

## Mayors and Regional Chairs of Ontario Pre-Budget Submission 2024

On behalf of the Mayors and Regional Chairs of Ontario (MARCO), we welcome the opportunity to participate in Ontario's 2024 Pre-Budget consultation. MARCO brings Ontario regional chairs and large, single-tier city mayors together to discuss common issues of concern. Collectively we represent more than 9.7 million residents of Ontario.

### 1. Produce Sustainable Communities by Strengthening Provincial-Municipal Collaboration

MARCO's municipalities are at our best when we work collaboratively with the province of Ontario to support sustainable, affordable and healthy communities where our residents can thrive.

→ ***MARCO urges the province to pursue collaborative/mutual problem-solving approaches to our shared problems.***

### 2. Develop Comprehensive Policy Solutions to Accomplish Shared Housing Goals

MARCO agrees with Ontario's ambitious and necessary goal to build 1.5 million new homes over the next 10 years.

→ ***MARCO urges the province to adopt policies that build complete communities, invest in sustainable and efficient infrastructure funding and support a quick and efficient development approval system. MARCO urges all levels of Government to financially support the delivery of affordable housing types.***

### 3. Fund Essential Infrastructure to Support Housing Development

MARCO municipalities remain concerned that Ontario Bill 23 will have significant unintended consequences for Ontario's municipalities and taxpayers that will not support the province's goals to get more housing built. According to recent municipal reports, as a result of Bill 23, municipal taxpayers would require property tax increases of between 2.3% and 15% to build the infrastructure in existing capital plans, while water and wastewater user rates would increase between 4.9% and a high of 14.3%. Additionally, parkland dedication is expected to be reduced by up to 50% which would have a long-term negative impact on local citizens and climate change mitigation.

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According to a recent report by AMO, municipalities are planning for capital expenditures of between \$250 billion and \$290 billion over the next 10 years. Between \$90 and \$125 million of this is growth-related infrastructure spending.

The funding committed through the Building Faster Fund and the Housing Enabling Water Systems Fund are not sufficient investments to support the infrastructure required to build 1.5 million homes.

We are encouraged by Minister Calandra's recent commitments to address the impacts of Bill 23 and municipalities' ability to fund growth-related infrastructure.

→ ***MARCO urges the province fulfill its commitment to keep municipalities whole by:***

- Reversing changes to growth funding tools passed in Ontario's Bill 23 and ensure that municipalities are properly funded to build needed infrastructure to enable more housing;
- Adding better housing-specific inflation factors to development charges to reflect actual municipal costs to construct new municipal infrastructure;
- Increasing the Building Faster Fund for municipalities who are building more housing to incent the development of more affordable housing across the province;
- Increasing the Housing Enabling Water Systems Fund for municipalities who are building more housing to support necessary water and wastewater infrastructure.

#### **4. Improve Infrastructure Delivery by Streamlining Provincial Regulations**

**MARCO municipalities and our partners are working to remove barriers to streamline housing approvals in our local communities.**

→ ***MARCO urges the province to improve its own processes to further accelerate our collective capacity to approve more housing.***

- Modernize the Environmental Assessment review and approvals process and address the expiration of EAs;
- Ensure Provincial Policy gives priority to growth in areas with existing infrastructure, or where servicing capacity is already approved for the next 10 years.

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### 5. Close the Municipal Funding Gap to Create Stable, Reliable Services That Build Trust and Confidence

As the province is aware, municipalities are facing increased operating and capital funding challenges which property taxes alone are unable to support. Municipalities need the province and federal governments to work together to close the funding gap for our shared priorities such as transit, public safety, health care, affordable housing and homelessness needs, as well as climate adaptation and mitigation.

→ **MARCO urges the province to find new solutions (such as via AMO's proposed Social and Economic Prosperity Review) to collectively address the local challenges faced by municipalities and municipal taxpayers.**

- **Public Safety and Mental Health:** Tie municipal funding for emergency services to reflect growing municipal service delivery costs and population growth. Increase funding for local services to address mental health and addictions challenges including substance abuse and the opioid crisis.
- **Public Transit Funding:** Increase federal-provincial funding for transit operating funds and expansion to improve transportation networks and achieve climate change goals.
- **Affordable Housing:** Increase federal-provincial funding to support the development of true affordable housing so that newcomers and young professionals can find a safe, affordable place to live that helps them maximize their contribution to our communities.
- **Shelter allowance:** Increase allocation to the provincial Homelessness Prevention Program and create a need-based shelter fund to connect people in need with urgent services and help everyone feel safer in their community.
- **Climate change adaptation:** Dedicated fund to mitigate against climate change and achieve our reduction and adaption goals by producing societal goods that help local taxpayers, now and in the future.
- **Hospital capital:** Create a new hospital capital fund to address urgent hospital capital needs to respond to population growth and meet the needs of our aging population.

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MARCO municipalities encourage the province to work in collaboration with municipalities to create more policies and programming to support sustainable growth for generations to come. Ontarians need cooperation from all levels of government to address the urgent needs in our communities such as infrastructure building, affordable housing, public health, safety and climate change. By working together, we can achieve our shared objectives to build healthy and strong communities for Ontarians.

### MARCO Membership:

- Municipality of Chatham-Kent
- Regional Municipality of Durham
- Regional Municipality of Halton
- City of Hamilton
- City of Kingston
- City of London
- District Municipality of Muskoka
- Regional Municipality of Niagara
- City of Ottawa
- Regional Municipality of Peel
- City of Greater Sudbury
- City of Thunder Bay
- City of Toronto
- Regional Municipality of Waterloo
- City of Windsor
- Regional Municipality of York