

Sent by e-mail to: minister.mah@ontario.ca

February 28, 2024

The Honourable Paul Calandra
Minister of Municipal Affairs and Housing
777 Bay Street, 17th Floor
Toronto, Ontario M7A 2J3

Dear Minister Calandra,

Municipal governments provide critical services that are central to Ontario's economy and quality of life, investing almost \$65 billion annually into important public services and infrastructure, including housing and homelessness supports. AMO has called on Premier Ford, through our pre-budget submission, to work together with municipal governments to undertake a social and economic prosperity review. This review is crucially important for both municipal and provincial governments to best serve the health of our communities and residents.

AMO is working with the Ministry of Municipal Affairs and Housing to meet its goal to build 1.5 million homes. We also need to work together to ensure that housing in Ontario is affordable for low-income residents and to ensure those experiencing homelessness can be housed with the supports they need. These problems require urgent action.

Ending Homelessness

AMO wants to work with the government to end the homelessness crisis. The problem is increasing in scale, scope, and complexity. Of specific concern is the continued growth of encampments. Our municipal service managers report upwards of 1400 of them across the province.

AMO and our members are committed to meeting our obligations with a human-rights based approach to housing in our responses to encampments, but we cannot achieve this alone. International law and the *National Housing Strategy Act* create obligations on all three orders of government to realize the right to housing.

The investments made in the 2023 Budget for the Homelessness Prevention Program will help to support municipalities and DSSABs. However, ending the crisis of homelessness outstrips municipal fiscal capacity and systemic change continues to be required to achieve this. Over the last five years, municipal expenditures on homelessness increased by 200%. Property taxpayers, including people on fixed incomes, cannot support the kinds of investments needed to keep up with demand.

AMO continues to call on the provincial government to work with municipalities and other partners to address the root causes of homelessness in Ontario, including through the housing measures outlined below. We must work together to ensure all Ontarians have a place to call home.

Housing Solutions

The key to ending homelessness is to provide more deeply affordable and supportive housing to low-income and vulnerable people. There are significant numbers of households who will not have their needs met through private supply solutions as they cannot afford market rents and/or require supports to maintain successful tenancies. There will not be an end to the housing crisis without significantly more non-market housing.

There is also a clear economic business case to do so to bring Ontario and Canada in line with other countries in the Organization for Economic Cooperation and Development (OECD). Investing in community housing is just that, an investment that pays returns in the form of economic productivity. When more people live in housing they can afford, they have more money to spend on goods and services, boosting businesses and our economy.

This is supported by a recent study's findings about Ontario including:

- An additional 143,225 units of deeply affordable community housing is required by 2030 to meet the OECD average.
- Investments would result in a projected 5.8% to 9.5% increase in productivity.
- This would also result in a \$23.3 to \$50.3 billion increase in GDP.

The study undertaken by Deloitte, The Impact of Community Housing on Productivity, was supported by AMO with the Canadian Housing Renewal Association, and other partners.

AMO looks forward to working with your Ministry on these pressing issues. We recognize that the federal government has a role to play as well and AMO is available to collaborate with the Province on a strategy to advocate for additional non-market affordable housing investment, to complement funding in this area. We hope to see new investments in housing and homelessness in the upcoming budget. AMO looks forward to continuing this discussion with the Ministry at the MOU table and as part of a broader Social and Economic Prosperity Review.

Sincerely,



Colin Best
President, Association of Municipalities of Ontario
Regional Councillor, Halton Region

cc: The Honourable Doug Ford, Premier of Ontario
Martha Greenberg, Deputy Minister, Ministry of Municipal Affairs and Housing