



February 16, 2023

The Honourable Steve Clark Minister of Municipal Affairs and Housing 17th Floor 777 Bay St. Toronto, ON M7A 2J3

Dear Minister Clark:

On behalf of London City Council, I am writing you today to share the City of London's Housing Pledge, in which we lay out the City's plan to facilitate and accelerate the housing supply of 47,000 units in our community by 2031. London's Housing Pledge is attached to this correspondence as **Annex A**.

The London Housing Pledge

Our community recognizes the deep and broad impacts on all Londoners of the housing supply and affordability crisis. We applaud the Province of Ontario's focus on identifying and addressing the bottlenecks to facilitating and building the supply and affordability of housing that our community needs. The attached report to City Council constitutes the City of London's Housing Pledge and describes the necessary steps to facilitate an increase in housing supply, including City-led strategies and actions to accelerate housing development as well as key partnerships to support and enable this commitment.

To meet the ambitious target of 47,000 units by 2031, the City of London will develop a Housing Supply Action Plan in partnership with sector stakeholders including local and regional developers, homebuilders, infrastructure builders, real estate sector representatives, and public sector agencies and private businesses that build housing. The Housing Supply Action Plan will be developed through a three-pillar approach that will ensure a foundation of financial sustainability, an enterprise-wide system that is resourced to increase planning and approval requirements, and a shared accountability model that will set out clear metrics for each of the City's key partners that will be monitored and reported to Council. Our Plan will also incorporate the critical contributions that the creation of new affordable housing units make in achieving greater housing affordability across our community. As such, London's existing commitment to build 3,000 new affordable housing units by 2026 will be incorporated into the Housing Supply Action Plan.

300 Dufferin Avenue P.O. Box 5053 London, ON Canada N6A 4L9

CITY OF LONDON T.519.661.4920 F.519.661.5308 mayor@london.ca

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The City's role in housing development is to provide growth opportunities through planning and major infrastructure investments and facilitating approvals. Our work will begin immediately and will identify both short and longer-term strategies and actions. For example, London has already identified over 18,000 units of supply that have advanced through or are in the later stages of *Planning Act* processes and are available in the short-term. London's Housing Supply Action Plan will focus on moving these opportunities forward quickly to provide a head-start towards achieving the housing target. The attached report on London's Housing Pledge provides more details of this and other initiatives to be prioritized to facilitate London's 47,000 unit pledge.

The London Housing Pledge will require partnerships within the community as well as outside the community. To be successful, the London Housing Supply Action Plan will identify actions from all stakeholders in the development process and establish clear accountability metrics locally.

Provincial Partnership and Support

Provincial partnership will be essential to delivering on the City of London's Housing Pledge. Policy, programming, and financial leadership by the Province of Ontario will support our City's approach, and will be essential in enhancing the housing development sector's capacity to build the units once facilitated through the City's approval processes. The City of London has identified several short-term measures that the Province of Ontario can undertake to support London's Housing Pledge:

- 1. Additional Program Supports for Process Improvement: Through the Streamlining Development Approval Fund (SDAF), the Province of Ontario provided \$1.7 million to the City of London to undertake a comprehensive review of every *Planning Act* application process. This funding has been impactful and is already leading to system improvements. To achieve the London Housing Pledge, the City of London will be adding additional staff resources to drive our commitments. The Province should expand and enhance the SDAF or other similarly designed programs to further support London's Housing Supply Action Plan and provide the flexibility to address resources required to deliver on this priority.
- 2. Safeguarding London's Growth-Related Infrastructure Pipeline: Changes to municipal regulations under the More Homes Built Faster Act, 2021 will impact the City's ability to collect development charge revenues on a variety of housing types, challenging the City's ability to plan and deliver much of the core growth-related infrastructure to support London's Housing Pledge. The City of London has identified an overall financial impact of more than \$97 million over a five-year period with the most significant impact beginning in 2025. Your government has committed to ensure municipalities are made whole from the unintended impacts of this legislation. We encourage the Province of Ontario to inform municipalities of the approach to meet this commitment in Budget 2023. Our development community has endorsed this call and their submission to the Province is attached in Annex B.

Further, as one of the fastest growing cities in Canada, London is facing unprecedented demand for infrastructure and services that that are beyond the scope of what development charges can fund alone. To deliver the housing-enabling infrastructure and services we require, the City of London is ready to partner with provincial and federal governments to develop a new generation of municipal supports.

3. *All-of-Government Coordination:* In order to support the implementation of the strategies and initiatives we will identify within London's Housing Supply Action Plan, the City of

London is urging the Province of Ontario to answer the call made by the Ontario Big City Mayors (OBCM) to immediately constitute the Housing Supply Action Plan Implementation Table (HSAPIT) that can serve as a conduit for identifying and responding to needs and opportunities to support London's Housing Pledge (**see Annex C**). We know that the role of municipalities will be to facilitate and support housing supply in our communities. However, building and delivering these units will require private sector and non-profit sector leadership. At the same time, this table represents an opportunity to address barriers related to affordability, especially for those on low or fixed incomes. The HSAPIT will include the multi-sectoral representation to identify and develop solutions to challenges of delivering on Ontario's 1.5 million unit target that are beyond municipalities' ability to influence.

The City of London has adopted a thoughtful, focused, and partnership-driven approach to achieving London's Housing Pledge target of 47,000 units by 2031. London will be working collaboratively to facilitate and support the approval of these new units and the infrastructure that supports this growth.

On behalf of London City Council I want to reiterate our shared commitment alongside the Province of Ontario to addressing the challenges housing supply and affordability in our community. We believe our system approach to accelerate housing development in London will make a significant difference in our community. With collaborative and coordinated support from all orders of government and the broader housing sector, our community can continue to grow and prosper together.

Sincerely,

Josh Morgan Mayor, City of London

cc. Rob Flack, M.P.P. (Elgin—Middlesex—London)