal approvals process.

Systems-level thinking provides broad perspectives, and that can only be achieved with meaningful engagement and collaboration that delivers real-world results. It allows us to balance important community objectives,

such as environmental protection and infrastructure planning with the urgent need to build more homes to address Ontario's housing affordability crisis, and it means maintaining an ongoing dialogue with industry to identify barriers and develop practical solutions.

At the end of the day, the goal is simple: We need to build more homes faster and at a lower cost. This is how we restore affordability and improve access to home ownership. This is how we support economic growth and that is how we ensure that future generations of Ontario have the same opportunity to achieve home ownership that previous generations enjoyed.

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

Mr. Scott Andison: I appreciate the opportunity to provide our input today and I'm happy to answer any questions you may have. As an association, we look forward to contributing to this important conversation. Thank you.

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

We'll now go to the Toronto Transit Commission. Please begin. Just state your name before you start.

Mr. Mandeep Singh Lali: Madam Chair and members of the committee, my name is Mandeep Singh Lali, and I am the chief executive officer of the TTC. I'm here on behalf of the TTC board to speak to schedule 4 of Bill 98, the proposed Fare Alignment and Seamless Transit Act.

We support the province's objective of improving fare and service integration across municipal boundaries. The TTC has long been a strong proponent of seamless transit and is a champion of opportunities to attract new transit riders and improve customer experience.

However, as currently drafted, Bill 98 risks undermining the ability of local transit systems to deliver reliable and affordable services that respond to the needs of our communities we serve.

Our message today is straightforward. We're asking that schedule 4 be amended in three core, fundamental areas: Firstly, limit the provincial regulations to cross-boundary fare and service integration initiatives that improve regional rider experience without compromising the service quality of local transit riders. Secondly, ensure full provincial funding for any provincial mandates. And thirdly, require meaningful consultation with local transit systems and customers before regulations are introduced.

1310

Let me begin by grounding this discussion in the scale and importance of the TTC. We are the largest transit system in Canada. Last year, the TTC carried more than 413 million riders. We continue to deliver transit at an enormous scale, with ridership forecast at 426 million this year, therefore showing the magnitude of the service we provide. On a typical weekday, TTC carries over 2.5 million customer boardings. Extrapolated over the year, that's just shy of one billion boardings. That shows the magnitude of what we do every day.

Regionally, the TTC is the backbone of transit. Approximately two thirds of all transit trips in the GTHA are made on the TTC. That means decisions affecting the TTC

fares and service have a disproportionate impact on the experience of transit riders in the region.

At the same time, it is critical to understand how TTC riders travel. Roughly 80% of TTC trips are entirely local, within the city of Toronto; only 20% involve cross-boundary travel.

The TTC supports initiatives that improve the experience for regional riders, but it must not come at the expense of service quality or affordability. Decisions about fares and service levels are fundamental to meeting those needs. Bill 98, as written, grants the Minister of Transportation broad regulatory authority that could override local decision-making in these areas well beyond what is necessary to achieve integration objectives.

Let me begin with our first recommendation. Recommendation one is to limit the scope of the regulation to improvements in cross-boundary fare and service integration. The TTC fully supports improving the experience for riders who cross municipalities. In fact, we have consistently been a willing and constructive partner in this work.

The TTC played a central role in the implementation of the One Fare program. As the largest user of Presto, we operate subway services into York region and we support service integration through numerous operational partnerships. These successes demonstrate that integration works best when it's collaborative, targeted, focused and balances the regional objectives with local conditions.

Provincial interventions should improve cross-boundary journeys without compromising local service standards or affordability for TTC riders. For example, the TTC fare policies, such as the two-hour transfers and fare capping, are designed for TTC local conditions and through customer consultations. Clarifying and narrowing the scope of Bill 98 would uphold principles of good governance, protect local service quality and ensure accountability.

Our second recommendation relates to funding. We recommend the act either remove the minister's authority, dictate fair revenue allocation or clearly require full provincial funding for any mandated changes. The success of the One Fare program was made possible because it was fully funded by the province. Continued integration and collaboration efforts must follow that same model.

Our third recommendation is the need for meaningful consultation. As drafted, the act relies only on the standard 45-day regulatory comment period. That is insufficient for decisions of this magnitude that directly affect service planning, customer experience, labour agreements and financial sustainability. Fare and service policy are co-operational decisions. Abrupt regulatory changes risk undermining service quality and creating negative outcomes for customers and employees.

Given that TTC carries roughly two thirds of all transit trips in the region, we must be a direct partner in shaping how this legislation is implemented. Consultation should be early, substantive and ongoing, respecting the expertise of local transit agencies in developing the regulatory framework and applying it accordingly.

In closing, we believe Bill 98 is a pivotal moment in time that can support more seamless, integrated transit across Ontario but only if it is amended to include the limitations on scope, guaranteed provincial funding for provincial mandates and meaningful consultation with local transit systems.

The TTC, as always, stands ready to continue its long history of collaboration by working together in a transparent, accountable way to make transit more seamless, more affordable and easier to use for millions of customers who rely on us every single day.

Finally, as I would say in Latin, “Acta, non verba”—deeds, not words.

The Chair (Hon. Laurie Scott): Right on the button for time. Thank you so much.

We'll now go to the association of municipalities. I think you're on there now.

Ms. Karen Nesbitt: Thank you so much, Madam Chair, for the opportunity to address the committee here today. My name is Karen Nesbitt. I'm the policy and government relations director at the Association of Municipalities of Ontario, also known as AMO.

AMO and the 444 municipalities we represent continue to support the province in working towards more consistent and timely approvals that deliver the housing and economic projects Ontarians need, as well as improving how people move across the province. From that perspective, we support this bill.

We recognize that many of these proposals reflect feedback that AMO and its members provided during the significant consultations the province led in the lead up to this bill's development and tabling. In particular, the changes that ensure water and waste water systems will remain publicly owned is a positive signal that the government has heard municipalities loud and clear when it comes to the ownership of municipal utilities. Similarly, the proposal to exempt not-for-profit retirement homes from development charges is a very targeted approach to DC exemptions—development charge exemptions—that brings policy consistency to how not-for-profit project proponents and their developments are treated under legislation.

In this context, AMO is advancing three recommendations to help the government meet its goal of advancing housing and transportation in Ontario.

The first is to balance streamlined planning with flexibility so municipalities can effectively manage growth on the ground. We continue to support the government's overarching approach to reduce planning complexity and introduce more standardization. We appreciate the province's collaboration with municipalities, planners and developers to help identify mutually beneficial improvements to the tools municipalities use to plan and manage growth.

Standardizing official plans, restricting the use of enhanced development standards and setting minimum lot sizes only works if we balance developer certainty with municipal flexibility to meet local needs. The province has consulted on all of these measures in the past, and AMO,

our municipal members and municipal planners have previously provided feedback on how to ensure the success of these proposals. We strongly encourage the government to build on that existing feedback to find the right policy balance that our sector is seeking, mainly in subsequent regulation.

As an example, while we support the faster approval outcomes the province is seeking to accomplish, we are concerned about the proposal to allow high-quality encumbered lands, such as publicly available spaces like courtyards, to count towards municipal parkland dedication requirements. This could create conflict between private property owners, such as condo corporations, and public users of the space. This is the type of tension that we strongly encourage the government to engage municipal planning experts on to achieve the right balance.

My second recommendation is to ensure the communal servicing framework does not create unfair advantages for private systems or long-term liabilities for municipalities. AMO broadly supports policies that accelerate housing supply. In the right rural contexts in particular, specifically where municipal connections are not feasible, communal systems can be a viable option. Legislative proposals that responsibly streamline the use of these systems could help get more housing built.

We are pleased that current provincial consultations incorporate our call for standardized requirements. This consistency provides the clarity that both municipalities and developers need. Furthermore, we applaud the province's commitment to provincial backstops. These safeguards are essential. Rural municipalities lack the tax base to assume the costs of failed communal private systems.

To protect long-term stability, the framework must avoid creating unfair advantages for private systems over municipal ones. We must prevent a scenario where municipalities inherit significant upgrade costs. Above all, this framework must support, not hinder, a municipality's ability to plan for fiscally sustainable infrastructure.

My third and final recommendation is to offset municipal transit fare revenue that would be lost because of transit fare and service integration.

Finally, AMO supports proposed provincial transit investments and service integration to drive productivity and reduce congestion. However, sustainable funding remains critical as many transit agencies across Ontario struggle with significant capital and operating deficits.

1320

We are concerned that extending the One Fare program across the greater Toronto and Hamilton area could undermine the fiscal health of municipal transit systems if ridership revenue reductions arising from One Fare program adoption are not offset with provincial operating funding.

We recommend that the government commit to providing operating funding to transit agencies whose ridership revenues decline because of participation in the One Fare program.

In closing, AMO supports the province's ongoing efforts to standardize and streamline the tools municipalities use to manage growth of their communities. At the

same time, careful consideration needs to be given to the changes being proposed under Bill 98. Successful implementation of these changes will rely on clarity and predictability, with the right flexibility for local decision-making.

AMO appreciates the opportunity to speak today. We look forward to continuing our work with the government to evolve how we manage local growth and transportation. Thanks very much.

The Chair (Hon. Laurie Scott): Thank you very much for your presentations.

We'll now go to the question-and-answer part, and we're going to start with the official opposition. MPP Burch.

Mr. Jeff Burch: Thank you to all the presenters for appearing today.

I have a few questions for AMO. Ms. Nesbitt, you commented on the public ownership of utilities, and I want to compliment AMO for coming out and supporting a lot of the concerns that municipalities had around the legislation that was introduced around Peel region. The government, in this bill, came out with some assurances about public ownership. We had a chance to talk to the minister this morning and ask some questions, and we had a discussion about public ownership and about investment in public utilities. There was a suggestion from the minister that they look to investors like pension funds to invest in things like water/waste water. Is that something that AMO has discussed or supports? Of course, anyone who invests money, even if it's long-term, is going to want some kind of dividend or return on their investment. And I think we'll hear from CUPE later today that they consider that a kind of privatization. What does AMO think of that?

Ms. Karen Nesbitt: Thank you for the question.

AMO has undertaken analysis around use of municipal service corporations for water/waste water. I think we're looking at a period of time where there's a significant fiscal crunch on municipal infrastructure necessary to maintain assets and grow them. The sector is looking at over \$250 billion of investment that's required in capital in the coming decade. It's a lot of money. So, philosophically, we support innovation around the tools to finance it. Our analysis shows that application of those types of models are best suited to medium and small municipalities because it allows an economy of scale that can help enhance the technical skills that are managing those systems, increase the buying power through those economies of scale to create some improved financials to renew and grow those systems, especially where the local tax base just can't absorb those costs.

Our last perspective on that would be that these are incredibly impactful changes, as you alluded to. They must be conducted openly with the communities that are being served and have a lot of transparency around governance and financial changes, and must be led by the local municipality, as you said, because they are the ones that own the assets.

Mr. Jeff Burch: I appreciate the research that AMO has done. I've used it quite a bit myself in speaking to these bills.

Aside from the private ownership part, there's also a concern—I've talked to a lot of CAOs and folks in the municipal sector—that this issue has been politicized, to the extent that they have to understand that it has to be evidence-based. Implementing these things can actually cause water/waste water rates to increase if they're applied in the wrong jurisdiction or if it's done improperly. So I assume that you think it's extremely important that it doesn't apply to every region, but that the decision is evidence-based and the consumer has to be protected from increasing rates.

Ms. Karen Nesbitt: Through you, Madam Chair, yes. Fundamentally, we're looking for innovative new ways to fund and finance water/waste water systems because we want to ensure affordability, at the end of the day. So the point that you raise around implications of rate setting must be made very clear as part of any contemplation, based on a solid fact base around a move towards an MSC, to be certain, and it may differ across systems where they're applied.

Mr. Jeff Burch: It shouldn't be, as you said, forced upon municipalities. It should originate in the municipality. I think that's really important because around the forced amalgamation argument recently, where I'm from, in Niagara, there has been a lot of pressure on local mayors for example, who don't want their municipality forcibly amalgamated, so they've come up with asking for municipal services corporations as a way to appease the government, but that comes as a result of pressure from the government.

So just to repeat, it should be evidence-based, and it should be something that makes sense for it as requested by the municipality—that's AMO's position, just to be clear?

Ms. Karen Nesbitt: Yes. AMO's position is that it be evidence-based, a transparent process that engages the community, and is led by the municipality.

Mr. Jeff Burch: If the municipality doesn't want it, the province shouldn't force it on the municipality. Would that be correct?

Ms. Karen Nesbitt: We're looking for implementation through municipal leadership.

Mr. Jeff Burch: How much time do I have?

The Chair (Hon. Laurie Scott): A minute and a half.

Mr. Jeff Burch: I just wanted to let you expand a little bit further on—you talked about municipal flexibility, and you used the example of parkland dedication changes. Can you expand a little bit on what you meant by municipal flexibility in terms of standardizing site plans and things like that?

Ms. Karen Nesbitt: On official plans, we are supportive of a standardized model and approach so that when developers move between municipalities, there's more consistency. We think that that can be a tool to help streamline development, reduce costs and make it more predictable and consistent.

That being said, we also appreciate the province's implementation approach, which is very measured over a number of years, that trials the new approach in select

municipalities to get it right before it's rolled out across the province. That will be really important, to figure out that right balance between standardization, consistency and where local discretion is needed because the development context is very different between Toronto and Kenora, and allowance for that needs to be able to be factored in to standardized frameworks.

Mr. Jeff Burch: If I have time, green standards: I noticed you didn't say much about that, but that's something a lot of people—

The Chair (Hon. Laurie Scott): That may have to wait until the next round—thank you.

We'll now go to the third party. MPP Shamji.

Mr. Adil Shamji: I'll have just one question, and I'll defer the rest to my colleagues. It's for you, Mr. Anderson.

You aptly stated that we're in a housing crisis right now, and in successive years, we've seen the number of housing starts go down and down and down. We've seen some measures that have come through, some of which have been easily supportable—Bill 17 within the last year, for example—and there are some measures in this legislation that seem supportable as well, amendments to the Planning Act and that kind of thing. Of course, we can get behind that. But if we're in a housing crisis, I would put forward that the time for half measures is over. I know that the government has been talking about some things—you know, single-stair egress—for years. I've been pushing to have fourplexes allowed, as of right, province-wide.

This strikes me as somewhat of a half measure. If you could draft this legislation, what more would you like to see to get homes actually built faster?

Ms. Scott Anderson: Through you, Madam Chair: Thank you for the question. It is time for bold responses from the government. I didn't mention this in my remarks, but at the end of March, the province made two significant announcements in conjunction with the federal government, one to remove the HST and one to help reduce development charges, which OHBA and AMO have been working on collaboratively for well over a year now.

There are two types of responses needed. One was to get homebuyers off the sidelines and into purchasing centres and being able to buy homes that they needed. Research that we conducted at the end of last year through Altus Group showed that we had a pent-up demand of about 35,000 families looking to buy a home but couldn't afford them at current prices. When you think about getting them off of the sidelines, taking up to \$130,000 off a home, that's significant and all of a sudden makes it so that more families are able to qualify for a mortgage.

1330

Parallel to that, we're doing significant, substantive changes on the system side. For the first time, we've got a government that is actually looking at the home construction industry as a system: how it integrates with municipalities, how it integrates with families who buy homes and for those that build them and supply into that building process.

Substantive changes have been undertaken, as you mentioned, starting with Bill 17 through to Bill 16, and

now with Bill 98. There is only so much change that a system can absorb at once. When we think about trying to find the right balance—and the previous questions to my colleague from AMO from the other party was around how do you strike the right balance? I think that the government is moving forward in a measured way.

There are things that you mentioned, such as fourplexes as of right: Sure, it's something that should be looked at. In the same way, one of the things to certainly help municipalities would be to introduce legislation that would allow them to pool DC reserve funds. When you raise it for fire purposes, you've maxed out your fire expenditure, that sits in that fund and can't be used for something like a priority of water or waste water.

These are things we're in discussions with both AMO and the government about. There are certainly more things that can be done and bold measures are something that we've been advocating for.

Mr. Adil Shamji: Perfect. Thank you.

I'm going to yield the rest of my time to my colleagues.

MPP Andrea Hazell: Can I get a time check, please?

The Chair (Hon. Laurie Scott): You can, MPP Hazell. It's two minutes and 50 seconds.

MPP Andrea Hazell: Amazing. Thank you.

Thank you to all the presenters today, and thank you for coming in. Today, I'm going to focus, very quickly, my questions for the CEO of the Toronto Transit Commission. Thank you so much for coming in, I appreciate you, and so my questions are going to be very tight, very short, very direct.

TTC is already struggling with operational expenses. We've got the government that's saying that they're better at deciding what is good for your riders. Where I am concerned about this is, the presentation that the minister did this morning—it didn't give me a good sense of what they're doing with consultations. They're saying that they are consulting.

Can you tell me for the record: Have they consulted with you? And what does that look like?

Mr. Mandeep Singh Lali: Thank you for your question.

Through you, Madam Chair, consultation has started. We've had meetings with MTO. However, if you go to my third recommendation, it's meaningful consultation beyond the regulatory 45 days. If you look at the success of the One Fare program, where we worked in collaboration with the province, it was a success based upon the meaningful consultation that we had. That formed in 2024 and was extended for two further years. That benefited over 84 million riders at a cost of probably a \$1,600 saving due to the One Fare program. When it works, when it's meaningful, when it's collaborative, the benefits come through. As it stands today, within Bill 98, it's a 45-day regulatory process. That, we believe, is insufficient and needs to be extended.

MPP Andrea Hazell: Okay. I will come back to you in my next round.

I'll turn it over to my colleague.

The Chair (Hon. Laurie Scott): MPP McMahon, you've got a minute.

Ms. Mary-Margaret McMahon: A minute?

The Chair (Hon. Laurie Scott): One minute.

Ms. Mary-Margaret McMahon: Oh, gosh. Okay.

Thank you very much to everyone for coming in. I would just start with the green development standards. I'm a big fan. I was Toronto city councillor when they went in and when the Premier was a city councillor and he voted for the Toronto green standards—just to have that on record.

I'm just wondering—I guess I'll ask Scott first off the bat—Toronto has exceeded their housing starts and everyone adheres to tier one of the Toronto green standards. What is your proof that the green development standards slow down housing?

The Chair (Hon. Laurie Scott): You've got 20 seconds.

Mr. Scott Anderson: The proof is that it increases the amount of time to actually get the approvals through for builders to be able to understand exactly what's being asked for, because it is not always clear through the back-and-forth consultation between a site plan application, the municipality and the builder.

Ms. Mary-Margaret McMahon: Do I have a second?

The Chair (Hon. Laurie Scott): No. But you have another round coming up.

Over to the government side: MPP Grewal.

Mr. Hardeep Singh Grewal: Thank you to our presenters for coming in today. My questions are primarily focused for the TTC and the TTC chair, Mandeep Lali. Thank you for being here today.

Our government with the leadership of Premier Ford has invested over \$70 billion in public transit, and that's our commitment to building public transit. That's an historic investment; we hit records that we've never seen before and we're expanding throughout the GTA.

A big benefactor of that investment is particularly Toronto and all the development that we've been doing with new subways, streetcars; with the new underground subways coming in and being built, the Ontario Line especially. All of this is really helping in growing public transit across the province, but in Toronto for the most part as well.

So when we take a look at the One Fare program, it's really about integrating our communities within the suburban GTA and mixing it in with the core and ensuring everybody has the availability to commute in a seamless manner.

We just heard from the chair that the first step of the fare integration program was a success. I just wanted to ask, what kind of ridership numbers have you seen increase with that program, how has the first round of that program been implemented and what are your thoughts on how things are progressing as they currently stand?

Mr. Mandeep Singh Lali: Through you, Madam Chair, thank you for your question. I'll just highlight what I said earlier in terms of the One Fare program. The consultation and the collaboration on that was such that it was born to be successful. As it stands today, 84 million customers

have participated within the One Fare program in the form of a provincial aid that equates to \$131 million. So there was a direct correlation between the benefit and then the cost which was recovered thereafter—again, agreed, defined, within the scope, in a collaborative manner, which fostered that. That contributes to the just over 2.5 million trips that are done within the TTC.

Mr. Hardeep Singh Grewal: Thank you, Mandeep.

Another question that I had is, with One Fare, commuters are saving about \$1,600 a year. The Ontario government is also investing in One Fare to make sure it's sustainable for our transit agencies.

Now, when we take a look at One Fare 2.0, which is what I'm going to call it, the next step of going forward with what's in the FAST Act, how do you think this will then further positively benefit riders, and what kind of meaningful conversations are you looking forward to with MTO?

Mr. Mandeep Singh Lali: Again, through you, Madam Chair, thank you for your question. Deal 2.0 is, as you know, in progress, and we're working in collaboration on multiple fronts on that one.

In respect to the municipalities that are engaged on that, it should benefit even more so than we have seen in the One Fare program. We're taking the lessons learned from the One Fare program, from the first iteration, and diligently working those through. So we expect to see more ridership and better savings.

In terms of the qualification of those, as we're still in the midst of planning and collaborating, we'll have a better understanding of that in the coming weeks and months.

Mr. Hardeep Singh Grewal: As the government works collaboratively with the TTC and other transit agencies across the GTA, our goal is simple: easy, fast transit integration that helps the end-user get to where they need to go faster, at a more affordable price, making it easier for everybody to commute not just throughout Toronto but throughout the GTA.

I just wanted to see what your thoughts would be on basically improving transit integration, on the way things are going and what you would like to see in that integration as we progress or even as we look forward to expanding it further, maybe with 3.0—some things for the future. What are the impacts of this bill, particularly on your organization and the kind of things you'd like to see and your feedback? And then we'll obviously continue with the conversations with MTO.

Mr. Mandeep Singh Lali: Thank you for your question. There are three main areas that we believe, with the history we have within TTC, could really accelerate this and make this a value-add even more than it is today. Starting with point 3: collaboration in terms of meaningful discussions and reviews with respect to beyond the 45-day regulatory statutory period as it stands today. This needs to be ongoing. I think it's been proven by the One Fare program that once it's ongoing, you tweak, change, plan and you build upon that collectively.

Number two is funding. The sweeping powers that have been provided to the minister in this instance should not

be such that it allows provincial routes to be set, negating the needs of the local transit system. The two need to be funded accordingly.

And finally, looking at the limitation of the municipal and multi cross-jurisdictional boundaries in terms of service integration and the opportunities that exist there: defining the scope, collaborating and funding, to sum it up in three simple terms.

1340

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

Mr. Hardeep Singh Grewal: In closing, definitely, our government looks forward to working with your transit agency and the surrounding transit agencies to help build a more collaborative, integrated transit network throughout the province.

Our goal is simple: We want to make sure that people have affordable transit and that's accessible to them and they are able to commute within multiple cities, from Toronto to, let's say, Brampton, Mississauga and beyond, as we continue to expand this. I want to thank you for your leadership at the TTC and all the great things that we've been able to do together as our government has been committed to building public transit in this province—whether we take a look at some of our investments in Scarborough or we take a look at some of our investments in Brampton with the Hazel McCallion Line now coming in from Mississauga over to Brampton. We see this happening across the province. We're building transit—

The Chair (Hon. Laurie Scott): Thank you.

We'll now go to the official opposition. MPP Rakocevic.

Mr. Tom Rakocevic: My questions are for Mr. Lali, TTC CEO. Thank you very much for being here. Thank you for your presentation.

I can imagine it must have been very challenging waking up and finding out about this legislation just like everybody else did, something that is putting on your shoulders a huge, huge impact on your budget without consultation.

Consultations are to follow after the legislation is tabled, much different than what was being described earlier with regard to One Fare and everything else.

I want you to tell us briefly, what is it like leading one of the largest transit networks in the nation, if not the largest, without sustainable capital or operational funding? What's that like? What are the challenges associated with that when it comes to your long-term planning?

Mr. Mandeep Singh Lali: Through you, Madam Chair, thank you for your question.

In terms of our spending profile and what that is today, we have a \$54-billion CIP, capital investment plan. Of the \$54 billion, \$37 billion is unfunded. We have a cost pressure of \$148 million for 2027, and that's above and beyond the \$231 million new deal we're in the midst of. They're basic numbers in terms of the challenges we have.

In terms of long-term planning, you can't do long-term planning on short-term decisions, just to put it very simply. Reliability isn't promised; it's funded. So if you equate the two together, the economies of scale, the forecast and the creation of roles in terms of the uniqueness within transit

is a challenge not only within the TTC but the country as a whole. And if we plan relentlessly, we can then deliver decisively, and that's what one of the recommendations is, recommendation 3, in terms of beyond the 45-day regulatory consultation period.

Mr. Tom Rakocevic: This bill has come without any promises of funding whatsoever, just some statements saying that there will be further consultation.

What happens if they forced through these changes without any budget coming from the province of Ontario? What could that mean for the TTC in terms of specialized transit, in terms of how you manage smaller routes? What does that mean in terms of fare pressures? What could that mean for you if the associated funding does not come to make this work?

Mr. Mandeep Singh Lali: Thank you for your question. The purpose of highlighting the three recommendations we made was for the consultation so we can look at the—any provincial mandates are funded. We're making that very clear, because of the cost pressures which I've just gone through. As well, I touched upon fare-capping. I touched upon the two-hour transfer that the TTC offers our customers. They're local derivatives which we've had meaningful consultation with our riders, with our communities, that we provide our customers. Taken on board, 66% of trips within the GTA touch the TTC, so any deviation is disproportionate in terms of the impact it could possibly have on services, on routes.

Your reference to Wheel-Trans, that is currently subsidized at a cost of \$64.49 per person. We do work one kilometre outside the jurisdiction, but that again would all have to be reviewed if additional measures are taken above and beyond our control.

Mr. Tom Rakocevic: We've been hearing people talking about the pressures that this could put on municipality transit networks, publicly delivered transit networks. And there's always the shadow of privatization. There's always a hidden agenda, often, with legislation, things that aren't really discussed. Can you describe any municipalities or places in the world where this type of budgetary pressure has led to privatization and what has happened? I think something like this has happened in the UK.

Mr. Mandeep Singh Lali: In terms of London—I was very junior when I was in London Underground, for clarity. I was in London Underground within the period where it went through the PPP, public-private partnership. London Underground was broken up into three areas in terms of JNP, BCV and SSL—different modes. And within that, it flourished. There was a flurry of activity for several years with capital investment. Post the flurry of capital investment, it was unfortunately deemed not successful. As a result of that, it was brought back into London Underground, with a special directive by the government and therefore then back into—

Mr. Tom Rakocevic: It must have cost a lot of money to taxpayers.

Mr. Mandeep Singh Lali: I'm not privy to exactly how much it cost. As I say, I was just starting my career at that time. But it was an initiative that didn't go as planned.

Mr. Tom Rakocevic: Understood.

The Chair (Hon. Laurie Scott): A minute and 10 seconds.

Mr. Tom Rakocevic: So in the remaining time: What would meaningful consultation look like since the government has tabled this bill backwards without the consultation, that they're set forward to bring this to vote? What would meaningful consultation look like? How much time? And tell us what that could look like, in the short time that you have.

Mr. Mandeep Singh Lali: So the consultation is ongoing. I would not suggest a time period is put on that, because you get meaningful outcomes, as the One Fare program has proven, through meaningful consultation.

In terms of funding, any funding, we should really look at the heart of where we are, how we got here. Sustainable funding for a long-term transit system is required. Building upon that to get your roots, work out how we're going to support the entire country per se within the GDP that we support, would be the next step.

So it starts from consultation, starts from funding and starts from meaningful scope to ensure everyone has the key objectives very clear, set out from the onset.

Mr. Tom Rakocevic: Good luck in the consultations. Thank you for your time, your presentation today and all of your work.

Mr. Mandeep Singh Lali: Thank you.

The Chair (Hon. Laurie Scott): We're going over to the third party. MPP Hazell.

MPP Andrea Hazell: My question is back to the CEO for Toronto Transit Commission. Thank you for answering my first question, but here's my second question: This is an omnibus bill. Schedule 4 is embedded inside this omnibus bill. There are no details on if this project fails—because it's a rushed project—who's going to pick up the revenue? So can you tell me if TTC is in any financially strong ability to pay for the shortfall of this project?

Mr. Mandeep Singh Lali: Thank you for your question. I think I just alluded to the numbers in respect to the \$54-billion capital program that we have—\$37 billion is unfunded, \$148 million in cost pressures for 2027. So—

MPP Andrea Hazell: But Mr. Lali, what I want you to tell me is, are you in a position to cover the shortfall of revenue? There is nothing that's detailed in this bill that gives us a comfortable heart that we can vote for this bill. Help me here.

Mr. Mandeep Singh Lali: As it stands, because we don't have any scope of what it's going to be, what the roots are, I can't say yes or no.

MPP Andrea Hazell: There you go. Okay. Thank you. That's all I wanted to hear, for the record.

The Chair (Hon. Laurie Scott): MPP McMahon.

Ms. Mary-Margaret McMahon: My question back to the CEO, Scott: Back to the green development standards—and I get where it's complicated when every municipality has some sort of different policy. So I agree; standardize them. And I also agree—I'm an action girl; I like to get shovels in the ground and get things done.

But of your 4,000 members, many of them, I would argue, want to build right the first time. They want to build sustainably. Buyers want energy-efficient homes, and we want to build the green economy. So would you not agree that this is a bit like throwing the baby out with the bathwater, just killing all green development standards across Ontario, when there could be some middle ground of standardizing an approach because people want sustainability?

1350

Mr. Scott Anderson: Through you, Madam Chair: Thank you for the question, and I appreciate the opportunity to clarify.

If we go back to first principles of green development standards, you were sitting on city council at the time, putting this forward. When I read back to the implementation of those, there were two components to it: (1) It was to be voluntary and (2) there were supposed to be incentives associated with it, to help offset any additional cost for high-performance building.

If you look across the city of Toronto and many of the other municipalities, those two things begin to erode starting with offsets in terms of financial incentives—they were either slow to come to fruition or not at all—and secondly, where municipalities started to require them above the building code.

There is one standard for the province in terms of what orients builders putting together programs. We have many builders who build to higher performance standards. They adopt voluntarily green development standards, where many builders—we've got some out in Waterloo who do not build anything but high-performance buildings, and we applaud those. We encourage those, because they've identified markets where they can afford to do so, or they have customers that are looking specifically for that higher energy rating, as you alluded to.

For those that are in different markets, for those whose business model is to adhere to the law of the land, which is the Ontario building code, that's what they build to, the difficulty being that what led to a lot of the slowdowns in the approvals process is that when municipalities were imposing different standards—you alluded to that—consistency would be helpful, but the consistency that builders rely on is the Ontario building code.

Ms. Mary-Margaret McMahon: Okay. Thank you.

And then, a question about energy efficiency: We know that the energy-efficient components have not been updated in the building code since 2017, I believe, and the province exempted itself from the national codes with regard to energy efficiency. So since green development standards would be the only thing encouraging new builds to have the energy efficiency—I think we all would want the comfort and the savings on that, never mind the greenhouse gas reductions—would you support aligning with the national building code, so we don't lose a decade or more of the energy efficiency work and so that bills aren't increased and rates aren't increased?

Mr. Scott Anderson: Through you, Madam Chair: The approach that we support wholeheartedly is taking a

systems-level approach to changes throughout the system. There is no doubt that there is a time where we need to look at this and we need to look at how we adopt this and implement this in a holistic way. When we look at the amount of system change that we're needing to take place, needing to undertake right now, we're having to prioritize. Right now, prioritization is getting more shovels in the ground and to address the affordability crisis. This would be something that I believe would be more appropriately sequenced later, but it is certainly not off the table.

Ms. Mary-Margaret McMahon: Okay. Thank you.

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

Ms. Mary-Margaret McMahon: And then, from AMO and Karen, your thoughts on green development standards: Are they valuable for Ontario and Ontarians?

Ms. Karen Nesbitt: Low-level development centres are tools. They allow municipalities to manage important matters like green developments, accessible public spaces, stormwater management. We know that from the developer's perspective, sometimes measures that prevent flooding can cost more at the initial development stage, but they need to be balanced with the fact that municipalities need to pick up the tab when there is flooding, and so do homeowners, ultimately, when there is damage to their properties.

AMO would recommend proceeding with a view to managing the balance between those two tensions of expedient, less expensive home construction with long-term financial responsibility.

The Chair (Hon. Laurie Scott): Thank you very much. We are out of time.

Now to the government side. MPP Babikian.

Mr. Aris Babikian: My question is to the Ontario Home Builders' Association. First of all, thank you to all of you for coming and sharing your valuable input with us.

Coming back to my question: I have seen recently, and I got the feedback from some of the home builders in my riding of Scarborough–Agincourt and in Scarborough in general—after the measures we brought in the budget, this bill and the agreement with the federal government on expediting home building, I see that builders have started moving. They called me, they asked for more details, how it will work etc. That's a good indication.

In your opinion, in this bill, Bill 98, which measures do you think are important to reduce barriers and costs to housing development and increase housing supply? Also, what is the feedback from your industry after the recent developments?

Mr. Scott Andison: Thank you for the question. I'll start with the second one first; it's more upbeat.

The impact that we've seen from March 26, the announcement on reducing HST off of all new homes for a year and then, secondly, the announcement on reducing development charges up to 50%, again in conjunction with the federal government—we have seen thousands of homes sold in the month of April. I get calls from builders, just as you indicated you speak to builders in your area as well, that are calling in to say, "I just sold 40 units over a weekend. I sold 12 last year entirely in 2025."

They're seeing significant increases in families coming in saying, "I was looking at buying a condominium or a townhouse unit, but my family's growing. I just couldn't afford a single-family unit to meet my needs. With the reduction of the HST, I can now afford that." They're upgrading what they're able to get, and it's matching families with the housing they need, not just what they could afford at the time. So, across the board, it's a significant improvement, significant uplift in activity in terms of families getting into homes.

I'll go back to what is the most pressing need to get more shovels in the ground. If you think about a builder that is building in three different municipalities, under the current regime, when you go into municipality 1, you have a certain approach, you have a certain application style, you have a certain fee, you have a certain process in terms of how quickly they get back to you. You go into municipality 2, municipality 3 and they are completely different processes and different experiences. We have one municipality that will say, "Please build. We want builders coming into our community and building homes for our residents." We have others who are indicating by their actions and, in some ways, their fees, that they don't want building taking place.

It's hard for builders in terms of identifying that they know where it needs to be built. They know where they have customers, but the municipality is just not encouraging of that new development. There are some great municipalities across the province. There are some that you have to interpret based on their actions what their intent is.

If we could standardize the approach, if we could say what is realistic—and I hear from my two colleagues here, but what is practical, what makes sense—builders know what their customers are looking for, so if we can find ways that bring that municipality in more as a partner rather than the barrier, we will see more shovels in the ground.

Mr. Aris Babikian: A follow-up: What are your views on the proposed changes to standardize and simplify official plans, including land use designations?

Mr. Scott Andison: Builders need two things: They need predictability and they need consistency. When we have something that is understood as the way the rules work, whether through the municipality, through the province or, hopefully, integrated and they're the same throughout and consistent, then they know how to build plans. When they've started building and all of a sudden something changes and it no longer works, then they have to re-evaluate whether that works.

I'll give you a specific example. Between the two announcements of the HST reduction and the DC reduction by both levels of government, there was a 700-unit development that, two years ago, the builder in Hamilton took off his operational plan. It no longer made financial sense. Interest rates were too high, cost of building was too high and the municipal approvals process in Hamilton was staggering in terms of slowing down that process.

Based on the fact that it is now more affordable and that DCs would be reduced on future developments, he has taken that 700-unit project off the shelf and is getting ready to implement it this spring.

When there are financial measures that allow it to move forward and you can get a municipality that should be standing behind getting a development of that magnitude going in their municipality, we're hopeful that they will start being more approachable in doing that.

1400

The Chair (Hon. Laurie Scott): One minute remaining. MPP Saunderson.

Mr. Brian Saunderson: I want to thank all of our presenters today for taking time to come and share your opinions and expertise with us.

I don't have a lot of time, Ms. Nesbitt, but my question is really directed to you on the municipal service corporations. Thank you for reading schedule 9 and understanding that these will be publicly owned assets. But I really was hoping, in the brief time we have left, that maybe you could walk through how shifting the responsibility and the financial obligations of the water and waste water infrastructure, in the context of the restrictions on a municipality for their ability to finance, their ability to enter into certain kinds of contractual relationships, their obligations for DCs, for asset-management planning—if you shift this very expensive portion off their desk and put it onto the books of a municipal service corporation, how would that impact them?

The Chair (Hon. Laurie Scott): That may have to be a written response, because we're out of time.

Thank you so much to all the presenters for coming. We'll give you a minute to move away from the table.

KAGAN SHASTRI DEMELO WINER PARK
LLP
ATU LOCAL 113
THE ATMOSPHERIC FUND

The Chair (Hon. Laurie Scott): We'll ask for the next group to come forward. That's Kagan Shastri DeMelo Winer Park Lawyers LLP, ATU Local 113 and the Atmospheric Fund, if you would make your way to the front of the room.

Thank you, gentlemen. If you don't mind, we'll start with Mr. Kagan—I don't know if I'm pronouncing it right; I apologize if not—if you'd begin, and then we'll go to ATU Local 113 and then the Atmospheric Fund. You have up to seven minutes to present, and you may begin. Just state your name—and title, if you wish.

Mr. Ira Kagan: My name is Ira Kagan, and I'm the founding partner of the law firm Kagan Shastri DeMelo Winer Park. It's a mouthful. I have 36 years' experience as a land use planning lawyer. I get development approvals for all ranges of clients all over Ontario, and I'm also privileged to be retained often by BILD—the building and land development industry—and the OHBA, who you just heard from a few minutes ago.

I'm here to talk about only one aspect of Bill 98, which is schedule 7, section 6, dealing with amendments to the Planning Act, but in particular parkland dedication. I'm just here to talk about that one aspect of the legislation.

And while Bill 98 might have received first reading only about a month ago, the changes that I'm here to talk about are actually two and a half years in the making. They started with Bill 23, which received royal assent on November 28, 2022, and set in place new, important rules about parkland dedication. Then, there was a lengthy and important consultation period. Now, we're at the end of that, and the government is proposing some further amendments to, essentially, Bill 23 to refine those rules and give the municipalities and the developers the tools they need to reduce the cost of housing and to increase the supply of housing—all of this in an effort to reach the 1.5 million homes by 2031.

Parkland is a very important component of development. No one is here to say there shouldn't be parkland; that's ridiculous. No one wants to raise children in an area without access to parkland and no one should have to. BILD and OHBA members build communities they are proud of that meet the needs of their purchasers and, importantly, that provide parkland. This is true whether you are building a subdivision in York region or a high-rise, mixed-use community at the Vaughan Metropolitan Centre, Mississauga City Centre, Yonge-Eglinton or downtown Toronto.

I'm sure as many of you know, the Planning Act authorizes municipalities to force development, to give parkland for free. Developers don't mind doing this; it's an important part of the community that they build. This parkland though is typically what we want to call standard parkland ownership, or terra firma. It's like what you get when you buy your house: You own from the centre of the earth to the heavens. That's standard parkland.

But this government, two and a half years ago, recognized that there is a better option, one that has not previously been authorized by the Planning Act, but has already proven to be very efficient in parts of Ontario. We call this encumbered parkland, and it comes in two forms: strata parks—that's one thing on top of another—or POPS, an acronym for privately owned public space. I'm going to explain these very soon and how important they are.

Bill 23 expressly authorized these two types of parks, and the new legislation in Bill 98 improves it and gives everyone the tools that they need. What I would like to say about this kind of encumbered parkland is it makes more efficient use of a scarce resource: land. Or put another way, you do more with less. When you make more efficient use of something, you reduce the cost and ultimately, it's the purchaser or the renter that bears the cost. That is why this legislation is important.

I want to give you an example of what a strata park is. Think about a shopping centre that's past its prime. The municipality wants that shopping centre to redevelop with some high-rise housing. Maybe it's covering the entire shopping centre or maybe just a part of it. That high-rise housing needs parkland. The high-rise housing also needs

an area to park. The most efficient way to park these cars is to put them underground. That's expensive, but you put them underground. You keep them out of sight. But then there's the surface. What do you do with the surface? Well, you shouldn't just grass it and not call it a park. You should grass it and build it out as a park.

So it's almost like an underground condominium where the parking structure below ground is owned by the condominium corporation. It's maintained at their cost and the owners of the condo units park there. And the surface, however deep it has to be—it could be a couple of metres, it could be three metres—that ownership gets transferred to the municipality and is used as a park. The people that use the park have no idea what's underneath. They don't care what's underneath. They just want to know their kids can play there.

If you're having trouble imagining something like this, think about Nathan Phillips Square. It's the biggest strata park in the GTA. It's true there isn't grass at the surface, but it's used as a skating rink, concert venue, farmers' market. It's a park. It's just a park that has a hard surface on it, like a basketball court is a park with a hard surface on it. Below that surface are thousands of spaces for cars. That's what we're talking about but with grass on top.

I want to tell you about a little about a POPS for a second. POPS are even a step forward from that. The land is grassed and it's got a tot lot on it; it might even have some gym equipment. But that whole piece of grass, that park, is privately owned by the condominium corporation, so that means they have to maintain it. No taxpayer dollars are used to maintain it. But that condominium corporation has given a legal agreement—binding, registered on title—to the city in perpetuity forever that any member of the public is allowed to come to use that park as if it was city-owned. This is even better in some sense than a strata park because the municipality owns and maintains the strata park. That means taxpayers' dollars. In this case with a POPS, the municipality doesn't own it, but they have the right to use it at all times, and the condo corporation has to maintain it.

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

Mr. Ira Kagan: I'm almost done.

Now, recognizing that there is a difference in value between somebody owning a house from the centre of the earth to the sky versus the two things I've just described, the legislation properly says that you are going to get 70% credit. So you either give a bigger park if it's going to be strata or POPS, or you pay cash in lieu as the difference.

The Chair (Hon. Laurie Scott): Thank you for your presentation.

1410

We'll now go to Mr. Alfred, if you want to begin.

Mr. Marvin Alfred: Thank you for giving me an opportunity to address the standing committee. My name is Marvin Alfred. I'm president of Amalgamated Transit Union Local 113. I represent more than 12,000 workers who operate and maintain the Toronto Transit Commission. My members carry nearly 2.5 million riders every

day, nearly eight times what GO Transit carries. I'm honoured to be here and glad to be joined by TTC management and rider representatives to share our knowledge and experience with the province to help build a stronger regional transit system.

Transit workers across the region are not opposed to integration that genuinely improves service for riders and can provide an alternative to driving and reduce congestion. We must support a transit system that works for everybody. But integration must be built on a foundation of stable funding, enforceable service protections, transparent fare allocation and respect for the workers who deliver the service. Bill 98 does not achieve this. Instead of addressing cross-boundary, it gives the Minister of Transportation total control over all transit service, fares and fare revenue.

Successful integration requires both local and regional service. The province's One Fare program was designed to help GO riders transfer to local transit. It is successful because it supports local service. This bill puts this vital local service at risk in the service of regional trips. We request changes to the bill that focus exclusively on cross-boundary routes, maintain local democratic control of transit and ensure that the funding is in place to make transit successful and sustainable. By interfering with local service, Bill 98 creates serious practical concerns.

TTC relies heavily on fare revenue. Any loss of income would lead to immediate service reductions and ridership losses. In the past, TTC management stated that having outside operators on Toronto streets is an opportunity to actually remove service. Transit riders face crowded, unreliable service. TTC and 905 operators are starved for resources. Buses from the 905 arrive at the Toronto border, on their way to the subway, already full. Does a rider want to depend on other cities to provide their services? We are waiting for an explanation on how regional operators will collect and share fare revenue. We are concerned that riders will have to tap their Presto at every transfer and at the end of their trip, adding a layer of complexity to service delivery and imposing barriers within the TTC.

Even the staunchest defender of Metrolinx will admit that Line 5, the Eglinton LRT, has been a mess. Projects are over budget and late, creating huge headaches for the Ontario government. Giving the people responsible for Line 5 control of local service will only multiply these headaches. If MPPs really want to take over transit and pay to operate and maintain it, municipal politicians might appreciate it. Workers hear from riders every day; so do local politicians. Maybe they'd be glad to let MPPs actually start taking these calls.

From the local school boards to the island airport, from the Toronto science centre to Ontario Place, Premier Ford is multiplying problems and creating controversy where he doesn't have to. Let's focus on the real, actual problems to solve, instead of a big, unnecessary takeover.

I suggest we focus the proposed solution to the actual challenge: how to make it easier for transit riders to travel between systems. This could be achieved without legislation, through funding agreements and negotiation. But

since proposed legislation is before us, amend it to: (1) focus on cross-boundary routes only; (2) maintain local democratic control of transit service; (3) make sure the fare revenue of trips within each transit system is re-invested in their system; (4) provide sufficient, sustainable funding for both operating and capital expenses.

If you want to make regional integration work, we will be happy to work with you. We even proposed ways to make it work within the existing collective agreements. If you want to take over control of local transit systems while not taking responsibility for their funding and maintenance, you're creating huge and unnecessary problems for yourselves.

I personally started on the job 25 years ago as a bus operator in the northwest part of the city. I've seen how the lack of funding, lack of respect and lack of accountability from the provincial government has impacted riders and workers in transit. We're here to use our knowledge and wisdom. We have the experience on the job to actually assist and give feedback into what's actually happening and how it's impacting people.

We have been working and negotiating and dealing with these issues on multiple occasions. It's not the first time we've ever had to be exposed to cross-boundary; that's something that was even proposed in our collective bargaining. We understand what the objective is, but part of the mandate should be protecting the riders for what they have. Do you want ridership to grow? Let's have ridership that exists and people can depend on, and have it accessible and affordable.

Right now, with what's happening with this bill, it's an overreach. Its scope is unnecessary. We believe that, working together, we can try to find a middle ground in order to have something that's actually workable for all the stakeholders here.

As a worker here with over 25 years' experience, I could tell you I'm probably one of the most experienced people in this room dealing with transit and dealing with these kinds of things affecting workers. I am a president of a local union, but at the same time, I'm a worker. I've driven the bus. I've dealt with customers' frustration. And I will tell you, what's happening right now in the transit system—the workers feel it; the riders feel it. As a worker on the front line, we can tell you with experience what people actually want, what actually would deliver what they need in order to be encouraged to return to transit.

We deliver a safe, reliable transit system. Work with us in order to continue that safe, reliable transit system being available to people who need it.

Thank you, and I'm here available to take your questions.

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

We'll go to the representative Bryan Purcell for the Atmospheric Fund. Please go ahead, and state your name before you begin.

Mr. Bryan Purcell: Good afternoon. My name is Bryan Purcell. I'm the vice-president of policy and programs at the Atmospheric Fund. We're a public agency created by

the city of Toronto and the province of Ontario, and for over 30 years we've worked in partnership with the province, municipalities, builders and utilities to improve building performance across the greater Toronto and Hamilton area in ways that are cost-effective, evidence-based and market-ready.

I'm here today to express some serious concerns about the impact of Bill 98 on energy efficiency and housing affordability in Ontario. We support the broad objective of accelerating housing development, and there's much to commend in the bill. However, as currently drafted, Bill 98 would undermine more than 15 years of progress on energy efficiency and new construction. The bill would remove municipal authority to set development and performance standards without putting any alternative framework in place to protect outcomes that Ontarians depend on today.

If the government is committed to this element of the bill—which, to be clear, we don't support—then it should also put forward a consistent provincial framework for achieving critical outcomes, including energy affordability and resilience. We've put forward a series of targeted amendments to the bill which would do exactly that; I'm circulating that here today.

To understand why this matters, it's worth revisiting how Ontario cities arrived at green development standards in the first place. About 17 years ago when I started working at the Atmospheric Fund, we partnered with researchers at U of T to study how large buildings were actually performing once they're occupied.

What we found was alarming: Building efficiency hadn't improved at all in 40 years. In fact, buildings constructed in the 2000s were performing, on average, slightly worse than buildings built in the 1970s. This stagnation in performance was driving higher utility bills, increased pollution and growing strain on the energy infrastructure needed to support rapidly growing cities.

In response, we worked with the city of Toronto and an advisory group of leading architects, engineers and developers to create the Toronto Green Standard. It would probably surprise a lot of people to know that the Toronto Green Standard is part of Mayor Rob Ford's legacy. After two years of technical work and industry consultation, the standard was shelved because staff at the time felt that there was no way the new mayor would support it politically.

Around the same time, I'd just become a parent. Thinking about the world my daughter would grow up in, I had a renewed urgency for the work we were doing. I called up city councillors until I found one who was willing to walk the standard back onto the agenda, and something incredible happened: The industry experts who had helped to develop the standards on the advisory group, who had been consulted on them, all showed up to either write letters of support or to speak at council and committee in favour of moving forward with the standard.

I watched in the council chambers as the standard was adopted unanimously. Afterwards, I thanked Deputy Mayor Doug Ford for his support, and he told me exactly

why he'd voted for that. He said, "Because it would save people living in those new buildings millions and millions of dollars on their energy bills."

That's exactly what it has done. We've been tracking, with the city of Toronto, the impact of the Toronto Green Standard for over a decade. In that time, the standard has generated an estimated \$407 million in utility-cost savings for homeowners and building operators. It has also triggered over \$120 million in development charge refunds for builders who exceeded the performance requirements set in the standard.

Beyond the direct financial benefits, these efficiency gains have extended the life of Toronto's electricity infrastructure, supporting population and housing growth while delaying costly system expansions. It's a genuine win-win-win for residents, developers and the environment. Toronto's success led other cities to adopt similar standards modelled after the Toronto Green Standard.

Importantly, this hasn't slowed housing construction. In fact, looking at the data published by the Canadian Home Builders' Association on municipal development approval times, we've shown that all of the municipalities in Ontario with green standards are making significant progress reducing development approval timelines, whereas when you look at the broader province, many cities are not making progress reducing development approval timelines.

However, we do recognize there are valid concerns about variations between municipal standards, and that's what we've heard a little bit about today. Consistency matters, especially for builders that are working across municipal lines, and we acknowledge that.

This is where our proposed amendments to Bill 98 come in. We're not asking for unrestricted municipal authority. We're proposing that municipalities retain some ability to establish green standards if and only if they are based directly on performance requirements set out in the National Building Code of Canada and the National Energy Code of Canada for Buildings.

1420

This approach would anchor local standards within a single national framework, ensuring consistency across Ontario while supporting national harmonization and reducing interprovincial trade barriers. It also aligns squarely with Ontario's commitments under the national reconciliation agreement on construction codes.

In closing, energy efficiency is not a nice-to-have; it's a core housing affordability issue. Buildings that perform better cost less to operate, shield residents from increasing energy price volatility and reduce long-term pressure on Ontario's energy systems. In contrast, inefficient buildings not only have higher bills, but they increase the likelihood that the next building will trigger an expensive grid upgrade that slows progress and makes housing more expensive.

With electricity demand and rates rising, driven by new industries and data centres, efficiency is more essential than ever. The amendments we've proposed do not create new codes or expand local variability. They reinforce one

building code, aligned with national standards, and support predictable, incremental improvement.

From our perspective this is a practical, balanced way to protect long-term affordability, preserve the progress of the past 15 years and maintain provincial leadership and regulatory consistency.

Thank you for your time, and I would welcome any questions you might have.

The Chair (Hon. Laurie Scott): Thank you very much. We are going to go to the question part of the presentation.

MPP McMahon, you're going to start off for the third party, please.

Ms. Mary-Margaret McMahon: Great presentations, everyone. I just had a quick, two-second question, because I don't have a lot of time, to Ira from the long-sounding lawyer name. I'm not opposed to POPS at all, but my big, key question is, who maintains them? In my experience as a Toronto city councillor, my former life, they were problematic because of that.

Mr. Ira Kagan: Thank you for the question. Through you, Madam Chair: The POPS are maintained at the cost of the condominium corporation. One of the things that Bill 98 does is it ensures that the municipality has the legal authority to require an agreement with the condominium corporation to spell out exactly the maintenance and ongoing operational costs.

Ms. Mary-Margaret McMahon: Thanks for the very succinct answer.

To Marvin, you're going to be on the hot seat for the next question. It's not that I don't have questions for you, but I know my colleague will take them all.

The rest go to the Toronto Atmospheric Fund. Thank you for the great service that your organization has done in Ontario for a long time, and thank you very much for the stroll down memory lane. I was there. I lived it with you, with former mayor, Rob Ford, and the current Premier, when he was a city councillor, both of them voting positively for the Toronto green standards because they stood by them and believed in them at the time. Hopefully there's still some belief there too.

You're talking about energy affordability, and I think that is a key topic that a lot of people do not speak about, as well as the green economy and building good green jobs. I'm wondering if you can elaborate a bit more on the energy affordability.

Mr. Bryan Purcell: Sure. As you know, the purchase price of a home is only the first cost on that home. The second cost is the cost to operate and maintain that home over time. We think that effective standards, like the Toronto Green Standard—at least the most beneficial elements of it—are positive on both fronts. We're making buildings more efficient. Many of these measures will last 20-plus years, saving dollars on utility bills for a generation or more. They also future-proof the building, so avoiding the need for capital replacements to address efficiency issues, to address comfort issues and ensuring that residents can rely on an efficient, well-functioning and well-designed system for years to come.

At the same time, this supports a strong green building economy. We've seen many firms that started developing products and services to help meet the Toronto Green Standard in Toronto when it was created expand their work across Ontario and beyond, actually—for example, firms that supply geothermal for new construction. We have Ontario firms now working in the US, and their whole base of operations came out of helping buildings comply with the Toronto Green Standard, providing another option on how to do so. So we think both in terms of energy affordability and creating green jobs, it's been a strong success story.

Ms. Mary-Margaret McMahon: Great. Thank you very much. We know that some developers—a lot of developers—believe in building right the first time, getting it down pat from a sustainability angle. I know EllisDon, Minto, Tribute and more are big proponents of green development standards, especially the Toronto Green Standard.

Municipalities have—I get, as you mentioned, about standardizing green development standards, instead of just throwing the baby out with the bathwater. So there's tweaking to be done, as you mentioned, but do you feel it's fair to rob those municipalities of their right to govern and right to build properly for their residents?

Mr. Bryan Purcell: I think that municipalities have a responsibility, and this is set out in various pieces of legislation, to steward the city's development to ensure sustainable development and to engage in long-term energy planning. That's really what this is about: figuring out how we meet both our current needs and our future needs for housing, but also to make sure that we stretch out the capacity of our infrastructure, including our energy infrastructure, so that we can continue building and not trigger major costs going into the future.

I think it's important that municipalities have a role to play, being the level closest and best able to respond to the market forces on the ground in that city. That means they don't have to go with one size fits all provincially. They can look at what their local development sector is capable to do and when.

I think there is an important role there for cities and a responsibility for cities. I think consistency is a good thing and having a consistent framework. There have been efforts to harmonize across the municipalities that have green development standards, but it hasn't been perfect. So I think that there are improvements that could be made, such as we've suggested with amendments, that would enable the best of green standards to continue forward while getting more consistency to make things easier for everyone.

The Chair (Hon. Laurie Scott): One minute left.

Ms. Mary-Margaret McMahon: Great. Thanks.

What do you think of the comment that green development standards, and Toronto green standards specifically, slow down housing? I would argue things like use and misuse and abuse of strong-mayor powers—like the mayor of Markham used the strong-mayor powers to kill fourplexes in his community. I would argue there are other

things slowing down housing, but what do you think? Do you think green development standards actually slow down housing?

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

Mr. Bryan Purcell: That hasn't been our experience. No, I don't believe so. I think the data shows that when cities introduce green standards, development timelines improve. That's often because they've always had standards, but they were scattered across a variety of documents, official plans, secondary plans; they were sometimes vague and hard to interpret, leading to negotiations and site-specific determinations. Instead, the green standard brought it all in one—

The Chair (Hon. Laurie Scott): Thank you very much. There's another round coming.

MPP Anand for the government side. Please begin.

Mr. Deepak Anand: Before I start, I want to say thank you to each one of you for coming and representing the delegation.

Mr. Kagan, I just want to go to you first. By the way, I was looking at your website—I wanted to see who were those five people forming that name. Rahul Shastri is a good friend of mine. Although we don't agree on many things together many times, we have decent debates. So my hello to him.

I was listening to you; I felt it was a crazy idea, an out-of-the-box idea, maybe a new idea, and that's typically what happens when you hear some ideas like this. Can you explain to me one more time—I really loved that idea, by the way. The thinking behind that was, I was born and raised in a very small town in India. It was built for a conference and then converted into a town, so it was built with the design phase, but they never thought there were going to be that many cars in the future. So it was built with narrow streets, with not too much in front for cars to park—

The Chair (Hon. Laurie Scott): MPP Anand, I just have to interrupt. We have a 10-minute bell, so is everyone in agreement that we just finish off this first five minutes and then we go to the House? Do you want agreement for that?

Interjections.

The Chair (Hon. Laurie Scott): Okay. Keep going, then. You've got five minutes left for this interaction.

Mr. Deepak Anand: Okay. All right.

I thought that the basic challenge we're facing now there is because there's not enough space for cars and there's not enough park around it, and your idea could solve both. It's something which we have seen in Malton, where we have—the family has grown up; they started with one car, now they have two, three, four, and they don't have a parking space. They can't buy a new house, especially at this time, just because they have an extra car and older kids. Can you explain what it is, and how it is going to impact housing construction?

Mr. Ira Kagan: Thank you for the question. Through you, Madam Chair, I wish I could take credit for this idea. It's not my idea. It's the Bill 98 idea and the Bill 23 idea.

I'm here in support of Bill 98, because you people already thought about it two and a half years ago.

Everyone recognized that you need space to park cars but you also need parkland, and there's not enough room on the site for both if they both have to be at the surface and they have to be separate from each other. So the concept was quite simple: layer them; put one on top of the other.

Municipalities originally said, "Well, you know, that's not what we're used to. We're used to having a park where we own right to the centre of the earth." We said, "Yes, you own to the centre of the earth, but what do you do with things that are 12 metres below ground?" You do nothing. All you need is some space for the grass, some space for the underground sprinkler system, some space for drainage. We can give you all that in the strata portion you're going to own. In fact, some municipalities already started to do that before Bill 23, but most municipalities were reluctant.

The Chair (Hon. Laurie Scott): I think we may have to recess now because it's going to be tight for us to get to the chamber, but we'll resume again with the remaining three minutes and 20 seconds. Thank you. We'll recess.

The committee recessed from 1431 to 1446.

The Chair (Hon. Laurie Scott): Thank you very much, everyone. We've now finished our recess and we'll get back to our questions and answers from the government side.

MPP Anand, do you want to continue?

Mr. Deepak Anand: Absolutely, Chair.

The Chair (Hon. Laurie Scott): Thank you.

Mr. Deepak Anand: I want to continue, and I just want to say: Oh, my goodness, the only certain thing we have in this place is uncertainty. It's good to be back here.

We were talking about those parking spaces. Is there any other city in the world that has similar parking spaces, with a park on the top, that you can think of? You said some municipalities have already started.

Mr. Ira Kagan: Many, many. Land is scarce, and as you start using it up and there isn't much left, you have to get more creative. This is an example of getting more creative. That's what the government started two and a half years ago, and I fully support.

Mr. Deepak Anand: This usually doesn't happen, but we do have somebody from the Toronto Atmospheric Fund. Can I ask to pick your brain on this idea of having this layered thing and then, on top, there is a park? It's kind of something which I feel is new, in my opinion. What is your take on that? What could be the potential issue with that idea?

Mr. Bryan Purcell: Well, I'll start by saying that I'm not an expert on parkland issues. I think it's positive to look at opportunities to put park facilities on top of parking facilities to economize on land, especially if it can increase the amount of green space. I think the potential downsides would be that there's probably some constraints on what you can put in a park like that in terms of the size of trees, for example, compared to a conventional park, but in the

right circumstances, it may be the best option for some sites.

Mr. Deepak Anand: Or maybe you think there is something under the earth that could potentially be at risk also because we are building under the earth for potentially—

Mr. Bryan Purcell: You've only got so many metres of soil over a parking deck, so that's going to limit what kind of growth you could do on that land. But where there aren't other opportunities for parkland, it's a sensible solution.

Mr. Deepak Anand: Perfect. Thank you so much. Thanks, Chair.

The Chair (Hon. Laurie Scott): There's just a minute and 15 seconds left, if anybody wants anything. MPP Grewal.

Mr. Hardeep Singh Grewal: Given that we have such a short amount of time, my question was going to be to Marvin from the ATU local. It's great to see you here. I've been able to meet with a lot of your members around the Legislature today and when I was at Greenwood Yard when we were making some announcements for the streetcars. It's great to see all of you here.

Simply put, my first question is: Do you support fare integration?

Mr. Marvin Alfred: We do support fare integration. We do support something that's constructed in order to benefit people to have better access.

Mr. Hardeep Singh Grewal: Okay. And then what are your thoughts on riders now saving \$1,600 a year with this new fare integration?

Mr. Marvin Alfred: We do, as well, support people saving money in order to have better access to transit.

Mr. Hardeep Singh Grewal: Given we only have 30 seconds left, what would you say your biggest ask would be from the government on how to further support that?

Mr. Marvin Alfred: Respect, consultation, authentic consultation involvement, taking that wisdom and experience as front-line workers in order to make this work, because we've seen what's been wrong, but let's try to work together to make it right. What I see right now within the bill, we have tremendous concerns that need to be addressed.

Mr. Hardeep Singh Grewal: Awesome. Thank you. Happy to work with you, sir, and anything we can take offline as well.

Mr. Marvin Alfred: Okay. Thank you.

The Chair (Hon. Laurie Scott): We'll now move over to the official opposition. MPP Burch.

Mr. Jeff Burch: Thank you all for your presentations.

A few questions: I'd like to start with President Alfred from ATU. Thank you very much for what you do and all of your members do under often really difficult circumstances. We all appreciate it.

I have a couple of concerns with this portion of the bill. One of them you just referred to, and that's the consultation part. As a former union representative, I've always found it incredible that when the government goes to make

changes, they don't consult with the union or the people who actually do the work.

I just want to give you a chance to comment on what kind of consultation you've had up to this point and what you would expect as adequate consultation going forward.

Mr. Marvin Alfred: Through you, Madam Chair, we haven't had anything formal. We've had informal discussions, side discussions, but I think something so vast needs real, constructive, dedicated meetings and consultation with people that are actually involved and the stakeholders.

And when I say stakeholders, I mean not just the workers; we actually advocate for the riders as well. The public needs somebody to be advocating for them. We have a number of people that we know as political allies or grassroots organizations that want better, and a lot of people turn to us in order to advocate for these things that are needed because we know best what's going on in transit. We, being on the front line, whether we're maintenance employees or operators, know what the public needs and really are invested in success.

As transit workers, we're invested in the success of transit being available to people, affordable to people and reliable to people, and we want that wisdom to be actually part of these discussions and consultations. When it's not happening, we know that they're going to be putting something together that will then have to be recalibrated multiple times. Work with us and get it done right the first time rather than having something fractured that needs to be healed.

Mr. Jeff Burch: I have limited experience in transportation; I'm the municipal affairs critic. But I do have some experience, as I mentioned, in union negotiations, and especially in mergers. You mentioned the merging of collective agreements and how complicated that can be. It's not something that a lot of people really appreciate. So those kinds of issues—what worries me is that we saw what the government did in Peel with attempting to dissolve that region, and then they had to go back because they didn't do the homework ahead of time and understand how incredibly complicated things could be, like diffusing a region or amalgamating something.

Did you want to comment on your opinion—and it goes to consultation, again—on how complicated something like this could be and how important it is to talk to everyone involved and get an evidence-based plan together before they start making changes?

Mr. Marvin Alfred: Thank you for the question. Through you, Madam Chair, what we've experienced is a collaboration with the union reps and presidents in the region, whether it's Mississauga or Brampton; there is another Toronto local for GO Transit; Hamilton; and as presidents and leaders of locals and some of our lobby groups, to discuss that there are hazards confronting many other organizations in different ways, including shortfalls regarding subsidy funding and things like that.

When it comes to collective bargaining, as you mentioned as well, one of the issues we have with Bill 98 is its

circumventing and superseding collective bargaining. In our last couple of rounds of bargaining, as a union, we had to deal with cross-boundary being a proposal and being strong-armed. We were able to address it. We went to interest arbitration to resolve our contract, I think in 2021, and they tried to force things against us.

Our issue is that it doesn't work on its face the way it was proposed. We flagged a number of issues that were not going to work fundamentally, yet they still wanted to do it. I'm not sure how it got there, whether it was through the provincial government getting involved with the city—and at the time, it was different administrations that we were dealing with.

But we know the business best. With all due respect to everybody that is responsible for, minister to or elected and appointed to deal with things in the government, you should be involved with the people that are actually being affected the most and can advocate for the people who are most vulnerable in needing the transit system. We have a situation right now where it's an afterthought. I'm sorry; that's the way I feel personally, and a lot of our elected officials, our members, our workers and riders feel that their needs, wants and their ability to access is an afterthought.

We know there's the veneer of a lot of things that might be accessible or might look like it's rosy, but, at the same time, with what's happening right now, your service is going to deteriorate. The reliability, the service standards, the expectation of funding, all these things are exposed and vulnerable—and having somebody that's not involved with the transit system deciding on frequency, service standards, headways and just general reliability of the service that people need access to.

Again, thank you for your question about the people that are involved and know best. We should be on the front line, not just in doing the job—the front line on the consultations to be making the decisions on what's going on and helping those that are impacting the lives of others. We should be at the table.

The Chair (Hon. Laurie Scott): One minute remaining, just to let you know.

Mr. Jeff Burch: I wanted to quickly ask about finances, but I don't want to take too much time from your answer.

There's been a lot of downloading from the province. Can you explain the financial stress the system's under and what would happen if the municipality is not made whole by the province and the costs are just downloaded onto municipalities?

Mr. Marvin Alfred: Chaos. It's absolute chaos. Things are underfunded now, so it only gets worse. Service is being impeded. Reliability is being impeded. Standards, safety—a number of things are being impeded with lack of funding.

What we need here is stable, reliable, predictable funding in order for transit to deal with state of good repair, the backlog of repairs and just for service standards to return.

We want people to return to transit. We want less congestion. We want less cars on the roads. Well, in order to have that, you need people to have reliable transit to have access to.

If this happens—that cascading effect of lack of funding—you will have less transit, and people will turn to their cars. Gas is expensive, but people—if they feel that transit is not reliable enough in order to meet their needs to go to work, go to worship, go to school, grocery shopping, then they're going to find other means.

We want transit to be that attractive alternative, and this—

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

We'll now go over to the third party. Because of our voting, we're going to decrease the Q&As to five minutes a round.

MPP Hazell, if you'd like to begin.

MPP Andrea Hazell: Thank you, all three of you that presented. Thank you for making it down to Queen's Park. We know the trip is not easy. But thank you for your presentation.

My question is going to be towards ATU 113, Mr. Alfred, president for ATU 113. I've been hearing your feedback with questions that are being asked. I want to continue the stream of the last question from my NDP colleague.

This is Bill 98. It's an omnibus bill. The government is known to put through a lot of omnibus bills. Right in that bill, we have schedule 4—not a lot of detailed information for us to approve this section of the bill.

My question to you—actually, when I look at the bill, we already know that there is no transparency, there is no accountability. If this doesn't work, we don't know what the fallback is. We, the politicians on the other side, and you, who's supporting and advocating for 12,000 workers—they want all of us to support schedule 4 with no real, detailed information on how this is going to work. If this does not work, what will it be doing, and how will it be impacting your 12,000 employees? We know the unemployment rate is already high.

Mr. Marvin Alfred: Thank you for that question. Through the Chair, it's not just affecting 12,000 transit workers; you're affecting millions of riders every day.

What you're doing with a bill like this and the lack of transparency, accountability—right now, we have a system in place where you have TTC management and agency looking after the TTC. Then you have the TTC commissioners that have authority in order to direct the TTC and provide guidance and improvements and consultation. Things like this and not having that transparency and not having that accountability on a whole is ruining everything.

You are not getting an opportunity to advocate for people that need transit, depend on transit, having a voice here. We are depending on people that have a voice in order to be heard. But when you have a bill that can be put through without any real consultation, transparency, accountability, I don't know how you can support it.

This is a concern for us. This is a concern for all workers, and workers standing up for riders.

MPP Andrea Hazell: I want to add to that too within that same line. We're looking at six transit agencies—different cultures, different revenue streams, different number of riders—and so we are consolidating these six transit agencies. If this doesn't work, what would be the impact on those six agencies? Do we bundle them up as one and share the loss of revenue across the six transit agencies? What would be the outcome?

Mr. Marvin Alfred: I think it would be a race to the bottom. Through the Chair: It would be a race to the bottom.

When the TTC has high standards, high service levels, reliability of transit when you're looking after Toronto residents, and then you're going to have other agencies and other transit organizations providing that transit at their standards, at their reliability, you're going to have situations where people will be entering with vehicles into the city, and if they're already filled up and you're at the border of Toronto and Mississauga, then that Toronto resident is being barred from access to that vehicle. Yet that vehicle is scheduled to be taking a supplemental part of the service there. So if there's a 50-minute headway and that bus at 9:15 is already filled up, then that Toronto resident, who is depending on a Mississauga bus to help improve their transit is denied access.

1500

We want people to have access to transit. We don't want to deal with facts, figures and theories; we want practical, tangible transit to be available to people. If you harmonize all the other transit organizations, it could be a race to the bottom.

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

Mr. Marvin Alfred: It could be denying people the opportunity to get the transit that they paid for, the transit that they expect and the transit that they have learned to have available to them. So my concern is a bill like this is unnecessary in order to have people have access to affordable transit.

MPP Andrea Hazell: One last question: This morning, when the minister presented his presentation, I did ask about consultation. They've put out the bill, they've added schedule 4, 2.0 fare integration, and they've just started the consultation. That was a shocker for me.

For the record, can you state what that means to you and your organization about transparency and accountability for this government?

The Chair (Hon. Laurie Scott): In about 20 seconds, to answer.

Mr. Marvin Alfred: All right. I'll be quick: We do not feel that that accountability and transparency is there, unfortunately. It looks as though it's an afterthought or ticking off a box. This should be a holistic thing, where you're involving people and letting them feel valued and respected, being involved in the front end, as opposed to an afterthought, when this bill is being implemented. We

deserve that dignity, to be at the forefront of what's going on as it's being developed, as opposed to an afterthought. As a president of 4,000 workers, we feel as though that's necessary for this to be implemented properly.

The Chair (Hon. Laurie Scott): Thank you.

Over to the government side for five minutes. MPP Saunderson.

Mr. Brian Saunderson: I want to compliment you. All you have to say is, "The preceding was a paid political announcement." It's wonderful how quickly you put that in there.

Mr. Marvin Alfred: I do my best.

Mr. Brian Saunderson: It's good.

I apologize to the presenters today that you lost a minute in your time to answer our questions because of the vote, but I want to start off by saying I appreciate each of you coming in and taking time out of your busy schedules to share your opinions and your expertise.

Mr. Purcell, I'll start with you. In your comments you stated that what you are seeing is green standards going out—the builders that are using the green standards building those standards in communities that don't require it outside of the GTA and that you've seen a proliferation of that since those standards have come in. Is that fair, with what you said?

Mr. Bryan Purcell: Yes, there has been a spreading of green standards originally developed in Toronto and adapted by a number of other cities around Ontario.

Mr. Brian Saunderson: But I think what you said is you're seeing a lot of builders using those products or standards in areas that don't require them.

Mr. Bryan Purcell: Oh, yes. In some cases, yes, there are leading developers all around Ontario and beyond who build to a high performance standard, and that has driven demand from some of the products developed to enable the green standards.

Mr. Brian Saunderson: We heard that from the Ontario Home Builders' Association. Mr. Andison said the same thing. He said, in a question from the opposition, he's seeing an adoption of those standards in areas where they're not required, because it's a good thing to do, as you indicated. And you're seeing that as well.

Mr. Bryan Purcell: Yes, a minority of the market, though, that's the difference. When you have voluntary standards, you see typically a maximum—maybe 15% of product gets built to voluntary standards. Or if there are incentives in place sometimes you get up to 20% market adoption, but you need stronger tools if you want to bring the bulk of the market to a performance level.

Mr. Brian Saunderson: I think you also said there's an economic model for that too, that there are some more upfront costs, but down the road you'll save in the quality of the home and the consumption. So there's an economic model that would also spur that on.

Mr. Bryan Purcell: There is, but there are some challenges in the economic structure that block that price signal, that economic signal, because in most instances in development, the developer or builder will not be involved

in paying any bills. They're building, for example, a condominium for resale within the year or other product for other clients, so there's a disconnect between the economic—it's kind of an actor-agent problem, in economic terms, where the builder is not paying utility bills in most cases, so that natural incentive to build energy-efficient isn't really translating for most builders. So if they are doing it voluntarily, it's for other reasons, whether that's corporate commitments or the marketability of the building or incentive programs, as other examples.

Mr. Brian Saunderson: Thank you for that.

Mr. Kagan, I'm going to turn to you. I appreciate your support of the parkland space aspect of this bill and appreciate that it's been an evolution and lots of consultation. But I also know that you have a lot of experience in municipal law and planning law. You've been before the OLT, LPAT and before that the OMB to talk about planning principles, and we heard from the minister this morning, talking about the process taking too long, talking about there being duplication, divergence, too much overlay and disparity in OPAs and planning processes across the province. I'm sure you've seen that in your practice.

As part of this legislation, we're looking at providing a framework for official plan amendments. We're talking about site plan development processes, and all of that is being done with a view to speeding up the application and permitting processes for developers.

So I'm wondering, in your experience, if you could just comment on your observations of the need for that, given that you've appeared before the land tribunal on many occasions to talk about the disparity from one municipality to another, changes in requirements and how you see that costing the developers, slowing down the development process and raising the purchase price of a home.

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

Mr. Ira Kagan: Through you, Madam Chair: I've done hundreds of tribunal hearings, regardless of what the tribunal's name has been over time. When official plans were first envisioned, they were supposed to be high-level policy documents; they weren't supposed to read like zoning bylaws. Over time, they read like giant, hundreds-of-pages-long zoning bylaws, making many developments require an official plan amendment. That's a mistake. There needs to be a rethink. They need to set general policies and leave the intricate details to zoning bylaws. I support the government's actions in this respect.

Mr. Brian Saunderson: Thank you very much. I think that takes my time.

The Chair (Hon. Laurie Scott): You've got 15 seconds, if you wish.

Mr. Brian Saunderson: Thanks again to our presenters.

The Chair (Hon. Laurie Scott): We'll now go to the final round of five minutes: the official opposition, MPP Rakocevic.

Mr. Tom Rakocevic: Thank you very much to the presenters. My questions are for Mr. Alfred, the ATU 113 president.

I want to thank you personally for your leadership and the incredible work of your workers. Millions of people move around the city of Toronto thanks to your incredible work and everything you do. It is very disappointing to hear that no consultation was happening in drafting this bill, certainly not with you and certainly not with your members, many of whom are here today, who have so much experience.

In the short time I have, could you tell us briefly about what operational challenges happen when you implement fare integration without sustainable funding? What can happen? What can happen to smaller routes? What can happen to specialized transit and other things?

Mr. Marvin Alfred: They can go by the wayside. I think you have a lot of routes that feed into other larger routes and allow the dignity of access. Transit is dignity, and people having access to go wherever they need to go—not everybody lives on a major route, or it's too far to walk or they have mobility challenges.

So when you have things that are going to be economized or managed by an outside individual who is not fully involved intimately with the service needs of the community, does not have somebody to advocate for them on what's going on and knowing the community—that's why we have local representatives, whether it's municipally, provincially or federally: people that know what's going on in their area to be able to advocate for these standards. If you then put it to another agency or another layer of bureaucracy deciding, people will suffer, and it can be economized. Then people have to walk further or be denied access all together, and it will cost more.

Transit should be affordable. It's an ecosystem of availability for people who have access to transit, like I said earlier, to go to worship, to go to education, to go to their employment, to get groceries, to get access. When that's being removed or being superseded for economic reasons—or for whatever reasons; for short-sighted budget shortfalls and with funding not being supplied—again, the TTC has a funding shortfall. That funding shortfall is borne by the provincial government. It's obvious.

And when the money is not being put forward in order to have planned, sustainable funding, being able to have budget service standards for people to have availability for routes to be improved—service should be improved and not cut. So when you have these kinds of things happening with the fare integration or issues regarding shortfalls because of harmonizing fares and not getting the subsidy, and the reciprocal money that should be coming to, let's say, the city of Toronto or whatever other agency that might have a shortfall in their funding, they're going to cut corners, and corners start with service sometimes, or reliability of equipment or state of good repair. Then you pay for these costs long-term even more, exponentially.

Mr. Tom Rakocevic: We have a government here in Ontario that many say is obsessed with control. They like

to centralize decisions and take away the decisions from many municipalities, downloading and often breaking their backs with budget situations that they're facing. Tell us what are some of the concerns of moving decision-making away from municipalities on issues like transit and putting it directly into the hands of the Minister of Transportation.

Mr. Marvin Alfred: You're moving the decisions from the hands of people that know to people that don't know, or they're too far, too many degrees away, from actually having any sort of real affinity to know what's going on. They're looking at a budget or a spreadsheet and not actually knowing what's going on in that community and not realizing that that line that you might think of as certain hours or time of day might not be functioning the way they might think, that the ridership does not justify it. But they do not know that—whether there's a school trip there or a hospital there or people who are seeking treatment, dialysis, whatever—you need transit to get where you are going. You need that functioning there.

1510

The local advocates can let people know that's going on. The local individuals that govern that area can let people know that these decisions are wrong. When you're going through that extra layer or having to go to a higher authority two or three or four degrees away, it may not be listened to or may take too long to have a change, and then people in the meantime would suffer.

That's why we talk about consultation. That's why we talk about getting the people involved. Not just as union reps—you have a number of individuals that we advocate with, rider groups. We advocate with a number of people in the community who actually know what's going on and want to be able to present to you what this community actually needs.

This kind of bill takes that term “community” away from having any sort of engagement with people who actually need the service the most. That is one of the concerns we have. It's not just for us as an organization with transit workers; we're trying to protect the transit system and the fidelity of the transit system for the people that need it the most, riders and workers working in harmony with a number of groups that advocate to protect the system that they've paid for and expect and deserve.

Mr. Tom Rakocevic: I want to thank you very much. The government should take your concerns very seriously. After all, it is your members who are delivering the transit every single day and doing it in an incredible way. So thank you very much for speaking to us today and thank you very much for your leadership and hard work.

Mr. Marvin Alfred: Thank you. Thank you so much.

The Acting Chair (Mr. Aris Babikian): Thank you very much. That concludes the question-and-answer for this panel. Thank you very much to all three of you for coming and sharing your valuable input with the committee.

We will take a minute to switch the panel.

BUILDING INDUSTRY AND LAND
DEVELOPMENT ASSOCIATION
TTCRIDERS
CANADIAN ENVIRONMENTAL
LAW ASSOCIATION

The Acting Chair (Mr. Aris Babikian): I am inviting the Building Industry and Land Development Association, TTCriders and Canadian Environmental Law Society to take their chairs as a witness.

I'm going to call the panel to start making their deputations. We will start first with the Building Industry and Land Development Association. Please identify yourself and your title.

Mr. Dave Wilkes: Good afternoon, Chair. My name is Dave Wilkes, and I'm the president and CEO of the Building Industry and Land Development Association. With more than a thousand members, BILD is the voice of the land development, building and professional renovation industry in the region. We thank you for the opportunity to be here in front of you and look forward to the discussion that follows.

It is our pleasure to speak towards Bill 98, the Building Homes and Improving Transportation Infrastructure Act, 2026. We applaud the government's introduction of this bill. With this proposed legislation, the province continues to show its commitment to assist in alleviating Ontario's housing supply challenges. My remarks today will focus on three areas: the reasons for our support for this bill; highlight a few areas of importance in conjunction with other recent housing announcements; and talk about what more needs to be done collectively to continue to move us forward.

But before doing so, it is important to level-set and discuss market realities. It is no secret that 2025 was the worst sales year on record since we began publicly reporting on new home sales in 1981. In the GTA, just over 5,000 new homes were sold, when in an average year we would see somewhere between 25,000 and 30,000 sales. In the absence of anything to jump-start sales, we're expecting a significant decline in housing starts in the next few years. I have shared with the Clerk a study we recently published that provides further details.

With the context of the current historic downturn as background, and the anticipated loss in jobs and shortages in housing, BILD, as I indicated at the beginning, is very supportive of the changes introduced in Bill 98, especially when the bill's proposals are paired with two other historic announcements that were made just a few weeks ago.

Let me spend, if I may, a few moments on those announcements. With apologies to the band Blue Rodeo for borrowing and altering a song line, it really was a historic five days in March. On March 30, the provincial and federal governments came together to announce an agreement to lower development charges in Ontario by up to 50% and to fund infrastructure investment. This represents a major step forward in lowering the cost to build and addressing project viability across the province, par-

ticularly in high development charge areas such as the GTA.

That announcement was on the heels of Ontario and the federal government's move to remove HST on all new homes under \$1 million and reduce tax for those under \$1.85 million. Now, with those proposals, combined with Bill 98 and the previous housing-related legislation, the government has created the conditions to accelerate housing supply and return the sector to a position of growth. We are starting to see the impact of these changes, with consumers returning to members' sales centres and deals being written. We're also seeing and continue to see municipal initiatives and positive responses to these latest announcements.

Bill 98 proposes some very significant measures that are an evolution of recent provincial legislation, such as Bill 17, Bill 60 and Bill 23. Since their introduction of the Housing Supply Action Plan, we have seen these pieces of legislation, as well as many others such as Bill 185 and Bill 109, that continue to move the needle on addressing housing costs and speedier approvals.

BILD looks forward to the regulatory process reforms and proposed changes on how land use policy is implemented by municipalities across the province. Let me highlight a few areas of particular importance.

Regarding standardizing official plans, BILD is supportive of the proposals put in place for a standard structure for OPs that would increase consistency across municipalities. Predictability, certainty and this consistent approach to an official plan will assist in navigating the planning process.

Bill 98 also builds on significant proposals related to green development standards that we saw first in Bill 60 and Bill 70. BILD is supportive of the proposed legislation and regulatory change to help for a more consistent approach and ensure that code is king in these areas.

Related to site plans, the province is consulting on changes to site plan control with the goal of enabling a faster, more predictable, cost-effective and coordinated municipal site plan process. Proposed reforms such as requiring municipalities have a maximum of three circulations, after which a mandatory meeting is triggered with all relevant municipal representatives and applicants to work through and resolve—and I stress resolve—all outstanding issues is a progressive and very necessary one.

Related to parkland, you just heard from my colleague Ira Kagan earlier today. I won't go into further detail, but we are very pleased to see the province moving ahead with a process to give landowners the ability to identify and get credit for the land it proposes to convey for parkland.

Finally, Bill 98 also makes proposals related to water and waste water public corporations to support initiatives in Peel region. BILD looks forward to the next steps of implementation of that utility model. I've also provided the Clerk a study from Daryl Keleher of the KR Planning Group that speaks to realigning how hot water—sorry—how water and sanitary sewage costs are imposed—hot and cold water.

Which brings me to my last and highly significant point of Bill 98. We encourage the province to explore the opportunity to develop a tax-out approach to pricing, building on the direction announced in Bill 98 to explore mechanisms to make development charge costs more transparent in purchase and sales agreements. The leadership this government has shown fundamentally changes the condition under which members can build and provide jobs and housing for the people of Ontario. This is an opportunity we cannot and will not miss.

Thank you, Mr. Chair. I look forward to the committee's questions.

The Acting Chair (Mr. Aris Babikian): Our second panellist is the TTCriders. We have one member here present with us and we have a bunch of other members joining us virtually.

Mr. Andrew Pulsifer: That's right.

1520

The Acting Chair (Mr. Aris Babikian): Please identify yourself and your title.

Mr. Andrew Pulsifer: Good afternoon, members of the committee. My name is Andrew Pulsifer. I'm the executive director of TTCriders, which is a membership-based transit advocacy organization based out of Toronto.

We have serious concerns about schedule 4 of Bill 98 and the monumental changes that it would bring to the experience of transit riders across the city. We feel there's a lot missing from this bill. Nowhere do the words "affordable," "consultation," "reliable," "ridership growth" appear. This bill is presented as something that will benefit riders, but we are very concerned that it could lead to fare hikes, the elimination of discounted fares like the Fair Pass and seniors fare, and an end to the two-hour transfer window.

Our members have advocated for more affordable transit for over a decade. Fares in Toronto have consistently risen above the rate of inflation, and the TTC has long relied heavily on the fare box to keep the system running.

The TTC's own data shows that every time fares increase, people take transit less. Every 10-cent fare increase results in 500,000 fewer rides taken. That means that 500,000 times, someone chooses not to take transit because they can't afford it.

That is where our concern with this bill comes from. There are no guardrails to keep transit affordable, no clear requirements to listen to riders. Without these protections, we fear decisions about fares will be made behind closed doors at Queen's Park, far removed from the people who will feel the impact every day.

To us, the measures proposed in this bill are, respectfully, half-baked and should be rescinded. The provincial government often speaks about making life more affordable for Ontarians; this bill risks doing the opposite. Instead, we should be talking about restoring stable operating funding, including the 50% provincial contribution that municipalities once relied on. This is how you make transit more affordable. This is how you improve service. This is how you grow ridership.

We have several additional concerns about cross-boundary service and rider experience. In the spirit of true consultation, we've invited several transit riders to speak on this issue. They're also happy to answer your questions about transit affordability, about zone-based fares and anything else.

I'm going to pass it over first to Vincent, who is the co-chair of the TTCriders campaigns committee.

Mr. Vincent Puhakka: Thanks, Andrew.

Good afternoon, members of the committee.

As was just said, I'm the co-chair of the TTCriders campaigns committee. In some ways, I'm exactly the kind of cross-boundary transit user this government is rhetorically committed to helping. Ever since my day job instituted hybrid work, I've commuted from Toronto to Mississauga at least once per week, sometimes more, using a combination of TTC and GO. When not in the office, I do often meet clients or attend industry events all over the GTA, a number of which are outside of Toronto and the TTC service area. Finally, both my parents and my partner's parents live in Scarborough, and although this is part of the city, I found the trip to see them much faster if I take the GO train along with the TTC.

My personal finances have improved immensely since One Fare was started in 2024. And this government's improvements to reverse commute and off-peak GO service have made my common transit trips much quicker and more comfortable.

Because of all this, you'd think I'd be a supporter of Bill 98, but this couldn't be further from the truth. When I look through schedule 4 of the bill, there is nothing at all making my life easier. Nobody with a commute like mine is asking the province to set service levels and impose fare policy on local transit. The pain points for me are lack of frequency on some of the GO lines that I use, TTC delays caused by underfunding and traffic in general making surface buses to and from 905 very late.

This government really should scrap the transit proposals in Bill 98 and focus instead on giving local transit, like the TTC and others, the operating funding it needs for reliability, as well as dramatically increase GO service as fast as possible to get the region moving.

Finally, I should say that the current fare structure, with free transfers between local systems and GO works quite well. Adding in other nuances like zones would only increase the cost of living, which, for me and a lot of others in this province, is a total non-starter.

I did mention my family connections to Scarborough, but you should hear from someone who currently lives there. So now I'll now pass things on to my colleague Krissan for that perspective.

Mr. Krissan Veerasingam: Thanks, Vincent.

My name is Krissan Veerasingam. I'm a resident of Scarborough. As everyone in Scarborough already knows, we always get the short end of the stick on everything from health care funding, to tree canopy and, yes, also transit. So when cuts happen, we know they will hit our communities the hardest.

That's why Bill 98 is so concerning. The bill gives the province more power to make decisions behind closed doors with less transparency and fewer opportunities for everyday people to be heard. For communities like mine, that's a real problem. At the city level, working people still have a voice. During TTC cuts in 2023, I helped organize residents to depute at city hall, contact councillors and push back. The ability to have local voices speaking out is why, less than a year later, many of those cuts were reversed, but at the provincial level it's a completely different story. The process is higher taxes, less transparent and dominated by competing parties from across Ontario, and that means communities like Scarborough, which are already under-represented, will get deprioritized even more.

Bill 98 moves us in the wrong direction. If residents are forced to fight for meaningful transit investment on a provincial level, then communities like mine will lose their voices. Thank you.

The Acting Chair (Mr. Aris Babikian): Anyone else?

Mr. Andrew Pulsifer: No. The other folks are available to answer questions from anybody here.

The Acting Chair (Mr. Aris Babikian): We move now to the Canadian Environmental Law Association. Please identify yourself and your title. You have seven minutes.

Ms. Ramani Nadarajah: Good afternoon. My name is Ramani Nadarajah. I'm counsel with the Canadian Environmental Law Association. CELA is a legal aid clinic which represents low-income individuals and groups, vulnerable communities, before all levels of courts and administrative tribunals. CELA also undertakes law reform on a broad range of issues related to protecting the environment and public health.

We've reviewed Bill 98 and have filed written submissions with the standing committee. Given the time constraints, I'll focus on the issues of greatest concern, and these relate to schedule 2 and schedule 7 of Bill 98, which fundamentally undermine municipalities' authority to address climate change impact.

Schedule 7 of the bill proposes to repeal section 16, subsection (14) of the Planning Act. The proposed amendment will remove the ability of municipalities to identify policies to mitigate greenhouse gas emissions and take measures to address climate change impacts in the official plans.

The proposal to eliminate this section is extremely troubling, given the impacts of climate change, and I will highlight just a few of these findings, which are on the government's website. It's on the Ministry of the Environment, Conservation and Parks' website. It states that climate change is causing extreme weather and caused millions of dollars in property damage in Ontario. Ontarians' health will be affected by the increase in temperature with extreme heat causing a variety of health effects that can range from breathing problems to cardiovascular issues. Indigenous communities will be particularly impacted, given that the pace of climate change in the Far North is expected to be faster than in the south.

A report prepared for the environment ministry by the Climate Risk Institute reiterated many of these findings. The report notes that the effects of climate change will not be felt uniformly across sub-populations, with certain groups anticipated to be disproportionately affected. Examples of the groups include some of the most vulnerable and marginalized Ontarians, including: seniors; infants and children; socially disadvantaged people, including low-income population; people with disabilities and those with pre-existing illnesses.

Given these findings, it is extremely troubling that the provincial government is taking measures to prevent municipalities from establishing goals, objectives and actions to address climate change in the official plans. CELA therefore recommends that section 16, subsection (14) of the Planning Act be retained.

Secondly, we are concerned about the proposed amendment in schedule 2 and schedule 7 which will prohibit municipalities from requiring electric vehicle charging stations in parking facilities. Access to EV charging stations have been cited as one of the most important factors which determined whether an individual purchases an electric vehicle. Retrofitting multi-residential buildings to provide EV charging stations can also pose logistical challenges and be costly. These proposed amendments, again, significantly undermine municipalities' ability to address climate change and we recommend that the government not proceed with these amendments.

Thirdly, we are concerned about the proposed amendments in schedule 2 and schedule 7 which seek to remove the reference to sustainable design under section 41 of the Planning Act and the City of Toronto Act, 2006. These amendments would hinder municipalities from promoting green standards which help address climate change impacts and promote energy efficiency. Again, we recommend that the government not proceed with these amendments.

In summary, the proposed changes which I have outlined will fundamentally undermine Ontario's ability to address the impacts of climate change. Restricting the scope of municipal action in this area will leave Ontario communities more vulnerable and less resilient.

1530

The extent to which these changes systematically remove municipalities' authority to address climate change is extremely troubling, particularly as the impacts are becoming increasingly apparent in Ontario through extreme weather and forest fires. We strongly urge the government not to proceed with these amendments.

Thank you for providing this opportunity to make this presentation to this committee. Those are all my submissions, subject to any questions.

The Acting Chair (Mr. Aris Babikian): Thank you very much. Now we'll move to the first round of questions and answers.

We will start with the government side. MPP Saunderson.

Mr. Brian Saunderson: I want to thank each of our presenters for taking time from your busy schedules to

come and share your experiences with us and your expertise.

Mr. Wilkes, I'm going to start my questions with you today. We heard first thing this morning from Minister Flack, and he talked about the unnecessary delays through sort of a labyrinth of different types of regulations in the planning processes and the building code. As you indicated in your comments, these are having a very real impact on the housing starts, and we saw it last year. Granted, there are international impacts that I think are also affecting the market, but what we're seeing is a very dramatic rise in prices, to the point where there were buildings in the ground that weren't moving.

And so two of the most recent developments you mentioned are our work with the federal government to rebate the HST for new homes and also to work with the federal government for an \$8.8-billion plan over 10 years, to be shared fifty-fifty by the province and the feds, to lower DCs by giving us funds to backfill.

What we're seeing is a real tension, I think, between the municipal sector and other levels of government that's impacting getting houses in the ground and getting affordability for our residents. And we're seeing the manifestations of that in terms of homelessness, mental health, food security and a whole slate of issues that are really impacting our residents.

So getting houses built is at a critical point, and the minister made that very clear this morning. And so what we're looking to do is to try and streamline those processes by scoping the types of things that go into an official plan. I'm wondering if you can talk specifically about that issue from your end. When the builders are going to municipalities, you see a disparity in terms of requirements for one municipality's official plan versus another. So on one side of the street, it may be one requirement and, the other side, it's another requirement.

I'll start off with the official plan, and then I'll ask you to take me through the site plan process as well. But if you could start with the official plans, what are your members seeing on the ground?

Mr. Dave Wilkes: I think you've captured it very well, and I was lucky enough to hear some of the previous presenters—Mr. Kagan talk about his perspective on the official plan.

It was designed to be a guideline or a direction on what should be considered when developing and providing housing. It became something much more than that. With each amendment added to it, there was not a look at how it could be made more straightforward, or simple, to use a word. So what became a directional document has become a barrier.

And so what this bill does is take a look at what should that baseline be; what should that consistent document be across all municipalities within this province? And then, from there, allowing municipalities to have the ability to adjust to their particular circumstances.

But if I can use an example: What works for Toronto can't possibly be appropriate for Milton, for Barrie, for any other area within the GTA. So we're very supportive

of taking a hard look, as this bill does, and simplifying or streamlining, or making it more straightforward as that baseline, and bringing the official plan process back to what it originally was.

And I think it's really important to talk about the delays. We do a benchmarking study, which I'd be pleased to provide the committee with as well. It's anywhere up to three years that the process can take. That comes with real dollars attached to it. It comes with delays in providing jobs and housing. I had mentioned earlier that we were at 5,000 sales, and looking at a very significant deficit of housing and jobs as we go forward.

If I may, I'll just quote a few numbers. We're looking at housing starts falling from nearly 100,000 in 2022 to just 40,000 by 2027—and that includes 22 and a half purpose-built rental numbers. There are 100,000 jobs at risk, construction-related GDP of \$15 billion, and a decline in provincial and municipal tax revenue of \$6 billion to \$7 billion.

So streamlining around official plans—the changes the federal government announced that I referenced around HST and DCs are vital. And site plans similarly: We have to take a hard look at the number of studies that are provided. It can get up to 30, 40 studies for a particular project. Some of them may be appropriate, some not, but let's make sure that we take a look at them and have a common-sense approach.

Mr. Brian Saunderson: Great answer.

How much time do I have, Mr. Chair?

The Acting Chair (Mr. Aris Babikian): Almost two minutes.

Mr. Brian Saunderson: Perfect. Thank you.

I'm going to slide over, then, to municipal services and linear infrastructure. I was formerly the mayor of Collingwood. Even though we draw water out of Georgian Bay—we run the shores of Georgian Bay—we ran out of water, and we were forced into an ICBL, where building permits had to be granted by an exemption of council.

I'm wondering if you can just talk about what you are seeing across the province with pinch points in the linear infrastructure in the ground to help new developments move forward. What are your members seeing?

Mr. Dave Wilkes: I think the pinch points come with funding, as you would probably know from your experience as a mayor. That's why, once again, within Bill 98, looking at a different way of funding water and waste water—

The Acting Chair (Mr. Aris Babikian): One minute.

Mr. Dave Wilkes: —is very important. The utility model is one that has been used in Texas, in Florida, in Quebec. It spreads those costs over a longer time frame and provides more predictability of dollars that are available for investment, and why we're supportive.

Mr. Brian Saunderson: Thank you for that. It's also used out in Saskatchewan, with great success.

That conversation does tie into DCs, because when the municipality is having to front end and work with developers to get that infrastructure in the ground to accommodate growth, they charge DCs, which then charge

the price up. If you take the linear infrastructure out of the municipality's hands and put it to a municipal service delivery corporation, where it's all rate-based, it's going to drop your DCs. Do you see that as being a benefit as well for your industry?

Mr. Dave Wilkes: Out of respect for time, I'll be short: agreed. Yes, I do. I think that's part of that historic announcement that we referred to, the \$8 billion between the federal and provincial government. We're very supportive of the direction that that announcement provides.

The Acting Chair (Mr. Aris Babikian): Thank you very much. The time is up.

We move to the official opposition. MPP Rakocevic.

Mr. Tom Rakocevic: My questions are for TTCriders. Mr. Pulsifer, thank you for being here. I want to thank your association for meaningful information input and experiences over the years. I've learned a lot from the work of your association.

What we've heard today from multiple people that have come and deputed before us is that they have not been consulted, certainly not in a formal way. It's becoming more and more obvious that this legislation is sort of back-ending consultation. Of course, when you want to do something right, you want to begin with asking the questions. You want to begin with proper consultation.

Can you show us examples, perhaps, of other regions where provincial involvement can happen but you still maintain local authority. Because, of course, that's where the experts are. That's where the people that are most affected, and I think they understand how to deliver what they're looking for themselves.

Mr. Andrew Pulsifer: Absolutely. If the transit provisions in this bill are not rescinded, there are other jurisdictions that do have a regional approach to transit development.

In San Francisco, the BART system has a board made up of elected representatives from across the region. In Vancouver, TransLink is overseen by a council of mayors. In Montreal, the regional body includes appointees from both the province and municipalities. And in Seattle, regional coordination exists but local agencies still retain control over their own services.

The common thread here, of course, is that municipalities have a seat at the table, and riders still have a clear, accessible way to share their lived experience directly with decision-makers.

Mr. Tom Rakocevic: Okay. Thank you for that.

One of the things, when you actually look at how this schedule to the bill is drafted, it can essentially open up zone-based fare within regions. So while they're talking about inter-regional connectivity, we could actually see, within a region, different zone-based fares.

I don't know if you read into that as well, and what you may see as issues with that. Would that be an impact on the cost of fares and what the experience of moving across those boundaries would be within a zone?

Mr. Andrew Pulsifer: Absolutely. I think it would be best, actually, if we hear from Pranitha, who is a resident

of Malvern, in Scarborough, who spoke to me about their concerns with zone-based fares.

Ms. Pranitha Rathakrishnan: Hi. Yes. Thanks for passing it on to me. I really appreciate it. I'm a resident of Scarborough—Rouge Park, specifically Malvern, and I'm very concerned about the possibility of zone-based fares, which can result in pricier transit for riders such as myself from the outer boroughs.

1540

Despite living in the northeast part of the city, I often have to commute to the downtown core or to North York for work, or even to Etobicoke at times. Currently, this means I only pay a single fare for transit, which frankly makes the TTC a great, affordable option for me. But I feel the need to note that I don't make these long treks because I want to; it's something I do out of necessity because it's simply the most affordable option for me.

As my peers have mentioned and as many people have mentioned today, the proposed bill makes no promises of prioritizing affordable transit, so my worry with these zone-based fares is that they may result in more expensive transit. For a person like myself who is a Scarborough resident who needs to go to Etobicoke, they may get charged more under zone-based fares if Toronto gets split up into these multiple fare zones. Frankly, this is not great for transit riders and transit affordability.

We know we are currently living in an affordability and rent crisis. Many of these riders in these outer boroughs make these long commutes simply because they have to, they cannot move closer to work or school. The proposed bill threatens more expensive transit for these exact same riders—frankly, something that I don't think should happen at all, given that this is the exact time that we should be instead prioritizing affordable transit in the way that the TTC and the city has already committed to doing.

Mr. Tom Rakocevic: Thank you for that.

Mr. Pulsifer, you talked about sustainable operational funding that, in fact—actually, when you go back to the late 1990s, it was a Conservative government at that time that eliminated sustainable operational funding, and we've now had two iterations of government that could have fixed that.

What is the impact of sustained operational funding so that municipalities and other public transit providers know where the money is coming from and they're able to budget for that accordingly? What does that look like in terms of operations and capital?

Mr. Andrew Pulsifer: Thank you for the question.

From the riders' perspective, it means that we can expect our fares not to go up, which will disproportionately impact those who can't afford it. Fares have gone up faster than the rate of inflation over the past 30 years. Thankfully, the city has put forward, three years consecutively, a fare freeze, which has had a huge impact on riders.

But if we know where the money is coming from, it's regular and reliable, it means your bus will be able to run on time. It will grow ridership. The biggest impact to ridership is people not—their bus not arriving on time. They can't rely on it, so they take their car instead.

Mr. Tom Rakocevic: Right. What we've also heard with regard to this bill is, if it doesn't come with funding attached, what's going to happen is municipalities are going to have to find ways to make up that shortfall.

The Acting Chair (Mr. Aris Babikian): One minute.

Mr. Tom Rakocevic: If this government, that is centralizing decision-making but is not committing to any kind of funds—what could that have as an impact? What will happen—and I've asked this before of others—to smaller routes? What will happen to specialized services like Wheel-Trans, as an example? Could you see them being on the chopping block or a reduction in service there?

Mr. Andrew Pulsifer: Absolutely. Especially with an aging population, more and more people are relying on Wheel-Trans as days go by.

If you'll indulge me to talk about the transit death spiral—which is a terrifying thing where transit agencies don't have the funding, so they have to simultaneously raise fares and cut services, which just leads, basically, to a non-functioning transit system. We need functioning transit in Toronto and in the GTHA to solve congestion.

The best way to make congestion better is fewer people taking their car. The best way to get fewer people to take their car is if you have better transit.

Mr. Tom Rakocevic: Thank you very much. We'll ask more questions in the next round.

The Acting Chair (Mr. Aris Babikian): We move to the third party. MPP Mary-Margaret McMahon.

Ms. Mary-Margaret McMahon: I'm going to start off my questions with David Wilkes from BILD. Do you feel that Ontarians want to live in energy-efficient homes?

Mr. Dave Wilkes: I think that for Ontarians their primary goal is to provide a home that they can afford and to have the ability to choose from supply that is on the market and that meets their particular needs, whether that be energy efficiency, accessibility or a variety of other things—location.

Ms. Mary-Margaret McMahon: Comments have been made that green development standards slow housing down; I disagree with that. But I'm wondering if you have other examples of things that slow housing down.

Mr. Dave Wilkes: I'll refer back to an earlier question: site plan reviews, for example. In some of the cases of site plans, there was multiple rounds of consultation and review within various municipal bodies, wherever they might be.

One of the things this bill proposes is that after three rounds of consultations, as I indicated in my opening remarks, a meeting is required of all various players within the municipal process and the applicant to come to a resolution—to get people sitting around a table like this one to make sure that they resolve the concerns that are had in a way that people can move forward.

We are very supportive of this. We've seen it work in Mississauga.

Ms. Mary-Margaret McMahon: Great. Actually, that's something I did automatically as a city councillor, so I

think if you have someone who wants to get things built and things done, that's going to happen automatically.

What about removing sustainable design from site plans, including the ability to require bird-friendly design. Does that make municipalities vulnerable to liability under the federal migratory birds act?

Mr. Dave Wilkes: I think what you have to always look back to is the building code. You have to have a consistent application and respect, if you will, for that building code, whether that's in green standards, which I know is a particular area of concern of yours, or a variety of other things. So creating that baseline so there is that consistency of understanding of how housing gets built is something that we're very supportive of.

Ms. Mary-Margaret McMahon: Okay. Thank you very much.

Now I'm going to go over to Ramani from CELA. Thank you very much—well, thank you to all of you for coming in today and people online, too. I really appreciate it.

You talked a lot about schedule 7 and health concerns with extreme heat. We know there has been scientific modelling that southern Ontario is at risk for a heat dome effect. People are living in high rises; they don't have air conditioning. I personally don't have air conditioning at my house, but that was my choice. You were talking about vulnerable populations and how this will affect them if we don't protect them in the first place.

Ms. Ramani Nadarajah: That's a real, serious concern. I think some of the measures that are being introduced under Bill 98 may appear to reduce housing costs in the short run but will impose long-term economic costs in terms of energy consumption and energy efficiency.

More significantly, as you point out, it will undermine efforts to address climate change, which will have in itself very significant economic implications for this province, including to public health and safety as well.

So there will be long-term cost implications as a result of the measures that are being introduced in this bill.

Ms. Mary-Margaret McMahon: So what would you like to see to mitigate this?

Ms. Ramani Nadarajah: Well, I don't think that those provisions in schedule 2 and schedule 7 which I outlined earlier are necessary. I think one of the earlier speakers who was in the panel before us indicated there was really no data to indicate that the green standards have impacted or slowed down housing or bore significant cost—

Interjections.

Ms. Mary-Margaret McMahon: Sorry, Chair; I just can't hear the speaker. MPPs Saunderson and Sabawy, I can't hear the speaker.

Mr. Brian Saunderson: Go through the Chair.

Ms. Mary-Margaret McMahon: I did.

The Acting Chair (Mr. Aris Babikian): Members, please lower your voices so that we can have a proper forum.

Ms. Ramani Nadarajah: I'm just going to throw a number out, and this is on the government website: In terms of extreme weather patterns and forest fires, for

example, last year, in Ontario alone, there were 600,000 hectares which were burned as a result of forest fires. There are expectations that this will increase if we fail to address climate change impacts. So there are long-term economic costs as a result of some of these measures that need to be considered, and that's the concern we are raising.

Ms. Mary-Margaret McMahon: Right. And we've had the Financial Accountability Officer speak to us, rather alarmed about the high cost of inaction. We've seen the cost in British Columbia of the \$9 billion worth of floods; \$5 billion in Alberta. So, specifically, would you think that green roofs would have a value in Ontario?

The Acting Chair (Mr. Aris Babikian): One minute.

Ms. Ramani Nadarajah: Absolutely, they'll have a value. It's just one of many tools that can be taken and measured.

I think the province recognizes that there are implications of climate change. The findings I referred to earlier were on the Ministry of the Environment, Conservation and Parks website in terms of the implications of climate change. So I think the province is well aware of this, and the policy it's pursuing here, in relation to Bill 98, is fundamentally at odds and inconsistent with some of the other policies it's pursuing.

1550

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

The Acting Chair (Mr. Aris Babikian): We move now to the government side. MPP Sabawy.

Mr. Sheref Sabawy: My question is for Dave from BILD. You know that obviously our government has been focusing on housing. We know that we're having a housing crisis, and we are trying to address it by trying to smooth out all of the processes to get more houses built faster. We had Bill 17, Bill 23, Bill 60. This bill, and actually Bill 100, is being debated now. So obviously we are clear in trying to address many aspects of housing which cause housing to be a challenge. Developers are having challenges to get to build in Ontario.

I would like to ask two questions. Do you have any idea about the average, or can you give us an idea about the average for the number of years between the developers acquiring land to the time they can start selling units or be ready to sell?

Mr. Dave Wilkes: The average time between the land acquisition and somebody being able to occupy can be decades, quite frankly. There is a variety of reasons that could occur. As I mentioned earlier, when you're getting into moving forward with that piece of land for whatever reason, the time frames can be up to three years for those approvals. So many of the changes that we've seen in, not only this bill but the previous ones are welcome ones to speed that approval up. Things like the mandatory consultations I referred to at the site plan stage are very welcome.

Mr. Sheref Sabawy: Just for the record of this committee, according to the president of the mayors' association in earlier hearings on one of those bills—I think Bill 60—he mentioned that the average time for a developer

from starting the process to start selling is 11 years. So with all the acquired dividends and interest he pays on this until it's ready to sell, that's all added to the cost of the unit.

My next question would be, if you are a developer trying to develop a piece of land in one of the cities, it's basically a discovery approach because every city has their own way of doing things or requirements. Does this encourage you as a developer to go for a project in a city you don't usually deal with?

Mr. Dave Wilkes: I think what encourages a developer to bring forward much-needed housing, to bring forward investment, to bring forward jobs is consistency and clarity. Whether that's consistency around official plan requirements, an efficient process and site plan, making sure the building code is the respected standard across various municipalities you work in, it's that need for clarity and understanding that will encourage builders to build.

Let's not forget that a builder is also in a competition, if you will, for capital. Capital is footloose. Many of the builders that I represent have strong and long ties to this community and to this province and want to make the investments here. But the capital that they need to attract for these multi-billion dollar investments is looking for the quickest and most efficient use of that money. That really is global competition. I think it's important to look at the context of how we're competing and what we need in order to move forward with jobs and housing.

Mr. Sheref Sabawy: In your opinion, what can open the door for multiple developers to look into multiple areas if they know and they can predict the process and everything is standard in every different location?

Mr. Dave Wilkes: I think it will certainly make the job of bringing housing to the market much simpler, much easier and much quicker, so yes.

Mr. Sheref Sabawy: My last point here is, when we talk about standardization of processes, like a framework, different cities, different towns might have different requirements, might have different elements of that. What is your opinion on having—according to the opposition, they are trying to get everything detailed within the master plan and the master legislation. Do you agree or disagree about having overall general outlines, and then you can leave those details to the guidelines or the procedure execution?

Mr. Dave Wilkes: I will always believe in the need for a consistent approach to things like an official plan, to a consistent approach to the building code, to a consistent approach for those areas where that expertise rests.

You will see voluntary alterations from that between a builder and a particular site plan application, and that is part of making sure that you are responding to the market. But I will never understand how you can have neighbouring municipalities have completely different standards. That, to me, doesn't make sense. That inhibits the bringing of housing to the market, it adds costs and I think this bill addresses many of those needs for standardization.

Mr. Hardeep Singh Grewal: Chair, how much time?

The Acting Chair (Mr. Aris Babikian): One minute.

Mr. Hardeep Singh Grewal: Simply put, I only have a minute to speak, so my question is to TTCriders. I'd just like to say, do you support the general premise of fare integration?

Mr. Andrew Pulsifer: It depends on what the fare is.

Mr. Hardeep Singh Grewal: With us, particularly how we saved \$1,600 for these transit riders across the province, is that something you're in favour of?

Mr. Andrew Pulsifer: We're in favour of One Fare in general. As Vincent said during his deputation, it's saved him some money.

Mr. Hardeep Singh Grewal: If we continue to ensure that fares stay low and connectivity stays high, would that be something you support?

Mr. Andrew Pulsifer: Through the Chair: I don't know if I should just take your word for it. We would be a lot more comfortable if it was baked into the legislation, that the word "affordable" appeared there, that there was a pledge to keep fares affordable for everyone.

Toronto has lower fares than most of the average in the region, so we're very curious, through the Chair, what the fare will be if it's universal across the region.

Mr. Hardeep Singh Grewal: Absolutely. We're committed to building transit and keeping fares low and saving money—

The Acting Chair (Mr. Aris Babikian): Thank you very much. The time is up.

We move to the official opposition. MPP Rakocevic.

Mr. Tom Rakocevic: I want to carry on—at least another question about transit.

This government is a real "just trust us" government. So much of their legislation leaves so much to regulations, so you're always left wondering what's really going on behind the scenes and where are they taking this?

You talked about the transit death spiral. It is very dark to say, but when you think about it, when you introduce legislation that could add huge amounts of financial burden to municipalities without any assurance whatsoever that they're willing to address any budgetary shortfall—and there could be major ones with this—what does it look like?

A transit system is like arteries and capillaries—all of those small routes. So if a person is able to get across a boundary, but they're not able to even get to the subway in the first place because during their nighttime job, they've lost the service of that bus, as an example, what benefit is it to them? There are so many ways in which this can go wrong. Ultimately, they're telling municipalities and everyone, "Just trust us."

Doesn't this sometimes feel a little bit like the planned obsolescence of public transit when they come to this? At the end of the day, if it doesn't work, "Well, maybe we can find some private partner to come in here and find a lucrative opportunity for them." But is that really going to serve the riders? What's going on behind the scenes? Do you worry sometimes about that with their legislation?

Mr. Andrew Pulsifer: I definitely worry about the path to privatization, especially with the cross-boundary aspect

of it. Brampton is looking at privatized bus service through the Argo system, which is a terrifying thing. Uber bus, essentially, it is. I'm not really in favour of that.

My fear also is that previous administrations in Toronto have looked at transit as a business model. It's not; it's a public service. It's something that the public relies on to get to work and to get to their friend's house, to go visit their parents. It's just not something that you have to be looking at the margin of profitability. It's more about what public good it does.

Mr. Tom Rakocevic: I agree with you. I want to thank you for being here and for the answers you've provided us and for the ongoing work of your association and how you inform us. Thank you very much.

I want to dedicate the remaining amount of my time to Ms. Nadarajah of the Canadian Environmental Law Association.

Isn't it amazing that a Conservative government of the past were the ones that brought in conservation authorities? I have talked many times in the House about how far they've strayed from this. Considering legislation, the fact that they can't meet environmental targets, climate change targets, do you believe that this is a government that is serious about tackling climate change?

Ms. Ramani Nadarajah: Certainly, I think they have the recognition by the province that climate change is real, that it will have serious impact.

1600

When I mentioned the findings earlier that were on the Ministry of the Environment and Conservation's website, they provide a very detailed analysis of the economic implications of climate change and its implications on public health and safety. The ministry in fact had commissioned a report on that issue which provided a very detailed analysis in terms of its impact on Ontarians.

Last year, the province also modernized the procedures under the Emergency Management and Civil Protection Act to take measures to ensure that there was emergency preparedness to address extreme weather events.

On the one hand, there have been signs that the province recognizes the importance of this issue, but then on the other hand you see these amendments in Bill 98, which will fundamentally undermine municipal authority to address climate change impact. The concern that I have is the province is taking a fundamentally inconsistent and contradictory policy approach in addressing climate change. And these measures that have been taken under Bill 98 really fundamentally undermine municipal authority in this area.

Municipalities are at the forefront of dealing with climate change, and there has been significant innovation by municipalities in the measures they've taken under green standards to address climate change. It's a very great concern that now we're going to see those eliminated. So yes, there's a lot of concern about that.

Mr. Tom Rakocevic: It's not surprising many have criticized this government of being obsessed with control and centralizing decision-making at ministries and essentially shutting out and ignoring municipalities and other

experts out there. Certainly, there was a big lack of consultation with regard to this bill. Whomever they reached out to, most of the people in this room who have spoken have not talked about meaningful consultation. It is a huge concern.

When you actually look at what they've done—because they might say sometimes the pretty things. But look at what they've done to conservation authorities—year after year, a weakening of conservation authorities. Do you agree that this has been a move in the right direction by doing so?

Ms. Ramani Nadarajah: I think that what we would recommend, particularly in relation to Bill 98, is—as I mentioned, the municipal governments are at the forefront of addressing climate change.

The Acting Chair (Mr. Aris Babikian): One minute.

Ms. Ramani Nadarajah: The province should not be eliminating the tools that are available to municipalities to address climate change. In fact, they should be strengthening the available tools that municipalities have in place. That's not what's happening under Bill 98, and that is a concern.

Mr. Tom Rakocevic: Thank you very much for appearing before this committee and the work of your organization and sharing your answers.

The Acting Chair (Mr. Aris Babikian): We move to the third party. MPP Hazell.

MPP Andrea Hazell: Thank you to all three of you for coming in. It's always good to see you from my riding of Scarborough–Guildwood. I just want to put that in.

My question today is going to be to TTCriders. You're underground and you're hearing from the people underground. I'm focusing on the riders because I hear from the agencies.

I know Bill 98, schedule 4—there's not a lot of details for any of us to go on. We know there is a lack of transparency. Consultation started behind the end game, not in front. Can you elaborate on what you are hearing from the riders?

Mr. Andrew Pulsifer: I'm actually going to throw it to Julia, who's here as a rider and hasn't had a chance to speak yet, and can absolutely talk about, as a rider, her experience.

Ms. Julia Campbell-Such: Sure. Thanks a lot, Andrew. I'm Julia Campbell-Such. I own and operate a small business in the cultural heritage sector in Toronto. My business actually depends on the TTC, and transit affordability is crucial for my bottom line.

I'm here today because I'm really concerned that Bill 98 doesn't prioritize affordable transit. I take the TTC to visit clients all over the city, in Forest Hill, Etobicoke and everywhere in between. Sometimes it's a short ride, sometimes it's over an hour; it really depends. And some months are much busier than others. I don't know in advance how many meetings I'll have in a month or how far away they'll be.

I also ride the TTC to pick up supplies because of how high rents have gotten downtown. Most of my suppliers have moved up to Vaughan or out to Scarborough, so these

can be long trips too. Again, some months are busier than others.

I don't always know how many times I'll need to take the TTC or how many times my two-hour travel window will run out. I love what I do. I think it's a service that my clients appreciate and need, but my business runs on a shoestring budget. I can't afford to waste money on a monthly pass unless I'm sure I'm going to use it enough times for it to be worth it. I really need an affordable fare.

That's why I've been part of the campaign for a TTC fare freeze and monthly fare cap, which we won this winter—really exciting—but I'm extremely concerned that Bill 98 will erase these gains. The bill does not mention affordability as a priority. It removes the TTC's ability to set its own fares and discount policies, and I'm really deeply worried Toronto will lose the fare freeze and fare cap that we fought so hard for over the past several years. Thanks for asking.

MPP Andrea Hazell: I'm with you. I can't tell you it's going to be kept because, again, schedule 4 is not detailed enough to help us.

Ms. Julia Campbell-Such: Yes.

MPP Andrea Hazell: And fare integration, it is a good thing, once it works properly, and we don't have that information. What I am afraid of is, once this comes into effect, our six transit agencies could see a loss of revenue. That's what I'm worried about, and then this could lead into cuts and further increased transit fares.

I want to ask you another question, and any one of you can answer this: How would you like to see this fare integration work? What is missing from all of this? What should the government have done first? Let's start there.

Mr. Andrew Pulsifer: I think, if I may, first, the government should have restored the 50% operating funding to the TTC—that would have been my preference, to be honest. That would be ideal to see. Transit riders don't care who their fare box revenue goes to; they care that their fare is affordable and they care that their bus comes on time. That's the top priority. But this bill really does risk more expensive fares and less reliable service, that transit death spiral that I was talking about earlier. That's what we're scared of because there's no operating funding baked in. It's all going to get to this one pool of money. The TTC, which has higher fare revenue than YRT and MiWay, is it going to be subsidizing those other agencies? That's our question. There's too many questions, there's too many unknowns.

MPP Andrea Hazell: Yes, and that's a good question. I can't answer you with that one, and I can't answer all of your questions. I can't answer any of your questions, because we're trying to get answers as well.

I want to go to the individual that mentioned Scarborough. I am from Scarborough. I know what this can do to fairness in Scarborough, but I didn't hear too much detail. Can you talk about zone-based pricing, or whoever can talk about it? How does that affect my Scarborough?

Ms. Pranitha Rathakrishnan: A lot of Scarborough residents often have to move very large distances in order to get to work or school, and under zone-based fares,

Toronto might get split up into different zones. So if a Scarborough resident needs to travel a long distance into North York or Etobicoke, it might be considered a different zone and so they might have to pay more, which is, frankly, something that will severely disadvantage Scarborough residents, who are often almost stuck having to commute long times anyway because we've already got the short end of transit, right?

The Acting Chair (Mr. Aris Babikian): One minute.

MPP Andrea Hazell: Thank you for that. Have any one of you had conversations with riders in Etobicoke comparative with riders from Scarborough? Can you share that information for me?

Mr. Andrew Pulsifer: Yes, we have. They very much are concerned about the idea of zone-based travel. Even if it's just within the city of Toronto now, a fare from Scarborough to Mississauga might be twice as expensive. Zone-based travel really disproportionately affects those who are travelling from places like North York, Scarborough and Etobicoke because it may mean that if they're going downtown, it's twice the fare.

The Acting Chair (Mr. Aris Babikian): Thank you very much. The time is up. Thank you to all three of you for coming and sharing your input and opinions with the committee. We will take a minute to switch the panel.

TORONTO REGIONAL
REAL ESTATE BOARD
CANADIAN UNION OF
PUBLIC EMPLOYEES

ONTARIO PUBLIC TRANSIT ASSOCIATION

The Acting Chair (Mr. Aris Babikian): We will move to the fourth panel: Toronto Regional Real Estate Board, Canadian Union of Public Employees and the Ontario Public Transit Association.

1610

Before we start the deputations, I'm going to ask for unanimous consent from the committee to add one more individual to the CUPE delegation. Is there consent? Okay. Thank you very much. Mr. Ahmed, please join your colleague.

We will start with the Toronto Regional Real Estate Board. They are joining us virtually. Please state your name and your title, and you have seven minutes.

Mr. Daniel Steinfeld: Good afternoon, Chair and members of the standing committee. My name is Daniel Steinfeld, president of the Toronto Regional Real Estate Board, representing the nearly 70,000 realtors who live in, work in and serve the people of the greater Toronto area, Simcoe county and beyond. Thank you for the opportunity to appear before you today in support of Bill 98, the Building Homes and Improving Transportation Infrastructure Act, 2026.

Ontario's housing affordability crisis is no longer emerging; it is established, and it is impacting how people live, work and plan their futures. Across our province, too many young people and families have lost confidence they

will find a home they can afford in the communities where they grew up. And at the same time, housing starts and the addition of more supply have slowed in recent months, underscoring the need for urgent policy action.

That's why TRREB welcomes Bill 98 as a meaningful next step in Ontario's broader housing supply agenda. This legislation recognizes a simple but critical truth: That if we want more attainable housing, we need to make it easier, faster and less expensive to build homes. Notably, Bill 98 contains several concrete measures that will help move the province in that direction.

(1) The bill proposes reforms to Ontario's official plan system by creating a simplified and standardized province-wide format for municipal official plans, including consistent land use designations, maps and structure.

(2) Bill 98 launches a long-overdue section-by-section review of Ontario's building code for the first time in four decades, supported by an expert advisory body. Modernizing the code while maintaining strong safety standards can lower construction costs and remove delays that slow new housing delivery.

(3) Bill 98 would provide authority for the province to establish minimum lot size standards for urban residential land. This is an important measure, because overly restrictive local lot size rules often prevent more efficient land use and limit opportunities for lower-cost ground-oriented housing.

(4) Bill 98 supports new models for financing water and waste water infrastructure so growth-related servicing costs can be spread over time, rather than loaded disproportionately onto new home buyers through development charges. That's an important step toward lowering upfront housing costs.

Together with recent commitments on an improved HST rebate for new home buyers, alongside development charge relief, Bill 98 represents significant steps towards boosting housing supply and affordability. Importantly, many aspects of Bill 98 align with recommendations in TRREB's recently released policy report, *Removing Roadblocks: Tackling Municipal Barriers to Housing Supply and Affordability in Ontario*.

TRREB's report outlines 42 recommendations to remove municipal barriers that continue to slow housing delivery and increase costs in Ontario. For example, Bill 98's proposed authority to establish provincial minimum-lot-size standards directly aligns with TRREB's recommendations to establish provincial limits on setbacks, and require municipalities to permit sufficient lot coverage to accommodate housing forms already authorized under provincial legislation. Together, these reforms are essential to ensuring that provincially permitted housing can actually be built in practice.

Similarly, Bill 98's comprehensive review of the Ontario building code aligns with TRREB's recommendations to permit single-stair residential buildings up to six storeys; establish clear safety standards for those buildings, including sprinklers and floor plate limits; and ensure building code reform supports broader provincial missing-middle housing objectives. These types of practical code

changes can unlock more mid-rise and family-friendly housing options on urban sites that are currently underused.

At the same time, we believe and know, as Minister Flack and Premier Ford do as well, that Bill 98 should be viewed as just another step forward in improving housing supply and affordability, but not the final step. Ontario's housing crisis was decades in the making and it will require sustained action in the months and years ahead to continue to address it. TRREB encourages the government to continue its work of cutting red tape and advancing further housing supply reforms that build on Bill 98.

As outlined in our recent report, one of the most important next steps is establishing province-wide gentle-density standards in urban municipalities that permit four units as of right on residential lots. With over 60% of large municipalities in Ontario not enabling four units as of right, it's clear that provincial leadership is necessary to enable more attainable housing options in existing neighbourhoods, including multiplexes and small-scale infill housing.

Second, the province should continue reducing unnecessary municipal costs that undermine affordability by introducing a provincial cap or standardized framework for development charges, while also pursuing reform of Toronto's municipal land transfer tax. When costs are added at the point of construction, they don't disappear; they show up directly in the price people pay or the rent they face.

And third, Ontario should continue encouraging municipalities to eliminate outdated residential parking minimums, particularly near transit and major corridors, or allow for practical off-site solutions in areas where transit access is limited, as those requirements add unnecessary cost and reduce the number of homes that can be built.

The common thread across all of these recommendations is clear: To improve affordability, Ontario must continue removing barriers that make housing harder and more expensive to build. TRREB believes Bill 98 moves the province in the right direction, and we encourage the government to build on this progress with amendments, or more legislation or policy action, in the coming months.

We commend the province for acting through Bill 98, for the HST rebate measures and for development charge relief initiatives that will help lower the cost of new homes. These are meaningful—

The Acting Chair (Mr. Aris Babikian): One minute.

Mr. Daniel Steinfeld: Sorry?

The Acting Chair (Mr. Aris Babikian): One minute left.

Mr. Daniel Steinfeld: Thank you.

Let me conclude with this: TRREB is ready to continue working with the province to advance these solutions. Ontario's housing crisis was decades in the making. Over many years, layers of rules, studies, charges, consultations and local restrictions were introduced. Everyone had the right intention, but over time, we've built a system where it's often easier to delay housing than to deliver it. Bill 98 begins to shift that balance.

The opportunity now is to keep going with the same level of focus and urgency until delivering housing is no longer the harder path, and we urge all members of this committee to support this legislation.

Thank you for your time.

The Acting Chair (Mr. Aris Babikian): Now, we move to CUPE. Please identify yourself and your title. You have seven minutes.

1620

Ms. Krista Laing: My name is Krista Laing. I am the municipal sector chair in CUPE.

CUPE Ontario is the provincial division of the Canadian Union of Public Employees. It is currently the country's and the province's largest union, representing over 300,000 dedicated public sector workers across every community in Ontario.

CUPE Ontario's largest sector is the municipal sector, where CUPE represents over 90,000 members who maintain roads, operate water and sewage plants, perform clerical and technical duties, install and repair traffic lights, deliver social services, maintain our parks, collect garbage and recycling, keep our streets clean and do many, many more things that keep our towns and cities running effectively. Our members are the front-line workers providing public services.

On behalf of my union, I would like to thank the committee for the opportunity to speak about Bill 98 today. I'm here today to speak primarily to the sections of the bill which amend the Water and Wastewater Public Corporations Act, 2025, a piece of legislation that, despite not having been brought into force, somehow warrants amendments nonetheless.

Through you, Chair, I'll remind the committee that the Water and Wastewater Public Corporations Act was first introduced in the controversial and reckless omnibus Bill 60 last October—reckless, because the proposals embedded in Bill 60 fundamentally changed the structure of water delivery, rental housing laws and transit delivery in the province; and controversial because of this government's refusal to hold any public consultations or committee hearings to review it.

The numerous reckless proposals in Bill 60 created public backlash and led to advocates from a large section of the public protesting the bill's adoption on November 24, 2025. Instead of reflecting on the lack of democratic oversight accompanying the passage of Bill 60, the Speaker of the House chose instead to ban those protesting the processes that the government conjured. Among those banned is the president of CUPE Ontario, Fred Hahn. Chair, silencing the opposition is not a sign of a trustworthy government.

CUPE's submissions are framed on the following foundations: protecting collective agreement rights and working conditions for workers affected by service transfers, ensuring that the public interest is served by keeping guarantees that the province's water infrastructure remains publicly owned and operated and publicly accountable and administered.

Broadly speaking, CUPE views Bill 98 as implementing two things: (1) limiting and restructuring the land planning abilities of upper-tier municipalities while enhancing the ability of lower-tier municipalities to take over those functions; (2) incentivizing lower-tier municipalities to seek market-based investment solutions for water infrastructure projects. Taken together, the schedules in Bill 98 force a directive onto municipalities and the residents in those municipalities to accept a new reality of privatized water infrastructure, prioritizing developers and land and real estate speculators.

Let's begin with schedule 7 of Bill 98, changes to the Planning Act, 1990. Our read is that this removes the ability for the regions of Durham, Halton, Niagara, Peel, Waterloo, York and the county of Simcoe to undertake planning. Instead, they will be required to incentivize lower-tier municipalities to adopt loosened development standards, ignoring current environmental and design requirements.

Section 1 of schedule 8 includes changes that stipulate if a water utility is owned by a water and waste water corporation, it will be defined and designated a municipal drinking water system as far as the legislation is concerned. And changes to the Municipal Act, 2001, as written in schedule 6, will oblige municipalities to provide automatic consent for the construction, maintenance and operation of water and waste water public utilities.

We foresee a situation where, if Bill 98 is enacted, municipalities would have little or no choice but to permit a water and waste water corporation to assume ownership of their water infrastructure. And because of that requirement for water and waste water corporations to be incorporated as for-profit corporations under the Ontario Business Corporations Act, this structure will commercialize services in a way that will add risk and well-known pitfalls and call into question key decisions.

Who gets service, what kind of service they get, how much will they pay for it—all of those questions will be placed in the hands of directors and officers of a water corporation, not city council and not the public. Questions around what kind of infrastructure needs to be built and how that infrastructure should be maintained will be placed in the hands of directors and officers of a water corporation, not city councils and not the voters. And questions about whether environmental interests are protected and how they comply with such regulations will be placed in the hands of directors and officers of a waste water corporation, not city council and the voters.

At present, these decisions are made through democratic and transparent structures, such as municipal councils and committees. That's why municipal service corporations, MSCs, or public utility corporations, PUCs, exist and are used to deliver services and utilities in Ontario and elsewhere.

MSCs are legally mandated to prioritize the public interest of communities. For-profit corporations, like what's being envisioned by the water corporations act, are not legally mandated to prioritize those public interests. Their exclusive legislative mandate under the Business

Corporations Act is to prioritize their and their shareholders' interests by prioritizing profit and other corporate interests.

The Acting Chair (Mr. Aris Babikian): One minute.

Ms. Krista Laing: CUPE submits that the water corporation model proposed in the legislation by the government in Bill 60, and now being modified in Bill 98, be repealed, and that the province refer municipalities to the current MSC system as necessary or fund municipal infrastructure properly.

In conclusion, CUPE remains concerned about the province's attempt to privatize by stealth the public water and waste water infrastructure. Water and the infrastructure to purify and transport it are foundational public goods and must be owned, operated and managed directly by municipalities, with full transparency and accountability to residents.

Business corporations should not be inserted into the equation. The current government did not seek and does not have a mandate from the electorate to create water business corporations. Public opinion research shows no post-election appetite for this sweeping anti-democratic change either. Thank you.

The Acting Chair (Mr. Aris Babikian): We move to our third panellist, the Ontario Public Transit Association. You have seven minutes. Please state your name and title.

Ms. Karen Cameron: Thank you. Good afternoon, Chair and members of the committee. My name is Karen Cameron, CEO of the Ontario Public Transit Association, which represents transit systems, large and small, across the province. I'm joined virtually today by Carla Stout, vice-chair of OPTA and the general manager of Niagara Region Transit.

OPTA supports the goals behind Bill 98 and the Fare Alignment and Seamless Transit Act. Fare inconsistency, cross-boundary wayfinding and fragmented specialized services are real problems for riders, and they are worth solving. Our members want to be active partners in getting the implementation right.

I'd like to focus my time today on three points—first, on scope. The rider experience problems this bill is designed to solve are real and concentrated in the greater Toronto and Hamilton area. We would ask that the legislation say so explicitly that the cross-boundary fare and service integration provisions apply to Toronto, Hamilton, Halton, Peel, York and Durham, where One Fare is already in motion.

Outside the GTHA, cost structures, ridership patterns and operational realities are different enough that a single approach risks creating new problems while solving few. Scoping the bill clearly to the GTHA would clarify intent and reassure systems across the rest of Ontario that local authority over fares and service levels remains intact.

Second, on specialized transit: Improving cross-border specialized trips is an important goal. But while a one-seat, cross-boundary specialized trip sounds like a simple rider experience improvement, operationally, it sits much closer to a private shuttle service than to public transit. These trips are long, highly subsidized and resource intensive.

The 2015 Pan Am Games offer a useful case study. A unified booking platform was a genuine success, but the individual cross-jurisdictional trips it enabled cost as much as \$300 each. The risk we want to flag plainly is displacement. Specialized budgets are finite. If they have to absorb high-cost regional trips, the trips that get displaced are local ones: the medical appointments, the day programs, the regular community trips the system was built to serve. Regionalizing specialized transit could cost more, not less.

OPTA members support better integration on the booking side. We urge the committee to be careful about mandating service models that, in practice, redirect specialized resources away from the people who depend on them every day.

And third, on collaboration: OPTA members are genuinely optimistic that this next phase can repeat the collaborative spirit of the original One Fare rollout. That program worked because the province sat down with agencies, identified the operational and revenue impacts, and provided the funding to make it work. There will always be unintended consequences in legislation of this scope, and the only way to surface and resolve them is through structured consultation with the agencies that deliver the service. We would ask that this committee help ensure transit agencies are at the table before regulations are drafted, not after.

1630

Finally, any provincial mandate must be matched with full, predictable and sustainable funding, not unfunded obligations downloaded to local taxpayers. With those conditions in place, OPTA and its members are ready to be active, constructive partners in shaping regulations that deliver on the promise of this bill.

Thank you. I'll invite my colleague Carla Stout to add her experience.

Ms. Carla Stout: Hello. Thank you to the committee. My name is Carla Stout. I'm the general manager of Niagara Transit and the vice-chair of OPTA.

Solving for the need of a cross-boundary fare in the GTHA—Minister Stan Cho, prior to the One Fare program getting under way, visited us at Niagara Transit. We were only months old and had amalgamated both our fare boxes, and we were planning to flatten our fares to one fare anywhere across Niagara. He asked us about our experiences, and we provided real front-line knowledge of what it takes to do the work of fare and service integration. We've amalgamated four conventional systems in a suite of microtransit services since then, since 2023, including disparate specialized and contracted on-demand services.

And Niagara Transit understands the desire to improve cross-border specialized trips—we're there too. We've had these services on one software platform regardless of whether it was privately or publicly delivered, and that has been a success. We can see where any one-seat, cross-boundary specialized trip is a better trip for the one rider who can now have that trip direct. However, in my system, that one rider taken outside of Niagara—if the van is even out of service for up to two hours in delivery and dead-head, that can take dozens of trips away from others with

disabilities and/or in rural areas across the entirety of Niagara who have no other service option.

When systems run as skinny as we do on operating margins to deliver our service, we cannot bonus one rider without affecting others negatively. This is relevant to cost as well. More expensive one-seat trips will reduce operating budgets and the ability to deliver service to the balance of riders. We don't believe that the intent of this bill is that one rider would unintentionally displace the many to the detriment of service for everyone.

The Acting Chair (Mr. Aris Babikian): One minute.

Ms. Carla Stout: As an OPTA member agency, Niagara Transit is ready to participate in identifying operational and revenue impacts. We've been at the table providing experience, perspective and input to the MTO's fare and service integration tables as they've progressed in starting One Fare and moving towards specialized service integration. As a system that delivers to and from GO and is expanding with investment from this government in our capital projects to support even better service to visitors and residents alike in Niagara, we want to ensure that there are no unintended consequences in legislation or unforeseen costs to our ridership or local municipalities. As we've done in the past, we want to help provide expertise to this government to draft the regulatory framework for transit across Ontario. Thank you.

The Acting Chair (Mr. Aris Babikian): Thank you very much.

We will start with the first round of questioning. We will go to the official opposition. MPP Rakocevic, you have six and a half minutes.

Mr. Tom Rakocevic: Thank you very much to all the presenters.

I'm going to begin with the Ontario Public Transit Association. Thank you very much for the presentation.

Again, we are hearing a key theme of a lack of consultation. You spoke positively about the One Fare system—but what you spoke about was consultation, in this instance, or at least conversations prior. And I can imagine, as when we heard from the TTC CEO—essentially, finding out indirectly what is being proposed here and what massive budget constraints this could have if they centralize decision-making around transit and routes and everything and foist that upon regions and transit providers and say, "Figure it out."

Can you tell us what meaningful consultation should look like?

Ms. Karen Cameron: Again, by pointing to the introduction of One Fare—the 10 municipalities, the 10 transit systems that were impacted were all at the table. Metrolinx has a leadership panel, a leadership table that is used, and we understand from our members that that has been a great forum for dealing with actual operational issues that have been identified.

Mr. Tom Rakocevic: One thing that you mentioned, that if they don't get the funding right—thank you for that, by the way—but if they don't get the funding right, what happens is, it will have effects on local transit trips. Of course, if there's no funding provided, then I think you

listed that some of these trips could cost as much as \$300 a ride. I don't know if I got that right, but you had mentioned something that expensive. Of course, if they don't come to the table with funding, what's going to end up happening is, transit providers are going to have to say, "Well, what do we cut?"—right, in this case, otherwise they could raise fares to prohibitive levels and essentially discourage riders.

You've mentioned these concerns, but again, don't you think these are numbers and calculations and conversations that should have happened before a bill was tabled, now in the Legislature and we're debating it in committee?

Ms. Karen Cameron: Certainly, and OPTA and our board of directors attend Queen's Park lobby day every year. We have meaningful meetings with MPPs. For many years now, we've been asking for the provincial government to increase the dedicated public transit fund, colloquially referred to as gas tax funding. It's been capped at \$380 million a year since 2019, and we've been asking for that to go to at least \$725 million in order to deal with the operating shortfalls. When there are operating shortfalls, local municipalities have the option of either raising fares or cutting service, and that is where we're at.

So yes, we do have those concerns about the necessity of funding to come along with the legislation and for there to not be downloading to local municipalities.

Mr. Tom Rakocevic: Do you find it difficult to bring your expertise to bear, to be able to tell governments, to tell the people what position you have when governments are drafting bills that have all the details on the regulatory side of it, where they're not really coming with specific details to the table, but they're saying, "Hey, this is what we want to do, in very broad strokes. Trust us, and we'll ask you about it after it's passed into law," supposing they have the votes to be able to do so? Would you say that perhaps it might be better to just consult first, come with actual specific details and numbers, rather than saying, "Trust us. We'll figure it out later. We'll do it right."?

Ms. Karen Cameron: We're hanging our hats on the original One Fare, the first phase of that. I hear from my members that that was a process that worked.

Yes, what we are specifically here today to ask is that, before there are any draft regulations put forward, the agencies that are affected, presumably the GTHA systems, will be at the table before and while those regulations are being drafted.

Mr. Tom Rakocevic: Do you agree that your members have the expertise to be able to make decisions affecting their transit riders, their boundaries and whatnot, or do you think it's in the best interests to have decision-making consistently just centralized to this government and consultation coming later? Do you think this government should trust the expertise of the transit associations that you represent? Do you think they should be trusting you, or should we just give that all over for them to make the decisions for all of us?

Ms. Karen Cameron: I think transit is a very local service, and since I have a local operator here with me, I'm going to defer the answer to your question to Carla.

Ms. Carla Stout: Thanks very much, Karen, and thanks for the question. Obviously, I'm going to err on the side that transit professionals are the professionals in service delivery when it comes to setting service levels, and certainly for asking for any increase in fares to augment expansion in local service.

Where we are interested in coming forward as providers is, as Karen alluded to, in the regulatory framework that's going to come out of potentially Bill 98. Much like the AODA that was passed in 2005, that is a piece of legislation that was passed and it really was the IASR regulations that came out of that act, the Accessibility for Ontarians with Disabilities Act, that guided what it was going to cost in service and what it was going to augment in service.

That's where we want to spend most of our time, looking at the regulations as they come forward. That is where local service providers are going to be able to have the most input as to what actually does affect their service.

1640

Mr. Tom Rakocevic: Thank you very much for your work, your expertise and the answers that you provided today, as well as your presentation.

In the next block I'll be asking questions of CUPE. Thank you very much.

The Acting Chair (Mr. Aris Babikian): We move to the government side. MPP Anand.

Mr. Deepak Anand: First of all, thank you to all the representatives who are here. It's good to see you again. I think you were here a couple of weeks back or a couple of days back, in fact—yes.

Chair, my question is to Ontario Public Transit Association. I want to start by telling you two small stories. The first one is mine.

When I came to Canada, I was living in Brampton and I got a job, a part-time job close to the airport. But in order for me to go there, I had to take Brampton Transit, go to Westwood mall, take either Mississauga transit, or have to take TTC.

Well, new on the ground, I don't have enough money; I wanted to feed my nine-month-old child before I spent anything. You know what I did? I used to walk two and a half kilometres at minus 30 in the winter to save that money, so I can invest back into my kid. Yes, you can see I'm having a little bit of a cold today. I used to get colds because of that. Today, we don't have such a problem.

The second story is about my daughter. She's a nursing student at the University of Windsor. In the summertime, she comes here, she gets a job. She lives in Mississauga and her job was in downtown Toronto. Same story: She will take Mississauga transit, go to GO Transit and then get down at Union and come here through TTC—again, saving.

Now, she doesn't have to pick and choose. She knows there is One Fare. So this is the strength of One Fare. People who need it are the people who know the value of this.

So this bill—before I say that, another thing which I want to add to it is I love Niagara Falls. I have said that multiple times on record. It's the honeymoon capital of North America. And I love going to Niagara Falls, but your parking fees suck. It's too expensive. So maybe you can advertise: Park somewhere, drive your Niagara Transit in one fare and save lots of money.

What is this bill doing? A very simple question that I'm going to ask is, what is the core message to us through this bill? You want to add something which you have not said, or what you want to add even if you have said? Over back to you.

Ms. Karen Cameron: I do appreciate the questions. You've given me flashbacks to Vietnam. I used to live in Malton and go to U of T Scarborough campus, so I know what going from border to border is like.

My message is that people will take transit that's frequent and reliable, and I will add to that, affordable. OPTA members, when One Fare came in, did see ridership grow immediately. Having said that, ridership is growing on some core routes that are already operating closed-door because they're already full.

So that's why we're here, to say the transit systems that are part of One Fare are looking forward to working with the government on Bill 98 and on the operating funding that it takes to make these services successful.

And I would ask my colleague Carla to augment that.

Ms. Carla Stout: Certainly. Thank you and thanks for the question. And I'm sorry about the parking in Niagara Falls. I absolutely agree with you.

Really, for systems outside of the GTHA that are not yet participating in One Fare and I don't believe are anticipated in the legislation as it's written right now, what we're looking for is an opportunity to provide input into the development of One Fare as it moves forward.

My system, as you just alluded to, touches—potentially, in the next 10 years—three GO stations. And there are going to be, hopefully, millions of people coming to Niagara to enjoy all of Niagara and they're not going to be paying for parking.

So what we're looking forward to is having some say in what the level of fare-setting and service integration is going to look like, as well as having a seat at the table, talking to the government about what, operationally, we're going to be needing from a funding perspective to make sure that those trips are the best trips.

Mr. Deepak Anand: Absolutely. That's amazing. When you use the words "10 years," I probably will be coming with my grandkid, hopefully—the word is "hopefully." But I'll definitely be one of those million people that you talked about coming.

I just want to add, I was reading the Bill 98 notes. This is something which we are trying to do, is to work together. "Work together" is the word, not "forcing." The province will work closely with the municipal and transit partners as we move forward. So I just want to say thank you for your collaboration. I'm sure many more collaborations are going to come.

Chair, moving over to our wonderful friends from CUPE: I have a very good friend in CUPE Brampton; we share a lot of time together.

A very simple thing: I know—again, going back to my own story—when I came to Canada, the house prices were \$150,000. It was an easy task. My wife and I, very simply put, we took the ride, the whole of Mississauga—we checked who is the lowest price on the board, and we only contacted that person. Nowadays, I don't think you can even get parking for \$150,000 in Mississauga. Even the DC charges are \$132,000.

What we're trying to do through this is we're trying to make sure that there is infrastructure available—I have a house; I'm not worried, but I have two children; they don't. But I have a worry about them. So what we're trying to do through this bill is to make sure there is infrastructure available for my children, my grandchildren.

I know I don't have much time; he's going to shut me off. Core message: What do you want to say—

The Acting Chair (Mr. Aris Babikian): Your time is up. Thank you very much.

We've concluded the first round. We will start the second round with the opposition. MPP Rakocevic, do you want to start, or MPP Burch?

Mr. Tom Rakocevic: It'll be me for this round. Thank you very much, Chair.

I want to thank CUPE for their presentation—and all who have presented today, whether it's remote or here. I have a series of questions for you. Why do you believe that this bill could lead to the privatization of publicly built and paid for water infrastructure across the province of Ontario? Why and how do you think this could happen?

Ms. Krista Laing: Thank you for asking that question. There are a lot of issues with that bill, one being the centralization of power in it and the centralization of power in that executive branch, and one minister's power to designate new entities as water corporations that must be incorporated under the Ontario Business Corporations Act. I'm going to say that again: the Ontario Business Corporations Act.

So we know that the business corporations will be share-issuing and profit-driven. We know that. It doesn't matter who may own the shares or how many at any given time. Every decision that is made by these directors will be profit-driven and will have an excuse of a legitimate business purpose. What will that have on the taxpayer? What will that have on the school that uses clean, safe drinking water? It means reduced services, 100%. When it's profit over people, it always means a reduction of service. It means that they'll look after other interests. Like I just said, they're not looking after the interest of the local community. This is a 100% profit-driven scheme under the Ontario Business Corporations Act. There are other ways they can do this: municipal service corporations, or fund municipal infrastructure properly is another thing that they could do, as well.

CUPE is not the only one saying this; we've actually handed out the opinion of a third-party lawyer as well which is, if you could take a quick look through it, pretty

in-depth and accurate. But it is pumping up what CUPE Ontario and others have been warning since Bill 60 was first tabled.

Mr. Tom Rakocevic: What do you anticipate this potential privatization—even the structure in which it's being done will have downstream effects on water rates. What do you anticipate is going to happen? Will there be an increase? What do you think that rate of increase would look like for ratepayers?

Ms. Krista Laing: One example we can look at is hydro, right, and the subsidies through there. Guaranteed, through privatization, we will see the rates go up. It's inevitable. We have a playbook right in front of us with Ontario Hydro that we've been seeing throughout the years.

Mr. Tom Rakocevic: So you have tens of thousands of workers that get up every morning, work really hard for the cities that they work in. They have expertise—years of expertise—behind them. What does privatization look like for those workers? What does that mean for them? These are law-abiding, taxpaying individuals who have great experience and care about their work. What does that mean for them if they move to this model?

1650

Ms. Krista Laing: The frustration coming from a government that wants to protect good jobs while municipally funded waste water workers are good community jobs—with them, they don't want to work under a system that's profit-driven, full stop. They want to work for their communities. They want to be able to work under their freely negotiated collective agreement and have union representation as well.

A lot of these workers—we've been having press conferences as well to hear directly from them. They like what they do. They like the fact that they are responsible for good, clean water in the communities that they live in, work in and raise their families in as well.

Mr. Tom Rakocevic: The way it works, as you know, is that the province and the federal government can just run deficits and print money, and municipalities have to basically equalize their budgets every single year.

Municipalities are bearing \$5.5 billion of provincial responsibilities: health care and other ways. It makes it very difficult for them, and it leads to all sorts of issues because as provinces continue to download responsibilities, it puts them in a very, very difficult and tough position.

And as I've mentioned, even with regard to transit, it almost creates planned obsolescence, where they could turn around and say, "You're not able to manage your budget, so we're going to take over." What we continue to see from this government is just a takeover, a centralization of responsibilities, eliminating democratically elected roles—you name it.

Do you find that this is a government that tends to be overreaching when it comes to centralizing decision-making but at the same time asking the people they are making decisions for to have to balance budgets with incredible pressures?

Ms. Krista Laing: I'm glad you brought up the lack of infrastructure funding. Ontario is getting older. A lot of the infrastructure is failing. We just do not have the funding to keep up with it. But this is not the answer. This is not the answer.

I want to talk a little bit of more about centralizing those decisions. Now, in Durham region, I can pick up the phone and I can call my regional councillor about my Durham region water and waste water corporations. I can directly call them. We're not sure what this will look like. I'm pretty sure I won't be able to call the director of the water and waste water corporation.

The thing is, its infrastructure running in the hands of the community by people that we elected. We elected these regional councillors to do that job, to have oversight of, for example, Durham region water and waste water facilities.

Mr. Tom Rakocevic: I want to thank you so much for appearing before the committee. Thank you for your expertise, sharing your opinions and the incredible work of your workers.

Ms. Krista Laing: Thank you. I appreciate it.

The Acting Chair (Mr. Aris Babikian): We move to the government side. MPP Saunderson.

Mr. Brian Saunderson: I want to thank all our presenters, virtual and live, for coming and taking time today to speak with us and share your opinions.

I'm going to start off with you, Daniel, at the Toronto Regional Real Estate Board. You went first, and you haven't got any questions yet, so I don't want you to feel left out. Daniel, are you there?

Mr. Daniel Steinfeld: I am indeed ready and waiting. Thank you.

Mr. Brian Saunderson: Thank you very much. We have, with this government, been dealing heavily with getting housing starts up and trying to make them more affordable. How long have you been doing real estate?

Mr. Daniel Steinfeld: Eleven years.

Mr. Brian Saunderson: Okay. And, say, maybe just for a benchmark point, could you tell this committee the appreciation in the housing market that you've seen pre-pandemic to post-pandemic to today?

Mr. Daniel Steinfeld: It's almost immeasurable. We see it with our boots on the ground every day, and that's notwithstanding the fact that, as it's been documented, in the last year, there's been some slowing of price appreciation. It doesn't change the fact that we got to a point that is completely unsustainable and unworkable for the majority of homebuyers and sellers who are out there.

It's been multiples on multiples. I know the member prior had made mention of, once upon a time, \$150,000 houses, and now that's a parking spot. That's not very far from the reality of where we're at right now.

Mr. Brian Saunderson: Yes, and I'm old enough—I represent Simcoe–Grey, so I was happy when you told us that your association comes right up into Simcoe county. My riding is Simcoe–Grey, and it's not grey because of my hair. It's grey because I have the township of Blue

Mountains, which is in Grey county in my riding, along with six municipalities from Simcoe county.

I also, prior to getting into provincial politics, served as mayor and deputy mayor in the town of Collingwood and on Simcoe county council. When I was in the mayor's chair, we were going through the process to expand our water treatment facility. We share water; we send it down to the town of New Tecumseth, which has the Honda plant, so it serves probably in excess of 100,000 people. When I was in the mayor's chair, the price went up from \$80 million to \$120 million, which was a 50% increase. Then I left the chair, and six months later, when they put it out to tender, it was \$270 million. I just mention that as a reference point, and I'll get to my questions to keep you on this. There's no math that can explain this sudden increase in costs and appreciation in homes. It's partially, I think, due to supply and demand, but also the new supply is just so incredibly expensive for a bunch of reasons.

I know you spoke favourably about this bill, but I'm wondering if you can just tell me, what do you hope to see as a result of the good aspects of this bill that you talked about in your business selling homes moving forward?

Mr. Daniel Steinfeld: Absolutely, and thank you for that question. I know people talk about supply a lot, and it is absolutely one, if not the most important, factor here. But it's what leads to that, and where this bill starts to recognize the fact that the ability to build, both from an economic and regulatory perspective, is so crucial to start to put shovels in the ground again. Right now, the lack of the right supply—and I use those words very specifically; there is supply out there but not the supply people are looking for. Shovels haven't been in the ground, really, over the last couple of years because of how prohibitive it is for a lot of developers to build the things that are needed. The economic case isn't there, whether it be through development charges, whether it be through delays associated with planning requirements that are just not favourable to building the right things. The more that developers can put shovels in the ground and the more that the right types of supply can be unlocked, it does create that ability to meet the demand that's out there in a way that isn't as limited as it is right now.

So affordability is also coupled with attainability for people. It doesn't really matter if prices stay flat for a year or two years or even come down a bit, because it's more indicative of the fact that the stuff that's out there available for people to buy is not the stuff that they're looking for. When you've got individuals, couples, with their university-aged children who have moved out, living in 3,500-square-foot houses but there isn't something that they can move down to, they're keeping what they've got. That sort of supply is also supply that doesn't require someone to build another single-family home, but it does require some of that missing-middle inventory to be built which has been so difficult for developers to do at this point.

So what this bill does is it starts to unlock elements of that, allowing for development charges to be spread out, allowing for some of the zoning that is required and some of the standardization of the regulations to be put into

place to hopefully create an easier path both economic and regulation-wise for developers to build.

Mr. Brian Saunderson: Good. Thank you. I don't get a lot of time for you, so I apologize for that.

I just want to correct you on one thing, then I'll ask you—or I'll take issue with one thing you said. You said this government has reduced spending for municipalities for infrastructure, and I'm going to tell you that I don't agree with that. We've increased, I think, our spending for municipalities, our municipal partners, by 40% through OCIF, the community infrastructure fund, through HEWSF funding, which is \$2 billion through infrastructure funding and water and safety funding, a total envelope of \$4 billion.

Just picking up quickly then on Simcoe county, I can tell you that I have had discussions with the county, and in Simcoe county there are two municipal service corporations, one in Innisfil and one in Oro-Medonte. They just service their own municipalities. So this is not a new concept or a new model. Earlier today we had AMO here, and they have produced papers on the position about that. They support them—

The Acting Chair (Mr. Aris Babikian): Thank you very much. That's it. That concludes our fourth panel time. Thank you very much for coming and sharing valuable information with the committee.

FEDERATION OF RENTAL-HOUSING
PROVIDERS OF ONTARIO
ENVIRONMENTAL DEFENCE
ONTARIO PROFESSIONAL PLANNERS
INSTITUTE

The Acting Chair (Mr. Aris Babikian): Now we move to our final panel of the day.

I would like to call upon the Federation of Rental-housing Providers of Ontario, Environmental Defence and the Ontario Professional Planners Institute to take their seats.

1700

I will call upon the Federation of Rental-housing Providers of Ontario to start their deputation. Please identify yourself and your title. You have seven minutes.

Mr. Tony Irwin: Thank you, Chair. Tony Irwin. I am the president and CEO of the Federation of Rental-housing Providers of Ontario.

Good afternoon, Chair and members of the committee. FRPO, as we are commonly known, is the leading advocate for strong and stable rental housing in the province. Our members build, own and manage purpose-built rental housing across Ontario, the homes that thousands of Ontarians rely on every day.

Thank you for the opportunity to appear before you today to speak to Bill 98 and the positive impact it would have on rental housing in the province.

Ontario has made important progress in bringing new rental housing supply online, and that is having a positive impact on the market. In 2025, the GTHA saw nearly

10,000 purpose-built rental starts. That's a 42% increase compared to 2024, and the highest annual total since the 1970s. At the same time, the number of units under construction continued to rise, reaching nearly 28,000 by the end of the year. We're now starting to see the impact of that progress on the ground, with asking rents softening and vacancies increasing modestly. For renters, this means more choice and a bit of breathing room after years of extremely tight conditions.

At the same time, it's important to recognize that these are short-term shifts. Ontario continues to face a structural housing shortage, and the underlying need for rental housing remains strong. That is why the focus cannot be on reacting to short-term fluctuations, but on planning for the years ahead. Volatile swings between tight and over-supplied conditions do not serve anyone well. A more stable, predictable pipeline of new rental housing is what ultimately supports affordability and a well-functioning market.

We've seen what happens when momentum stalls. The last sustained wave of purpose-built rental housing dates back to the 1970s and 1980s, followed by decades of underbuilding. We cannot afford to repeat that cycle. We owe it to the next generation to keep building and to plan with the long term in mind.

Before I turn to Bill 98, I want to briefly touch on the role of purpose-built rental housing within the broader housing continuum. We are market housing providers, and we see ourselves as one part of a larger system that includes affordable housing providers, non-profit housing and co-operative housing. Each of these sectors plays a distinct and important role, and all share the same objective of ensuring that people across Ontario have access to housing that meets their needs.

Purpose-built rental housing plays a critical role in delivering supply at scale. At the same time, other parts of the housing system are better positioned to support individuals with more complex or specialized housing needs. We see these roles as complementary, not competing.

From an operating perspective, market rental-housing providers are increasingly navigating complex tenant needs. While many providers do what they can to support their residents, the system was not designed for housing providers to deliver social or health supports on their own. That's why continued investment in social housing is so important.

From a development perspective, providers are also operating in an environment defined by ever-changing construction costs, delays in approvals and uncertainty around infrastructure delivery. All of this reinforces a simple point: For the system to function well, each part of it needs to be supported to do what it does best, within a framework that is efficient, predictable and fair for everyone.

Bill 98 works to accelerate housing in a way that we collectively need. The bill recognizes the connection between housing, transit and infrastructure, and the need to reduce barriers. Those connections are critical if we are going to deliver housing at scale. The bill takes practical

steps to better align transit and housing growth, speed up infrastructure delivery and improve coordination in approvals. Each of these areas matter, because delays in any one part of the system can slow down housing overall.

We've heard from our members on a number of these proposals, including municipal official plans, site plan control and communal water and waste water systems, as examples of where greater clarity and efficiency can support housing delivery. When transit, infrastructure and planning move together, projects move forward. When they don't, projects stall.

From a rental-housing perspective, predictability and clarity are essential. For rental-housing providers who are building, a streamlined building code is something they are strongly in favour of. They're also encouraged by efforts to review and tighten land use designations and make them easier to navigate. Providers need confidence that infrastructure will be in place, approvals will be timely and projects can proceed without unnecessary delay. When that confidence is there, investment follows and more homes get built, and when it is not, renters feel the impacts more acutely and pressures on affordability increase.

Bill 98 reflects an understanding that increasing housing supply requires more efficient and streamlined processes. By improving how systems work together, Ontario can take meaningful steps toward delivering more homes faster. FRPO looks forward to continuing to work with the government and all partners to support these efforts.

The Acting Chair (Mr. Aris Babikian): Thank you.

We move to the Environmental Defence representative. Go ahead. Please state your name and title and you have seven minutes.

Mr. Phil Pothen: Good afternoon. I'm Phil Pothen, counsel and land use and land development program manager, among other things, for the non-partisan policy think tank and advocacy group Environmental Defence. I'll be referring in these submissions also to the separate written submissions you've read from my colleagues Sam Hersh, who is our national transportation program manager, and Rebecca Kolarich, who runs the water program. Those have been submitted in writing, and I'll just refer to them briefly.

As many of you know, Environmental Defence is among the loudest, clearest advocates for top-down, provincially or regionally led and, most often, blanket, province-wide statute reform to address the key legal barriers to ending the housing shortage. Those barriers are quite specific. They are laws that plan for and incentivize the wrong kinds of homes.

We've been making it artificially complicated and expensive to build the mid-rise and multiplex in-fill buildings, filled with family-sized homes, that are the only approach capable of being efficient and cheap enough to catch up with the massive need—or to be built at all, in the hardest times. And we've been greasing the wheels for the single and semi-detached rebuilds, top-ups and sprawl that squander the same labour and materials on far fewer, more expensive homes.

Rather than delivering on the very specific, concrete, narrow and substantive fixes to these problems, either by amending the Planning Act or the building code, or by using the regulatory tools the government already has, this government has, for more than seven years now, cynically used rhetoric about these regulatory barriers and about NIMBYism, which are real problems, as an excuse to make things worse by scapegoating and removing the very tools that municipal governments have been using to try and improve construction efficiency, and to concentrate discretion and favour-granting power in the hands of the minister, all the while refusing, stubbornly, to make the very specific law and policy barriers go away. Through these patterns of behaviour, this government has caused the current housing shortage and the recent collapse in housing starts by preventing a shift to cheaper, more efficient construction that would have prevented it. In its current form, Bill 98 would be just another example of legislation that fits this mould and makes things worse.

1710

For years, experts have been urging the government to eliminate the mandatory parking requirements for mid-rise and multiplex buildings because they've been driving up construction costs and making many sites unviable to build. Instead, schedule 2 of this bill just scapegoats zero-emission vehicle parking requirements, specifically, and would selectively deprive municipalities of the power to require that at least some of the parking they do provide is equipped to accommodate electric vehicles. To target the actual problem, you should be amending this provision so that it prohibits municipalities from requiring off-street motor vehicle parking for mid-rise and multiplex homes, period, across the board, beyond what's required to accommodate disabilities.

For years, experts have been telling the government to end its own direct provincial ban against safe, single egress. That has been making it hard and artificially expensive to build family-sized, family-friendly apartments, and often makes four-storey fourplex unviable to build on most lots. Instead of fixing this, schedule 1 of Bill 98 arbitrarily scapegoats these few green building standards, which often make it more efficient to build sustainably, pretending that they, and not the province's own misguided refusal to amend the building code, have been standing in the way of housing.

In order to target the actual problems, Ontario should replace the provisions of schedule 1 pertaining to the Building Code Act with a new provision that allows builders to comply with the BC Building Code 2024 as an alternative to the Ontario building code. They should delete in their entirety the provisions that pertain to the City of Toronto Act and the Municipal Act. Outside that process, you should amend the building code for Ontario, as specified in our the Mid-Rise Manual policy document.

Experts have been telling you for years that the exclusion of six-storey mid-rises and four-storey multiplexes from, currently, low-rise residential streets—that's the most important barrier to new housing. Instead of just fixing that by saying you can build mid-rise on major

residential streets as of right in any service lot—instead of saying as of right, you can just build four-storey fourplex in every interior residential lot, this government just vaguely scapegoats the whole idea of official plans and municipalities making their own decisions, and then uses that as a pretext for letting Minister Flack arbitrarily exclude anything and everything he chooses from the scope of municipal official plans. That is the subtext—the actual legislative power that this bill would grant. It would let the minister write a note to municipalities and say, “You're allowed to include this in this section of the official plan, and you're not allowed to include that,” with no direction from this committee or the Legislature as to what that direction should be.

As you'll see when you review the written submissions from my colleagues Rebecca Kolarich and Sam Hersh, the provisions of Bill 98 affecting transit operations and drinking water systems fit this same pattern of scapegoating and power grabbing and exploiting real problems as pretext for changes that would make them worse. Instead of doing what we've asked, for example—

The Acting Chair (Mr. Aris Babikian): One minute left.

Mr. Phil Pothén: Okay.

Instead of increasing the long-term operating funds to significantly expand bus service, grow ridership, maintain and improve reliability, and improve affordability, this government scapegoats the fact that there are independent decisions made about those things at all. You should just spend the money that is required to actually allow those municipal governments to provide the lower fares that you're talking about.

This bill is not about a uniform fare. The text of the bill just gives the government unconstrained power to remake fees and fee structures as they like—for example, to get rid of the free access to transit for under-12 people in Toronto. It doesn't place any constraints.

Likewise, we are concerned that, as others have said on this committee, the waste water corporations act amendments do not address the inherent problems created—

The Acting Chair (Mr. Aris Babikian): Thank you very much. The time is up.

We move to our third presenter. It is the Ontario Professional Planners Institute. We have Susan Wiggins with us in the hall, and we have Andria Leigh virtually. Please identify yourself, your title, and you have seven minutes.

Ms. Susan Wiggins: Good afternoon, everyone. Good afternoon, committee Chair and members of the committee. My name is Susan Wiggins. I am the executive director of the newly rebranded—a week and a half old—Ontario Professional Planners Institute, or simply OPPI.

I want to start by thanking members of the committee for inviting us here to speak today in what I expect will be my last time appearing before a committee, as I'm set to retire at the end of July after representing professions for over 30 years in Ontario in the built environment. I'm so excited to be here for this purpose today. I've spent the last six years with the Ontario Professional Planners Institute,

and it has been my honour and privilege to be here on behalf of them today.

Joining me virtually from the town of Innisfil, where she is a director of planning and growth, is Andria Leigh, a registered professional planner and chair of OPPI council. I'm going to speak briefly and then I'm going to turn it over to Andria to complete the presentation for us today.

We're here to speak on behalf of OPPI's 5,400 members, more than 3,000 of whom are registered professional planners working in municipalities, the development sector and consulting sector. Over 30% of our members are specialists in areas such as transportation, environment, heritage, public engagement, land economics and growth management.

Similar to other professions, RPPs meet a high professional standard: an accredited planning degree, two to three years of mentored and supervised experience, an important mandatory ethics course and a qualifying exam. OPPI welcomes about 200 new RPPs each year—capacity Ontario needs to meet the demand for housing, to deliver better transportation, infrastructure and other services and to ensure they are planned together.

Planning demand is driven by the need for complete communities—places where people can live, work and access services. That can mean northern communities needing housing and supporting infrastructure, or fast-growing municipalities, like Innisfil, where growth management must be coordinated with transportation, servicing and community facilities.

The planner's role is to apply provincial policy and legislation in the public interest, provide clear professional advice to local councils and remain future-focused as communities grow and change.

OPPI has been working diligently over the past year to enable the government's priority of building more homes. We have invested substantial effort to propose streamlining solutions for approvals, reduce avoidable cost and delay and remove barriers to construction while maintaining good planning outcomes for Ontario's communities.

We are here to commend the government, especially Minister Flack and staff at the Ministry of Municipal Affairs and Housing on Bill 98. This legislation proposes needed changes to two core parts of the planning system: municipal official plans and the development application process. OPPI has been working with MMAH staff, the minister, the associate ministers and partner associations to help shape these reforms.

I'm going to turn it over now to Andria Leigh to share some further details.

Ms. Andria Leigh: Thank you so much, Susan.

Susan has indicated we support the simplifying of official plans through a standardized table of contents and schedules, and a standardized set of land use designations. Done well, this can improve consistency and predictability for municipalities, applicants and the public, and certainly support a more data-driven planning system.

We have advised the ministry to pilot these changes and manage transition timing carefully, recognizing that many

municipalities update official plans on different cycles and with varying degrees of capacity.

Given the scale of change and municipal impact, official plan and land use designation reform should be delivered primarily through guidance, not legislation or regulation that's overly detailed. Inflexible standards risk limiting the documents that must remain strategic, enabling and adaptable.

1720

OPPI has also worked with MMAH on the reports municipalities may request for complete applications. We support the Bill 98 approach of distinguishing the core studies that are commonly required from the contingent studies that should only be requested where site-specific conditions justify them. This will help focus the efforts, reduce unnecessary work and keep applications moving forward.

As a next step, OPPI recommends adding the prescribed professions list for certain reports to those routinely preparing those required studies, including registered professional planners, archaeologists, landscape architects and architects, to further reduce these delays.

Additionally, we encourage the province to issue standardized terms of reference as guidance for the most common studies, with flexibility for municipalities to tailor when local conditions warrant. OPPI would be pleased to assist in drawing on the best practices already in use.

The Acting Chair (Mr. Aris Babikian): One minute left.

Ms. Andria Leigh: In the balance of our time, we'll briefly highlight several additional items of Bill 98 where OPPI is supportive and would like to work with the ministry on the implementation side of these items.

We support retaining secondary plans. They remain an essential area-based tool to coordinate growth and infrastructure and to bridge official plan policy with an implementation tool like zoning, and we strongly recommend maintaining site plan control while modernizing definition, scope and timing.

We commend the province for producing an updated project methodology guideline; it will be important for official plan reviews and forecasting and housing targets, and we were pleased to contribute to that. And we support the minimum lot size and encourage the province to address technical requirements.

Finally, we support creating consistency across Ontario on parkland dedication, with permissive wording that allows some flexibility when required.

We thank you for the opportunity to speak today, and we'd be pleased to answer any questions that you have.

The Acting Chair (Mr. Aris Babikian): Thank you very much. Thank you to all three deputants.

Now we move to the first round of questioning. This time, we will start with the third party. MPP Shamji, go ahead.

Mr. Adil Shamji: I wanted to pose a question both to OPPI—perhaps to you, Andria—and to Environmental Defence—to you as well, Phil.

First to you, Andria: As I look at the housing numbers over the last couple of years, there's a very clear pattern; it's one of progressive decline. As I reflect on successive pieces of legislation, one of the patterns that I've noticed—and I'm asking you to know whether it may be causal or correlational—is that there's actually been a rollback of environmental standards. What I'm observing: Environmental standards are watered down, presumably because they slow things down, but then housing starts still seem to fall.

I wanted to ask, from your professional opinion and experience, to what degree you have found environmental standards actually hinder your work and may be slowing down housing starts, and therefore whether this legislation and what it says about environmental standards may or may not be impactful? Andria and then Phil.

Ms. Andria Leigh: Thank you. I appreciate the question. What I would say is, not only environmental standards, but there are a number of standards that, given the current situation we're in and the cost, that they all impact the ability for housing starts to happen, whether that's single-detached homes or other forms of multi-development. I wouldn't say that they're the only factor, as you said, sort of watering down those standards, but there are a number of standards that I certainly hear as a municipal planner, and I know from other colleagues, have impacted the ability for housing starts to actually occur through the process.

Mr. Adil Shamji: Phil?

Mr. Phil Pothén: I think this characterization of there being stronger or weaker regulations is a bit of a red herring, and that, really, it's about what type of housing we're building and what the overall incentive structure created by our regulations drives us to build. Right now, we've had, for a long time, an incentive structure that's driven us to squander wood-frame construction on low-rise housing and sprawl and then concrete construction has all gone to very tall buildings. What we need is an incentive structure that incentivizes using stick-frame construction to build multi-family homes in existing residential lots where they can use the existing infrastructure so you don't have to build everything from scratch. It's about what we're building.

It's like building an LED or LCD television versus just trying to make all of the elements of the old-fashioned cathode-ray television cheaper. If we were just trying to make all the same elements of the old cathode-ray television cheaper, televisions would still cost four or five times what they do now. The way that we got the cost of televisions down was by just switching to a new default format for television.

In this case, the default family home should be a large flat in a multiplex or mid-rise home. Those are the only things that we're ever going to really be able to build at a cost that's going to be affordable, so let's lean into that and make that easy to do.

Stop trying to pretend like a single-detached home with a picket fence is ever going to be affordable. Everything we do to grease the wheels in that direction is just squan-

dering labour, equipment, materials and infrastructure that could be going into what's actually doable, which is mid-rise and multiplex infill.

Mr. Adil Shamji: What I'm hearing is, we need to reframe the conversation a little bit. I've heard multiplexes, fourplexes come up a fair amount, actually. You mentioned it. I've been looking through the written deputations. I'm just looking at something from TRREB; they mentioned it in their remarks. It was a major Housing Affordability Task Force recommendation.

Andria, Phil, is there any reason that we wouldn't want to pursue fourplexes or that we couldn't legislate that in this bill?

Mr. Phil Pothén: I don't know who is first, but I can start.

You can legislate it through this bill. You should provide as-of-right permission for four-storey fourplexes on every serviced residential lot. Build it right into the Planning Act, the same as you did with triplexes.

You should build as-of-right permission for six-storey mid-rises on all arterial and collector serviced lots—as of right, right in the legislation. We don't think it should be left to the individual discretion of municipalities; it should be done from the top down.

Thirdly, in order to actually make it viable, you should right now say that compliance with the BC building code is acceptable as a substitute for complying with the Ontario building code so you can go ahead and build the safe, single-egress construction that's required to unlock those smaller single-detached lots and allow them to be rebuilt as four-storey fourplexes, for example.

Toronto has done a lot of this stuff. They've done a great job. They're exemplars. Really, if you would cut and paste what Toronto has done across every municipality in Ontario in terms of as-of-right permissions, that would be a great start, but you also have to do your part when it comes to the building code. Toronto can't do that on its own; you've got to do that for them. So allow compliance with the BC building code.

Mr. Adil Shamji: Andria?

Ms. Andria Leigh: Thank you so much.

In terms of as-of-right permissions for multiplex, fourplex buildings, I think it's certainly something that can be legislated from the top down. Certainly, as we said, we encourage the standardization of official plans and other documents.

I think there has to be a recognition that all 444 municipalities across Ontario are not the same. So legislating that and not providing some flexibility to northern municipalities, as an example, that may have urban areas where the fourplex may not be appropriate—having some ability for that not to be mandated but providing the guidance behind that is what makes sense. I think you need to take into consideration—

The Acting Chair (Mr. Aris Babikian): Thank you very much. The time is up.

We move to the government side. MPP Grewal.

Mr. Hardeep Singh Grewal: Thank you to our panellists for joining in today's conversation.

I'm going to start with Phil from Environmental Defence, since you were just talking. I'm just going to have a general question for you.

I was just listening to what you were saying. In your words, is traditional home ownership dead?

Mr. Phil Pothen: I think governments have killed it. I think if we need to grow—

Mr. Hardeep Singh Grewal: Pause, pause.

You're saying that the government has killed it. But if the government is in the process of removing all of the extra red tape and taxes that build onto the price of traditional home ownership, why are you opposing that?

Mr. Phil Pothen: That red tape and taxes are never going to get you there. All they're going to do is divert resources away from regular families to a few luxury homes.

Mr. Hardeep Singh Grewal: For a regular family that's purchasing a home—I'm just going to pick a random neighbourhood; let's go into Niagara Falls. The builder picks up a lot. He puts up a home for sale for \$600,000 or \$700,000—in that range—and that home applies maybe, in terms of taxes, fees, DCs etc. paid on it, close to \$100,000. Now, if that were to be reduced or eliminated, would that not affect the average home owner—achieve that traditional home ownership? Would that not lower their down payment?

1730

Mr. Phil Pothen: That assumes that your numbers are correct. I don't think those numbers are accurate reflections of what the cost would be—

Mr. Hardeep Singh Grewal: I'm more than happy to share DC charges and taxes and how much they apply to each and every home, but I just—

Mr. Phil Pothen: No, I'm not talking about the DC charges, I'm talking about how low you would get it, because I think the inherent construction costs of low-rise housing on most sites are just too high. It's too inefficient to be able to deliver a price point, even if you take out the taxes and fees.

Mr. Hardeep Singh Grewal: Maybe in the downtown core, but Ontario is much bigger than the downtown core, so I'm just going to leave my conversation with you there. Thank you very much for your time.

I'm going to move onto the OPPI, to Ms. Wiggins. Thank you very much for attending today and thank you for your five years of service. We really appreciate that and the hard work that you've put in with such a great organization—over 5,400 members that are serving people across the province—and your leadership, so I just wanted to thank you. I'm honoured to have you here. It's your last day, so a pleasure to meet you and honoured to have you on this committee.

I just wanted to talk to you about Bill 98. What are some of the items in Bill 98 that speak to you the most, that will help accelerate housing growth, that will help build homes and reduce costs?

Ms. Susan Wiggins: Yes. Our focus with Bill 98 has been, in fact, working with the ministry on the streamlining of, most importantly, the official plan and the

reports and studies—so finding ways to move things through the system faster, which ultimately reduced cost and time.

The reports and studies were a unique project that we undertook to try and look at the whole suite of reports. There are over 100 potential reports that could be requested as part of a development application and we went through and analyzed each and every one of those reports and determined what is the report for, what's the purpose of it and what's the condition that must be met for that report to be requested.

Working with ministry staff, we're able to come up with two lists: ones that you're most likely to be asked for and ones that are only going to be asked for if the condition exists. We think this is a good approach to minimize the number of reports that are requested and make sure that they're meaningful reports, relevant to the development.

The initial proposal in Bill 23, I believe, was that there were going to be four reports and studies that were just not permitted. And that was really the invitation to start the conversation.

What we want to bring to the table is that there's a purpose for every report that was on the list and still is on the list. It's just when it's asked for; I think that's the most important and significant change that's really going to make a difference.

Mr. Hardeep Singh Grewal: Thank you very much. Then I had a question for your colleague as well, for Andria, just on the timelines that it takes for developers to get their draft plan approvals.

What kind of challenges are seen and how would this bill help improve timelines when it comes to actually seeing those subdivisions come into fruition? Because that's where we see some of the delays come from—not from after it's been approved, but the process to get that actual subdivision approved.

Ms. Andria Leigh: Yes. Thank you so much for that question.

I would say, some of that Ms. Wiggins has already talked to in terms of that list of core and contingent reports—so really identifying when those studies are required and at what point in the process it's appropriate. They shouldn't be necessarily with the zoning amendment; they should be later in the detailed design, as an example.

The other component that I would say, and it's something that OPPI has identified on numerous occasions, is mandatory delegations of draft plans and site plans—you've dealt with site plan, but not from a draft plan—so that that's done at a more technical basis by those registered professional planners in municipalities and not held up through a process with multiple reviews by a council and a timeline to get it scheduled on a council agenda.

Mr. Hardeep Singh Grewal: Thank you very much. And once again, Ms. Wiggins, thank you for your service for the last five years.

Chair, how are we doing on time?

The Acting Chair (Mr. Aris Babikian): One minute.

Mr. Hardeep Singh Grewal: Well, my colleague from Mississauga—Malton, the rest of the minute is yours.

The Acting Chair (Mr. Aris Babikian): MPP Anand.

Mr. Deepak Anand: It's a wonderful opportunity to say thank you, Susan, in 50 seconds or less, for all the work you have done. I hope you enjoy some time you're going to get. I know people like you, who are passionate, they don't go away from the work. It's just that they keep coming back to the work.

Quickly, in 30 seconds, if time permits: Has anything changed between 30 years ago and today?

Ms. Susan Wiggins: Right to practise is still something that all professions seek and something that's harder to achieve. We've come up with a unique model at OPPI where we think right to practise may be in the future. Right now, what's important is respect for the designation. As someone who's worked for many professions, respect for the designation is critical. These are highly skilled, highly educated people that have gone through a process. You compare lawyers and doctors to the professions—

The Acting Chair (Mr. Aris Babikian): Thank you very much, Susan. That concludes the first round. We will—we're still in the first round; it is to the official opposition. It's been a long day.

The official opposition: MPP Rakocevic.

Mr. Tom Rakocevic: My questions are for Mr. Pothen from Environmental Defence. Just before I get to my questions, did you have anything you wanted to add further to the questions by the MPP Singh Grewal?

Mr. Phil Pothen: Yes. So, when we talked about the government killing normal home ownership, normal home ownership in the world includes a flat in a regular residential street but in the form of a fourplex flat. That's normal home ownership, and that's really the only thing that someone from a median income, even if you take out all the government taxes and fees, is really going to be able to afford.

When you try to hedge your bets and you try to say you keep your most affluent constituents happy and say, "We're going to make sure that you can have your McMansion," that's completely at odds with what it takes to get actual homes that regular folks can afford. Those are two competing things; they can't coexist with one another. You can have one or the other. You can't allow for the sprawl and still get the kind of housing that regular folks will be able to afford. If you want access to a quiet, low-rise residential street or a low car traffic residential street, the way to do that is to welcome lower-cost forms of housing there—mid-rise and multiplex—and allow it to be done without parking so that you're not actually just adding to the car traffic etc.

You refuse to remove the minimum parking requirement and instead you pick on this one tiny part of it, which is the EV parking requirement. Let builders make the decision if they can market this property without being forced to include parking that drives up the cost by forcing you to dig underground and squander surface area.

Yes, that's my answer.

Mr. Tom Rakocevic: Thank you very much. Okay—

The Acting Chair (Mr. Aris Babikian): When you direct your answers, please direct them through the Chair.

Mr. Phil Pothen: Okay. Yes, Mr. Chair.

Mr. Tom Rakocevic: So one of the concerns and one of the criticisms we've heard all day was the lack of consultation with regard to the transit schedules, at least with regard to that—actually, pretty much everything about this bill. But with regard to the transit schedules, I think we can all agree that fare integration, if done properly, is something that we all want, because we want people to have seamless, affordable, reliable transit. But of course, how do you make that happen? It requires funding.

Can you tell us what sustainable, consistent operational funding from the province—something that was removed by a past Conservative government a generation ago—would mean for transit in the province of Ontario?

Mr. Phil Pothen: It is a really important question, and while the exact amount will vary based on the systems, the Ontario Public Transit Association, who deputed earlier today, reported a \$510-million annual operating shortfall across transit systems in Ontario in 2024 alone. So just to keep things stable, you'd have to fill that shortfall.

If we're talking about actually achieving things like the fare integration that you want, improved transit service and, in particular, levels of transit service that actually support lower-cost housing, which doesn't need to include parking, that's a big sticking point in terms of cost. You need frequent, reliable transit. In order to do that, we're talking about significantly more than the \$510 million.

The good news is that this government apparently has many billions of dollars, Mr. Chair, to spend on tunnels under the 401 and Highway 413 that could easily be re-allocated—

Mr. Sheref Sabawy: Point of order.

The Acting Chair (Mr. Aris Babikian): Point of order, MPP Sabawy.

Mr. Sheref Sabawy: This is outside the subject.

The Acting Chair (Mr. Aris Babikian): Please focus your answers on the current bill, Bill 98.

Mr. Phil Pothen: My apologies, Mr. Chair. I was asked a question about how much it would cost to accomplish the same things that this government is trying to do by centralizing power over fares.

Centralizing power over fares doesn't actually deliver the fare synchronization or a uniform fare. If the province just dictates that a particular fare has to be lowered or another fare increased, it's just robbing Peter to pay Paul. All of that has to come with funding that isn't included in this bill.

1740

This bill is just, "Give me the power to do whatever I like to transit fares. I'm telling you that I want to do it to achieve fare integration," but there's nothing in the bill that specifies that that's the only reason you can do this. There's nothing in this bill that says you can't get rid of those fare exemptions, for example, for children. It's just a blank cheque that we're being asked to hand the government on the pretext of this ideal business case that it's about fare integration. The bill doesn't actually limit you to doing that; it just gives you control over fares.

Mr. Tom Rakocevic: Mr. Pothen, what we see here is a bill from a government that says, “Just trust us. We’re going to leave everything to regulations. We’ll figure it out at that time.”

Can you tell us what getting fare integration wrong could do to local transit, could do to specialized transit like Wheel-Trans, what it could do to smaller, less-used routes, if transit operators, transit commissions, now have to pay for integration without the proper sustainable support from the province? What could that mean for transit, for transit riders?

Mr. Phil Pothen: We’re actually very concerned that schedule 9 would just let the minister siphon revenue away from municipal transit systems that have rejected sprawl and built density in order to make decent transit service cost effective and keep fares reasonable, and then use that to provide high levels of bus service throughout their existing area.

And the great example of that is Toronto. It’s got higher densities, and it reaps the benefits of those higher densities, whereas other suburban municipalities have insisted on maintaining these low suburban densities, and therefore they’re just not as viable to build.

So what we don’t want to see is, for the sake of fare harmonization to benefit communities that aren’t accepting density, that the communities that do accept density are going to be hurt. We need to maximize return on the density that’s done. We need to—

The Acting Chair (Mr. Aris Babikian): Thank you very much. The time is up. That concludes our first round.

We will move to the second round, and we will start with the third party. MPP Shamji.

Mr. Adil Shamji: Perhaps for this round of questions, I might actually start with you, Mr. Irwin.

Providing all forms of housing, including rental housing, in particular, is very important to meet the needs of an increasingly diverse population. We are seeing more rental units being offered. I sense, to some degree, it’s a bit accidental, as we’re seeing some developers realize that maybe it makes more sense to convert projects that they hope to sell into rental units. That’s fine. It still works for an important segment of the population.

At the same time, I suspect that—I believe; I heard you—that there are provisions here that will allow for more rental housing to be built. At the same time, one of the things I’ve been really surprised to learn is that we’re seeing a record-high rental vacancy rate right now.

How do we address these two things simultaneously? We want to build more rental housing, and we do, but we also can’t get people into that.

Mr. Tony Irwin: It’s a great question, and it’s nice to see you.

Mr. Adil Shamji: It’s great to see you.

Mr. Tony Irwin: Thank you for the question. It’s something I get asked a lot. People say to me vacancy rates are up—the highest we’ve seen since the pandemic. We have seen this high and higher before, but you’re right: It

is a change from just a year or two ago. Vacancy rates are up, rents are down—like, problem solved; we don’t need to do anything more.

And I think what’s important here is, we do need to understand the moment in time that we’re in. We need to know, understand, what’s happening in our current market. I think it’s instructive to understand what has happened, why, how we’ve gone from where we were a couple of years ago to where we are today. That’s important, and we should be doing that.

We also should be thinking about where we want to be as a province. And I think while we can analyze and observe some of the fundamentals right now that have shifted the supply-demand equilibrium when it comes to rental, unless we think that’s the way it’s always going to be for all of time, freeze where we are exactly right now—and I don’t mean that to be glib—but I don’t think that’s what’s going to happen. It is important to think about, as some of these variables change, where we want to be. So supporting policies and creating environments that support building more purposeful rental, I think, is important. Yes, there’s a lot of inventory available right now; I don’t think that will always be the case. If we just sort of put our hands up and say, “We’re all good here,” then we could find ourselves back where we were three or four years ago, which I don’t think we want. I think we all remember what was happening there, when there were far too many people searching for far too few homes. We don’t want to return to that.

So we always have to be thinking about two things at once: what’s happening today and what needs to happen in the immediate term, and then what we need to be thinking about and doing for the more medium and longer term.

Mr. Adil Shamji: Thank you for helping me understand that.

Both to OPPI and Environmental Defence—being fair, one can understand that if you’ve got a patchwork of different policies all across the province, that creates confusion. It can create duplication, of course. So one could argue there certainly is a role for standardizing things like environmental standards.

From what you’re seeing right now, and in your experience, are existing provincial standards adequate—if so, great, I would love to hear that; if not, is there somewhere that gets it right, somewhere that we can borrow those standards and perhaps even insert directly into this legislation so that we have, admittedly, a single, unified way of moving forward and reducing red tape, but also protecting our environment adequately at the same time?

OPPI, I’ll invite you to go first.

Ms. Andria Leigh: What I would say is, I align that, very similarly, to the standardization of the official plan policies and other regulations that we’re looking at is—while there will be standardization, within that, there is still flexibility being provided. So having one set of environmental standards without some flexibility for muni-

cipalities to implement when you're outside of the GTA, outside of some of those urbanized areas, there would still need to be not one standard but some flexibility within that.

In terms of specific examples of best practices, unfortunately, that's not something that I have the expertise that I could share on.

Mr. Adil Shamji: Phil?

Mr. Phil Pothen: I would say, if our issue is that there are inconsistent standards in different municipalities, that inconsistency itself is what's creating the inefficiency, because the same builders, for example, can't operate in different jurisdictions. That is just as easily fixed by standardizing upwards to the same standard, for example, as the current Toronto Green Standard, and just making that, if not the standard province-wide, at least the standard for the region.

The Acting Chair (Mr. Aris Babikian): One minute.

Mr. Phil Pothen: Other things that we could do to standardize, for example, would be to make heat pumps a default demand for a new development, to remove the requirement to provide hookups to fossil gas.

These are all simple things that we could do to standardize upward. And if it's seriously about eliminating inconsistency, then that should fit the bill just as well.

Mr. Adil Shamji: In the absence of that, is the current provincial standard—what kind of a grade would we give the current provincial standard?

Mr. Phil Pothen: I would say it's a D because, in many cases, the provincial standard—in particular, the building code—makes things worse. Most significantly, the building code does not allow for a single egress up to six storeys, as it ought. The building code places artificial restrictions on mass timber—

The Acting Chair (Mr. Aris Babikian): Thank you very much. The time is up.

Before I move to the government side, I want to make a note, as a reminder for everyone who's watching us. If they would like to make a written submission, the deadline for written submissions is today at 6 p.m.

We'll move to the government side. MPP Anand.

Mr. Deepak Anand: Just a point of order: Can we know how many people are watching?

The Acting Chair (Mr. Aris Babikian): That's not a question. That's not an issue.

Government side: MPP Saunderson.

1750

Mr. Brian Saunderson: To all those that are watching at home, thank you for staying in. It's been a long day.

To the current panel, thank you. We saved the best for last, so I appreciate your time and energy on this important legislation.

I'm going to start with you, Tony, because rental housing has been a big focus and an important part of augmenting our housing stock in Ontario. While we've seen housing starts grind to a halt for a number of factors, particularly the uncertainty in there, we've seen, as you

indicated in your commentary, an increase, particularly going back to our initial reduction of 25% in DCs for purpose-built rentals. I think we bumped it to about 19,000, and then last year it was an all-time record, I think you said. This year we're on schedule to exceed that. We're hoping that this legislation will help to continue that, to stabilize it, so we get that flow on an ongoing basis, as you said. I think you said it's the highest going back to the 1970s.

But I'm wondering if you can just give me your thoughts then on the impacts. I've talked about the 25% reduction in DCs, but what are the other factors, do you think, that has led to that increase in and focus on purpose-built rentals?

Mr. Tony Irwin: It's a great question; thank you very much for it. Through the Chair: I describe our sector as the one that, if you are on a playground picking teams, rental guys are at the back of the group saying, "Pick me, pick me." We're not usually the group that people are focused on. That's just the way it has been.

We know what happened when you look to—we have charts that show it's references as the 1970s and 1980s when purpose-built rental construction was really happening in this province. There were a number of reasons for that: favourable tax programs and other things that supported building rental. You then see it went off a cliff, and you think, "Why was that?" That's for another panel at another time. But we then saw the condominium built form sort of take over, and it became the de facto rental market for several decades since.

But we're a resilient industry; you can't get rid of us that easily. We figured out a way to still be here. We have businesses that have been building for decades. They have figured out a way, even through that adversity, to still build.

But the government has done things that have certainly provided supports. Whether it has been the 2018 exemption from rent control for new construction, whether it has been the HST exemption, whether it's DCs—it does come down to two variables, as you know, sir: time and cost. And Bill 98 continues to do things that will make it speed up the time, cutting red tape, finding efficiencies that will ultimately get shovels in the ground, and rental is here and yes, we are still going forward and building.

The concern is that the pipeline—we're talking about data and stats from the last couple of years. These are, of course, projects that take many years to get to this point. The concern we should all have is what's going to come over the next couple of years? It's not going to be as rosy unless we continue doing things like moving forward with Bill 98 and other positive changes from the federal government and otherwise that will continue to support getting those shovels in the ground. We need the pipeline to continue to be strong. I think that if we don't keep moving forward supporting legislation like Bill 98 and otherwise, then we could be in a bad place in a couple of years.

Mr. Brian Saunderson: Okay, and you were talking—it's kind of counterintuitive. As we increase the stock, and

we know the demand's there, but we're seeing an increase in the vacancy rate as well. There are a couple of questions that flow from that for me.

The last president of the CMHC, Evan Siddall, talked about, in North America, maybe we're changing from an ownership model to a long-term rental model, like parts of Europe. Can you weigh in on that discussion, and then the market rates for rentals as we move forward? Is it going to stabilize? What do you see happening in that sector?

Mr. Tony Irwin: In a lot of Canada, there's still a stigma to renting. I talk about it often. I used to use the line—I think the mayor of Ottawa is using it now, and that's okay—"Say yes to housing and, specifically, say yes to purpose-built rental housing." We need to say yes. That stigma still exists in a lot of parts of Canada around renting.

I am supportive of all housing types, but in my role here, it's about purpose-built rental. It's a very important housing type and one where we know there are still a lot of misconceptions about what it is and what I'd say it's not. We really need to continue to push back against that and say that we want housing types that fit everyone's needs and budgets. Purpose-built rental is an important part of that.

What do I see happening? We're going to keep building. Affordability is an issue for many people, for all kinds of reasons, and we want to see affordability improved. We are seeing rents come down. I think that's a good thing. We'll see where things go over the next little while, but I think renting is going to continue to be important.

The Acting Chair (Mr. Aris Babikian): One minute.

Mr. Tony Irwin: To your point a few moments ago, when we look at why demand is down right now, we continue to need to welcome newcomers to Canada who have skills we need and can help grow our economy. When we do that, we're going to need to have the housing and all the other supports available so that they can succeed. That's why it's so important.

Mr. Brian Saunderson: Thank you for that.

I'm going to turn to Susan and Andria. Thank you for all your help and your input as we put this legislation together.

The OPPI has an incredible window and expertise into the planning sector, and so your input has been very helpful in crafting this legislation. So we're very happy that you're supportive of it.

Sue, thank you for all your work, not just for the last six years at OPPI, but also your professional career for 30 years. You have done a lot to move the needle across the province, so I appreciate that.

I don't have a lot of time, but I guess what I would comment is that it was an education for me, even though I was in the municipal sector for a while as a councillor, to understand that the official plan is a framework. And then you bolt on all the—

The Acting Chair (Mr. Aris Babikian): Thank you very much. The time is up.

We move to the official opposition. MPP Burch.

Mr. Jeff Burch: Thank you all for your presentations. And Susan: happy retirement. I'll get on the bandwagon. Thanks for your years of service.

My questions are going to be for Mr. Pothen. Phil, I always appreciate your candour and well-researched information. When you finished your presentation—I don't think you quite got to finish; you were about to talk about water and waste water. I think you were making the point about funding things appropriately to begin with, rather than creating a crisis.

With respect to transit fares, we all want, as my colleague said, seamless, one fare transit. The union president that was here earlier was talking about how you can do that through funding it appropriately and working with local municipalities. You were making that point, and you went on to talk about water and waste water. One of the things that the minister said this morning—he kind of opened the door to what the whole finding funding for water and waste water looks like. He started talking about pension funds, investing and all this kind of stuff.

Aside from the private-public argument, what I'm hearing from CAOs and other people I've talked to is that it will, in most cases, lead to an increase in water and waste water rates. Because why would you get investment from people that expect a return? Why wouldn't you just do that yourself? Obviously, then, the government can blame whoever's running it for the increase in rates, right? So none of it makes a lot of sense, but you were about to explain how funding that infrastructure properly is really the answer, and I just wondered if you wanted to comment.

Mr. Phil Pothen: Yes. I think shifting to a waste water public corporation is effectively an accounting trick. It's not a way of actually lowering the infrastructure cost to the end-user. What you would have been paying through tax is just going to be paid as a fee instead, at best, even without factoring in the profit. The reason municipalities like it, in my view, is simply that they won't have to take responsibility for the cost anymore. It won't appear as a municipal tax increase; it will just appear as a bill increase.

What we have been saying is that rather than bearing these bigger costs, we should be spreading the majority of our new homes across existing low-rise residential neighbourhoods, where they can take advantage of existing water and sewer capacity, freed up by reducing household sizes and greater water efficiency that's already happened—

The Acting Chair (Mr. Aris Babikian): One minute left.

Mr. Phil Pothen: —and then focusing the investment that we do make on addressing specific bottlenecks in existing neighbourhoods, rather than just building whole subdivisions from scratch. That way, we reduce the per-bedroom, per-unit infrastructure cost, rather than just shifting it to a different piece of accounting.

Mr. Jeff Burch: And so, at the end of the day, it's going to be the user that ends up paying. Because somebody has got to pay. This is kind of like a shell game, right—the government saying, "We're just going to shift responsibility," but if they need more infrastructure,

someone has got to pay for that infrastructure. So who is it going to be? If it's not going to be the provincial government, if it's not going to be the municipality investing in their own infrastructure, then the only ones left are the ratepayers. Is that—

Mr. Phil Pothen: That's fair. Moreover, we've severed the connection between these decisions about infrastructure and the decisions about where to plan new housing—

The Acting Chair (Mr. Aris Babikian): Thank you very much. That's it. That's the time allowed for this hearing. It's 6 o'clock and we have to have a sharp stop timeline.

Thank you very much to all three of you for coming and sharing your expertise and valuable input with us.

As a reminder for members who wish to file amendments to Bill 98, the deadline to file amendments with the Clerk is 7 p.m. today, May 4, 2026.

There being no further business, this committee is adjourned until 9 a.m. on Thursday, May 7, 2026, when the committee will meet to conduct clause-by-clause consideration of Bill 98.

Thank you very much, all of you. Have a nice evening.
The committee adjourned at 1800.

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Also taking part / Autres participants et participantes

Ms. Mary-Margaret McMahon (Beaches–East York L)

Clerk / Greffière

Ms. Tanzima Khan

Staff / Personnel

Ms. Sude Bahar Beltan, research officer,
Research Services

Mr. Nick Ruderman, research officer,
Research Services