

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:	<b>THAT</b> the Municipal Housing Pledge attached as Appendix "C" be endorsed;		
	<b>AND THAT</b> 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;		
	<b>AND THAT</b> 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;		
	<b>AND FURTHER THAT</b> 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.

# **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



# Discussion

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.



# Discussion

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



# The Corporation of the Town of Milton

# 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.

Ministry of Municipal Affairs and Housing

Office of the Minister

777 Bay Street, 17<sup>th</sup> Floor Toronto ON M7A 2J3 Tel.: 416 585-7000

#### Ministère des Affaires municipales et du Logement

Bureau du ministre

777, rue Bay, 17<sup>e</sup> étage Toronto ON M7A 2J3 Tél. : 416 585-7000

234-2022-4625

October 25, 2022

Town Clerk (Acting) Town of Milton 150 Mary Street Milton Ontario L9T 6Z5

# Subject: Municipal Housing Targets and Municipal Housing Pledges Town of Milton: 21,000

Dear Meaghen Reid,

Our government is taking bold and transformative action to get 1.5 million homes built over the next 10 years.

To help fulfill this commitment, we have announced and are implementing More Homes Built Faster: Ontario's Housing Supply Action Plan 2022-23. This plan includes a suite of legislative and non-legislative changes across government that will help unlock more housing, streamline development approvals, remove barriers, accelerate planning, and further protect homebuyers and owners.

To support the new action plan, we have introduced the **More Homes Built Faster Act**, **2022**, which, if passed, would ensure that cities, towns, and rural communities grow with a mix of ownership and rental housing types that meet the needs of all Ontarians.

To achieve the goal of building 1.5 million homes, large and fast-growing municipalities, including yours, are being assigned a **Municipal Housing Target**. While municipalities have taken significant steps in increasing their housing supply, Ontario needs an unprecedented amount of housing to meet current demand and that of generations to come. Our government requires a commitment from our municipal partners to do their part in providing housing for future population growth.

To implement the 1.5 million homes target I am asking the Town of Milton to demonstrate its commitment to accelerating housing supply by developing a **Municipal Housing Pledge** and take the necessary steps to facilitate the construction of 21,000 new homes in your community by 2031. I ask that you bring this letter to the attention of your Head of Council so that your municipality is positioned to deliver its pledge to me, the Minister of Municipal Affairs and Housing, by the March 1, 2023, deadline. See the info sheet attached to this letter for information and considerations in developing a Municipal Housing Pledge.

Pledges will provide important information that showcase the strategies and actions that municipalities choose to adopt in order to prioritize and accelerate housing. Our government intends to use your pledges to monitor and track progress so we can continue to play a role in supporting municipalities and removing barriers to housing development.

Our government recognizes the key role that municipalities will play in implementing Municipal Housing Targets through their Municipal Housing Pledges and know that you share the desire to bring more housing to the people of Ontario. We are committed to addressing the policy and implementation barriers you may encounter as you develop your pledges and I encourage you to reach out to Wendy Ren, Executive Lead, Municipal Policy/Program Collaboration, at <u>Wendy.Ren@ontario.ca</u> or 437-995-7094, if you have any questions, comments, or suggestions.

I look forward to working together to increase housing supply for all Ontarians.

Sincerely,

Steve Clark

Steve Clark Minister

Encl.

c: The Honourable Michael Parsa, Associate Minister of Housing Kate Manson-Smith, Deputy Minister Ryan Amato, Chief of Staff, Minister's Office Joshua Paul, Assistant Deputy Minister, Housing Division

# Info Sheet: Considerations in Developing Municipal Housing Pledge

The pledge is not intended to be a land-use planning document, and its development should not require external technical expertise. The format and language used in the pledge should be accessible to the general public. The pledge is intended to be approved by municipal councils and should help codify Council's commitment to meeting their municipal housing target.

Municipalities can leverage new and existing policy tools as they develop housing pledges and work towards their housing targets.

Below is a non-exhaustive list of potential strategies and actions that municipalities may include in developing their housing pledges. There may be additional opportunities based on local circumstances and the Province is interested in hearing about those ideas and creative solutions.

- Strategies to encourage and promote gentle intensification to enable and expedite additional residential units in existing residential areas
- Outline ways in which funding under provincial programs, such as the Streamline Development Approval Fund (SDAF) or Municipal Modernization Program (MMP), has been used to streamline existing municipal development approval processes
- Information on municipal development approval timelines and whether municipalities are being appealed for non-decisions
- Identify potential measures where current lack of infrastructure capacity (e.g., water/wastewater servicing) may limit future housing development
- Strategies to use municipal surplus lands
- Commitment to plan for, fund, and approve (where applicable) specific critical municipal infrastructure to support growth and new housing (e.g., water, wastewater, transit etc.), which may include expanded capacity as well as fully new facilities/assets
- Priorities for strategic and site-specific planning decisions to expedite housing in priority areas (e.g., around transit stations and in transit-serviced areas)
- Update zoning by-laws to permit a greater range of housing to be built without the need for costly and lengthy rezoning applications
- Municipalities may also consider existing tools such as the Community Infrastructure and Housing Accelerator, <u>Community Planning Permit System</u>, Major Transit Station Areas, and Protected Major Transit Station Areas.

Below are some of the potential components of a municipal housing pledge. Municipalities are free to choose, alter, or add any new components that seem reasonable. Pledges can be represented in the form of plain text, tables, charts, maps, or a combination of them.

• Municipal Housing Target

- Planned and proposed Municipal Initiatives
- Initiative Owner and Additional Stakeholders
- Context and Description of How Initiative Accelerates Housing
- Number of units per initiative and housing type
- Considerations (Barriers, Implementation, Risks, etc.)
- Potential Mitigation Strategies and Proposal to Accelerate Housing
- Potential Reporting and Monitoring Measures

The deadline for municipalities to submit housing pledges to the Minister of Municipal Affairs and Housing is <u>March 1, 2023</u>.

Municipal housing pledges are intended to be public documents and it's anticipated that municipalities will post them online.

Municipalities can contact Ministry staff with any questions and for clarification.

# Bill 23: Nature and Timing of Changes

	In Force Upon Royal Assent (November 28 <sup>th</sup> )	Partially in Force through Royal Assent	In Force Upon Proclamation (DATE TBD)
Development Charges		$\checkmark$	
Upper-Tier Planning Responsibilities			$\checkmark$
Conservation Authority Role		<b>√</b> ***	
Gentle Density (3 units/lot)	$\checkmark$		
MTSA Zoning within one year	$\checkmark$		
Site Plans for >10 units only	$\checkmark$		
No Public Meetings for Subdivisions	$\checkmark$		
Allow Third Party Appeals for OP's	$\checkmark$		
Parkland Dedication / CBC Changes	$\checkmark$		
Others (IZ, Attainable Housing Definition, OHA and OLT changes, etc.			$\checkmark$
Heritage Act	$\checkmark$		

\*\*\*Some changes related to CA role have come into force on January 1, 2023, while others are dependent on future Regulations.

# APPENDIX "C"

# Draft Municipal Housing Pledge

# MUNICIPAL HOUSING PLEDGE MILTON'S MUNICIPAL HOUSING PLEDGE IS 21,000 UNITS BY 2031

# The Town of Milton remains committed to embracing growth and development while managing new service and infrastructure demands and balancing taxpayer affordability.

#### TOWN OF MILTON LED INITIATIVES TO IMPLEMENT THE MUNICIPAL HOUSING PLEDGE:

- 1. Bristol Survey Secondary Plan Continue to facilitate development approvals <u>potential</u> <u>delivery of 1,024 units by 2031</u>
- 2. Sherwood Survey Secondary Plan Continue to facilitate development approvals potential delivery of 1,396 units by 2031
- 3. Boyne Survey Secondary Plan Continue to facilitate development approvals <u>potential</u> <u>delivery of 16,182 units by 2031</u>
- 4. **Trafalgar Secondary Plan** Resolve outstanding appeal of the Secondary Plan <u>potential</u> <u>delivery of 4,080 units by 2031</u>
- 5. Britannia Secondary Plan Council approval of Britannia Secondary Plan <u>potential</u> <u>delivery of 2,130 units by 2031</u>
- 6. **Agerton Secondary Plan** Council approval of Agerton Secondary Plan <u>potential delivery</u> of 1,637 units by 2031
- 7. **Milton Education Village** Continue to facilitate development approvals on lands subject to the Minister's Zoning Order <u>potential delivery of 1,856 units by 2031</u>
- 8. **Milton Mobility Hub** In 2022, Milton Council pre-zoned the mobility hub lands to facilitate high density, mixed-use development <u>potential delivery of 3,399 units by 2031</u>
- 9. Additional Residential Units An update of the Town's Additional Residential Unit (secondary suites, tiny homes, coach houses etc.) policies and regulations is underway to implement the Province's directive to facilitate housing creation and also provide homeowners with clear criteria for adding additional residential units that ensures Milton's community goals are met.
- 10. Streamlining Development Approvals Process Funding received through the Province's *Streamline Development Approval Fund* is facilitating the Town's modernization of our approach to managing and approving development applications. The first phase of our public facing on-line portal will be launched in 2023 and will provide residents, contractors and the development industry a single point of contact to complete and track building

permit applications. This e-permitting system will make approvals more efficient. Subsequent phases will be launched for planning applications and engineering permits.

11. **Reporting and Monitoring** - The Town will monitor the Housing Pledge implementation through transparent data derived through the development approvals process and will report as necessary to Council and the Province.

**Total potential unit yield by 2031 through Town of Milton led initiatives**: 31,704 units as forecasted in the 2021 Development Charges Background Study.

# TOWN OF MILTON DEPENDENCIES TO MEET THE HOUSING PLEDGE:

- 1. Quality of Place Milton will not sacrifice place-making to meet our Housing Pledge. We are committed to advanced land planning and community development concepts that includes quality of place. Land use planning must not only consider population growth and housing, but also include the ability to create quality of place, balanced with open spaces and infrastructure assets.
- 2. **Servicing Infrastructure -** Milton's growth is contingent on the timely delivery of services from Halton Region (water, wastewater, and sewers):
  - It is essential for Halton Region to initiate the necessary works to construct the Lower Base Line Pump Station. The Lower Base Line Pump Station is a critical path for infrastructure in Milton and North Halton and must be operational as soon as possible to avoid a servicing gap that would stagnate development.
  - ii. It is essential that Halton Region make accommodations for lands within the Trafalgar Secondary Plan to connect to the trunk sewer. Landowners have purchased a total of 2,526 units through Halton Region's 2020 Allocation Program. The required infrastructure to service these lands must be provided in a timely manner to avoid delays in the delivery of this substantial number of housing units.
  - iii. It is essential that the Britannia Road trunk sewer be extended to service allocated lands along 8<sup>th</sup> Line, in accordance with the allocation program.
  - iv. It is essential that any residual capacity at the Britannia Road Pump Station be made available. The Region should consider an expansion or upgrade of this facility as an interim servicing solution to facilitate the delivery of housing units in advance of the completion of the Lower Base Line Pump Station. Furthermore, it is critical that the redirecting of any existing flows from the Georgetown Wastewater Pollution Control Plant does not impede Milton's ability to deliver projected growth.
  - v. A Regional Services Review is required to address any servicing upgrades (water/wastewater) within Milton's "Built Boundary" to ensure the Town is able to achieve its infill housing goals.

- 3. **Partnerships -** Collaborative partnerships are needed to meet our Housing Pledge:
  - i. Federal and Provincial Partnerships The Town commits to working with government partners to realize additional housing opportunities. This can include funding partnerships, pilot projects or other initiatives, including supports for a hospital expansion, new schools and transportation expansions including all day two way GO Train service for Milton.
  - ii. **Development Industry Partnerships** Milton has a strong track record of positive collaboration with all community building partners and will continue this practice to assist with the timely delivery of new housing units.

## <u>OBSTACLES THAT MAY IMPACT ACHIEVING THE MUNICIPAL HOUSING PLEDGE</u> <u>BEYOND THE TOWN OF MILTON'S CONTROL:</u>

- 1. **Build Out of Approved Units** Progress of approved units to construction is dependent on the development industry and market conditions.
- 2. **The Timely Delivery of Infrastructure**: Housing-enabling infrastructure (roads, transit, community facilities) is dependent on the consistent stream of development charges to reduce capital budget and property tax pressures.
- 3. Lack of Funding: Building complete communities is a shared vision among all levels of government, and to do so, requires supportive funding that enables municipalities to achieve sustainable growth, fiscal management, and investment attraction.
- 4. **Economic Conditions:** Increasing interest rates and inflation impact the housing market and a developer's ability to deliver housing.

# The above obstacles could impact the Town's ability to achieve the Municipal Housing Pledge by 2031.

The Town of Milton pledges to the Minister of Municipal Affairs and Housing to facilitate the construction of 21,000 housing units by 2031. The initiatives outlined in this pledge demonstrate the Town's commitment to our growth strategy and working in partnership with our development community to assist with the Province's goal of building 1.5 million homes in Ontario over the next 10 years.

Signed by:

Mayor Gordon Krantz Town of Milton March xx, 2023