

Report To: Council

From: Jill Hogan, Commissioner, Development Services

Date: March 6, 2023

Report No: DS-016-23

Subject: Milton's Housing Pledge: 21,000 units by 2031

Recommendation: THAT the Municipal Housing Pledge attached as Appendix "C" be

endorsed;

AND THAT the Mayor be authorized to submit the final Municipal Housing Pledge to the Minister of Municipal Affairs and Housing;

AND THAT the Mayor, on behalf of Council, write to the Minister of Municipal Affairs and Housing to request that the Province of Ontario create a municipal compensation fund as a result of the impacts of Bill 23 on municipal growth funding revenues and

expenditures;

AND THAT the Provincial Ministers of Health, Education, Transportation and Infrastructure and Metrolinx receive a copy of this report with a request to review and plan for future Milton District Hospital, school and transportation expansions;

AND FURTHER THAT the Town Clerk be directed to forward a copy of this report and the associated Council Resolution to the Region of Halton, City of Burlington, Town of Oakville and the Town

of Halton Hills.

EXECUTIVE SUMMARY

- The Province introduced Bill 23, *More Homes built Faster Act, 2022,* to encourage residential growth in municipalities. It is intended to assist with the housing crisis.
- The overall goal of 1.5 million homes by 2031 is to be achieved by assigning a Municipal Housing Target to fast-growing municipalities like the Town of Milton.
- The Honourable Steve Clark, Minister of Municipal Affairs and Housing, advised the Town Clerk on October 25, 2022 that the Town of Milton's Municipal Housing Target is 21,000 new homes before 2031. This letter is attached as Appendix "A" to this report.



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EXECUTIVE SUMMARY

 The purpose of this report is to have Council endorse the Municipal Housing Pledge and the Town's commitment to facilitate the delivery of a continuous supply of housing through deliberate and purposeful planning.

REPORT

Background

In May, 2019 the Province released *More Homes, More Choice, Ontario's Housing Supply Action Plan,* which identified that Ontario was in the midst of a housing crisis and included strategies to increase supply.

Objectives of the Action Plan were to:

- "Cut red tape to make it easier to build the right types of housing in the right places,
- Make housing more affordable, and
- Help taxpayers keep more of their hard-earned dollars".

To achieve these objectives, legislative changes were introduced, particularly to the *Planning Act* and *Development Charges Act*. On October 25, 2022, the Province introduced Bill 23, the *More Homes Built Faster Act*, which includes substantive changes to legislation, with the primary goal to increase the supply of new homes through reducing process and financial barriers for the development industry. Also, on October 25, 2022, The Minister of Municipal Affairs and Housing sent a letter to the Town of Milton assigning a housing target of 21,000 units by 2031. The letter also included a request that the Town develop a Housing Pledge that includes the necessary strategies and actions to facilitate the construction of the targeted housing units.

Bill 23 received Royal Assent on November 28, 2022. A summary of the legislative changes is attached as Appendix "B". In addition, a Council Workshop was held on February 27, 2023, where staff summarized and discussed these changes with Council.

This report recommends that Council endorse the draft Milton Municipal Housing Pledge contained in Appendix "C".

Discussion

The Town of Milton has embraced development and continues to be one of the fastest growing communities in Canada. Through the Province's *A Place to Grow - Growth Plan for the Greater Golden Horseshoe*, Milton is expected to have a population of 350,000 by the year 2051.

This growth will happen. For that reason, Council has directed Town staff to ensure planning is deliberate and purposeful. Planning involves making sure that development happens in the right places and takes into account environmental factors and the Town's



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finances. Milton Council continues to demonstrate its commitment to intensify and densify our community and to allocating growth - residential, commercial, mixed-use and industrial to ensure the development of complete communities. Milton's growth strategy focusses on:

- Preserving prime agricultural land and natural heritage areas;
- Making sure our future and planned neighbourhoods include compact community designs, with a variety of housing options;
- Creating walkable neighbourhoods with public transit hubs that are pedestrian and cyclist-friendly; and
- Meeting market demand for traditional and mixed-use employment land in the right places.

Community building is complex. To realize our growth strategy, collaboration between all stakeholders is essential. The housing targets assigned to Milton are achievable. The Town's land base currently designated for urban uses is certainly capable of accommodating 21,000 units. The target is less than the Town's forecasts set out in the most recent Development Charges Background Study (2021). However, the availability of infrastructure and the progress of approved units to construction (dependent on developers and market conditions) are key to achieving these targets.

As a lower-tier municipality, the Town relies on Halton Region to deliver the necessary servicing infrastructure (water and sewer) to facilitate growth. Bringing forward new housing in a greenfield or intensification areas is a multifaceted process. The delivery of Regional infrastructure is critical to enable Milton's pledge. Town staff is working closely with Halton Region staff to facilitate a pipeline for growth in the post-Bill 23 environment where Regional infrastructure supports municipal visions for growth.

The Province has indicated there will be a connection between Municipal Housing Pledges and funding opportunities for growth related costs. While details are yet to be provided, a measured and comprehensive housing pledge will well-position Milton to seek any available funding. To this end, this report recommends that a formal request be made to the Province to create a municipal compensation fund.

The Town does not build homes. It is the role of the Town to undertake long-term planning work, facilitate the approvals process and building permitting process. Milton's Municipal Housing Pledge focusses on initiatives that are within the Town's control, highlights those which are not, and those which we can work collaboratively with other levels of government and our community building partners.



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Appendix "C" contains Milton's proposed Housing Pledge and the Town's commitment to accelerating housing supply.

Financial Impact

Consideration of the financial implications of development is essential in the management of growth to ensure Milton's long-term financial sustainability. The rate and pace of growth has a significant financial impact to the Town, as demonstrated through prior financial studies, the pressures identified in the annual budget process and the Town's existing infrastructure deficit.

The most recent comprehensive fiscal impact study presented to Council through CORS-056-21 assumed the expansion of existing service levels to new growth areas and was prepared based on information available in the early stages of the planning process for the Sustainable Halton Lands. The operating and capital costs were projected to translate into average annual tax rate increase of 4.3% to 2041, including 5.5% on average during the first 10 years due to the initial pressure of gradually reducing the Town's existing infrastructure deficit and investing in approved master plans for the fire and transit services.

Bill 23 was subsequently approved by the Province and has the potential to significantly increase the projected financial pressure on the Town and residents that results from future growth. Further information is required in order to properly assess those potential financial pressures, however the potential revenue losses related to both development charges and parkland acquisition will require some form of mitigation such as alternate revenue sources or service level changes. Town staff will continue to monitor the Province's and municipal sector's implementation of Bill 23 and will report back to Council with respect to impacts and mitigation opportunities.

Respectfully submitted,

Jill Hogan Commissioner, Development Services

For questions, please contact: Jill Hogan Phone: Ext. 2304



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Attachments

Appendix A: Ministry Housing Letter for Milton's Housing Pledge

Appendix B: Summary Of Bill 23 Legislative Changes

Appendix C: Milton's Housing Pledge

Approved by CAO Andrew M. Siltala Chief Administrative Officer

Recognition of Traditional Lands

The Town of Milton resides on the Treaty Lands and Territory of the Mississaugas of the Credit First Nation. We also recognize the traditional territory of the Huron-Wendat and Haudenosaunee people. The Town of Milton shares this land and the responsibility for the water, food and resources. We stand as allies with the First Nations as stewards of these lands.