



Council Report

Report Number: **CAO2023-003**

Meeting Date: September 26, 2023

Title: **Municipal Housing Pledges & Targets, and Strong Mayor Powers**

Description: Information regarding Provincial housing supply strategies, and financial, legislative and process improvements to achieve 1.5 Million new housing units in the Province by 2031.

Author and Title: Ron Taylor, CAO

Recommendation(s):

That Report CAO2023-003, **Municipal Housing Pledges & Targets, and Strong Mayor Powers**, be received.

Department Head: _____

Financial/Legal/HR/Other: _____

Chief Administrative Officer: _____

Background:

The Province has set a goal of building 1.5 Million homes by 2031.

Targets have been established for various municipalities to contribute to this goal, and municipalities have been requested to confirm a commitment to reaching these targets. Municipalities committing to these targets are requested to establish housing pledges, outlining strategies and resources to achieve the targets.

28 large municipalities (single or lower tier municipalities with a population exceeding or reaching 100,000 by 2031) have collectively pledged to build 1,217,000 units by 2031, representing more than 80% of the Provincial goal. A listing of these municipalities is provided in Appendix B.

In June 2023, the Province reached out to an additional 21 municipalities (single or lower tier municipalities with a population exceeding or reaching 50,000 by 2031). A listing of these municipalities is provided in Appendix C, and includes the City of Kawartha Lakes.

These municipalities were requested to establish a local housing target to 2031, and establish an associated housing pledge to achieve this target. A copy of the letter making this request is provided in Appendix A. The requested deadline to establish a target and pledge was December 15, 2023.

Subsequent to this request, the Province established a target of 6500 housing units for the City of Kawartha Lakes. A copy of the letter with this update is provided in Appendix D. The Minister requested that the Head of Council confirm by October 15, 2023 that the City is committed to this target. Following this commitment, the requested housing pledge would remain required by December 15, 2023.

By committing to these targets, the Province has committed to providing municipalities with Strong Mayor powers, and eligibility for funding support through a recently launched Building Faster Fund.

On September 15, 2023, the Minister wrote to Heads of Council, highlighting the Province's Affordability Task Force recommendations, and surveying municipal support or opposition to the recommendations, and prioritizing the top 5 recommendations supported locally.

The request establishes a deadline for response of October 16, 2023. A response is required from the Head of Council to maintain eligibility for the \$1.2 Billion Building

Faster Fund. A copy of the letter making this request is provided in Appendix E-1. A chart outlining the Affordability Task Force recommendations is provided in Appendix E-2.

Rationale:

Municipal Housing Pledges

A Municipal Housing Pledge would set out a Municipal Housing Target to 2031, and the strategies and actions that municipalities will take to accelerate housing development. Municipal Housing Pledges will identify the tools and strategies that municipalities intend to use to achieve their housing targets. Pledges may include, but are not limited to, priorities for site-specific planning decisions to expedite housing in priority areas, plans to streamline the development approval process, commitments to plan, fund and build critical infrastructure to support housing, and strategies to use municipal surplus lands.

Should the Head of Council commit to the housing target of 6500 units, then staff will develop a recommended Housing Pledge for approval, and submission to the Province before December 15, 2023.

Strong Mayor Powers

Strong Mayor powers were extended to Toronto and Ottawa in the Fall of 2022, and subsequently to an additional 26 municipalities effective July 1, 2023.

The Province has committed to extending Strong Mayor powers to the 21 municipalities with newly assigned housing targets, provided that the Head of Council has committed in writing to meet the provincially-assigned target of 6500 homes.

As stated by the Province, Strong Mayor powers offer tools to help Heads of Council cut red tape and speed up the delivery of key shared municipal-provincial priorities such as housing, transit and infrastructure in their municipalities. These enhanced powers will also bring increased accountability for local leaders, while checks and balances maintain the important oversight role of councillors. For example, council may override the mayor's veto of by-laws or budget amendments with a two-thirds majority vote.

Strong mayor powers and duties include:

- Choosing to appoint the municipality's chief administrative officer
- Hiring certain municipal department heads, and establishing and re-organizing departments

- Creating committees of council, assigning their functions and appointing the chairs and vice-chairs of committees of council
- Proposing the municipal budget, which would be subject to council amendments and a separate Head of Council veto and council override process
- Vetoing certain by-laws if the Head of Council is of the opinion that all or part of the by-law could potentially interfere with a provincial priority
- Bringing forward matters for council consideration if the Head of Council is of the opinion that considering the matter could potentially advance a provincial priority.

The Strong Mayor by-law powers could only be used to support prescribed Provincial priorities, namely building 1.5 million new homes by December 31, 2031 to address the housing supply crisis, and the construction and maintenance of supporting infrastructure (transit, roads, utilities and servicing). Existing municipal accountability frameworks continue to apply to Heads of Council with Strong Mayor powers, including conflict of interest rules.

Staff is reviewing the legislation for details, as well as the effective date for municipalities committing to targets and pledges. Staff will also review changes to processes and procedures, if required, to implement.

Building Faster Fund

The Province announced a new three-year \$1.2 Billion program, entitled Building Faster Fund, to assist municipalities in meeting and exceeding targets. Staff will review details of this Fund when known, and provide updates to Council.

Other Alternatives Considered:

The 6500-unit housing target for Kawartha Lakes is generally in alignment with current growth forecasts to 2031.

Responses to the requests from the Minister are required from the Head of Council (Mayor). Should Council wish to provide a support resolution to commit to the housing target recommended for Kawartha Lakes, then the following additional resolution could be adopted:

That the City of Kawartha Lakes is committed to the housing target of 6500 housing units constructed by the end of 2031; and

That this resolution be provided to the Minister of Municipal Affairs and Housing.

Alignment to Strategic Priorities

Committing to needed housing supply locally to address demand and needs contributes to the City's four strategic priorities within the 2020-2023 Kawartha Lakes Strategic Plan, being:

1. Healthy Environment
2. An Exceptional Quality of Life
3. A Vibrant and Growing Economy
4. Good Government

The forecasted growth is anticipated, and is being assessed through our Growth Management Study and supporting Master Servicing and Transportation Plans.

Consultations:

Mayor Elmslie

Attachments:

Appendix A – Letter from Minister Clark, entitled **Municipal Housing Pledges and Targets**, dated June 16, 2023



App A

Appendix B – Table Listing Municipality and Housing Target



App B

Appendix C – Municipal Housing Pledges and Targets – List of Municipalities (June 16, 2023)



App C

Appendix D – Letter from Minister Clark (MMAH) – August 22, 2023 re Municipal Housing Pledges and Targets, Strong Mayor Powers and Building Faster Fund



App D

Appendix E-1 – Letter from Minister Calandra (MMAH) – September 15, 2023 re Responding to the Housing Affordability Task Force’s Recommendations



App E-1

Appendix E-2 – List of 74 Housing Affordability Task Force (HATF) Recommendations for Response



App E-2 - List of 74
Housing Affordabili

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