



The Honourable Paul Calandra
Minister of Municipal Affairs and Housing
Via electronic mail: Paul.Calandra@pc.ola.org

March 21, 2024

Dear Minister Calandra,

I write in follow-up to my letter on Monday, and our meeting on Tuesday, to reiterate the urgent need for Ontario to demonstrate how it intends to meet its commitments under our bilateral housing agreement to avoid a breach of the agreement.

Should Ontario fail to provide a revised plan demonstrating how it intends to meet its housing targets under the agreement, the Province will not receive \$353 million dollars intended for affordable housing from the federal government.

Now is not the time for half measures on housing policy. An additional 1.48 million units are needed in Ontario to restore a level of affordability that existed two decades ago. More than 12.1% of households in Ontario are living in core housing need.

In order to help address these gaps, the federal government signed a 10-year bilateral housing agreement in 2018 for the delivery of over \$5.8 billion in cost-shared investments in Ontario. These commitments were ratified in 2020 and 2022. Among other things, Ontario has agreed to:

- Expand the number of new affordable housing units in Ontario by 19,660;
- Set annual targets through publicly available 3-year Action Plans; and
- Report on progress on both the annual and 9-year target;

Ontario's draft 2022-25 Action Plan fails to meet these commitments and seemingly does not recognize the scale of the crisis playing out in the province. Speaking frankly, the proposed Action Plan is a disappointment.

It shows almost no progress toward reaching the affordable housing expansion target, and proposes to achieve only 1,184 units of the 19,660 required by the end of 2024-2025. This leaves 94% of the target to be achieved during the last 3 years of the agreement, which is not realistic.

Ontario is lagging desperately behind all other provinces and territories.

The lack of progress jeopardizes the completion of both Ontario's housing targets, and Canada's national target.

As you are aware, the current deadline already factors in a one year extension. No further extensions are possible. My officials have extended the deadline for a re-submitted action plan several times. If Ontario fails to submit a revised plan by end of day on March 22nd – allowing us time to analyze

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and respond by the final deadline of March 31st – bilateral funding will lapse, and the impact this will have on Ontarians in housing need will be devastating.

I implore you to submit a strengthened 2022-25 Action Plan which respects the terms of our agreement.

Sincerely,

The Honourable Sean Fraser, P.C., M.P.
Minister of Housing, Infrastructure and Communities