Ontario to invest \$1.8B for housingenabling infrastructure for municipalities

By ReNew Canada - March 22, 2024

The Government of Ontario announced it is investing more than \$1.8 billion in housing-enabling infrastructure funding to help build at least 1.5 million homes by 2031. This funding includes \$1 billion for the new Municipal Housing Infrastructure Program and \$625 million more for the Housing-Enabling Water Systems Fund, bringing its total funding to \$825 million. This new funding complements existing and ongoing provincial investments in housing- and community-enabling infrastructure, including the \$1.2 billion Building Faster Fund, the original \$200 million investment in the Housing-Enabling Water Systems Fund and the investment of nearly \$2 billion for the Ontario Community Infrastructure Fund since 2021–22.

"Time and time again, I've heard from our municipal partners that a lack of infrastructure is one of the biggest barriers to getting more homes built," said Premier Doug Ford. "Today's announcement of more than \$1.8 billion in housing-enabling infrastructure funding, on top of the billions of dollars of infrastructure funding we're already providing, will help get more shovels in the ground so we can keep the dream of homeownership alive in Ontario."

The new \$1 billion Municipal Housing Infrastructure Program will support core infrastructure projects that help enable housing for growing and developing communities, such as roads and water infrastructure. This funding will help municipalities get shovels in the ground on critical infrastructure that will lay the groundwork for more homes across the province, with an emphasis on projects that can build the greatest number of homes. More information about the program, including eligibility and application intake details, will be announced later this year.

"Our government is helping municipalities get more shovels in the ground faster on the critical infrastructure needed to build more homes," said Peter Bethlenfalvy, Minister of Finance. "By significantly growing our investments, we're able to more quickly build the roads, sewers and reservoirs needed to connect new homes to the grid and help more Ontarians become homeowners."

Ontario is more than quadrupling its investment from \$200 million to \$825 million over three years to expand the <u>Housing-Enabling Water Systems Fund</u>, which will help municipalities repair, rehabilitate and expand drinking water, wastewater and stormwater infrastructure needed to build more homes.

First announced in the 2023 Fall Economic Statement, municipalities can still submit an application for the program until April 19, 2024.

"Our government is making targeted investments in key infrastructure projects to ensure Ontario's communities have the roads, bridges, and water infrastructure needed to support our province's growing population," said Kinga Surma, Minister of Infrastructure. "With this additional funding for the Housing-Enabling Water Systems Fund, we are helping more municipalities repair, rehabilitate, and sustain their critical infrastructure so that more homes can be built for their communities."

Ontario is also supporting housing outcomes through its Building Faster Fund, that was announced in August 2023 to provide up to \$1.2 billion over three years to reward municipalities that are building more homes. The fund is designed to help municipalities pay for critical housing- and community-enabling infrastructure needed to accommodate growth, such as site servicing and building new roads. The Building Faster Fund includes \$120 million that is being reserved for small, rural and northern municipalities to help build housing-enabling infrastructure and prioritize projects that speed up the increase of housing supply.

"We have heard from many municipalities that their biggest obstacle in getting more shovels in the ground faster is infrastructure and that is why we are making this historic investment," said Paul Calandra, Minister of Municipal Affairs and Housing. "We are removing barriers and providing every tool we can to our municipal partners so that more homes can be built than ever before."

The government is giving municipalities the tools they need to build more homes faster and tackle the affordability crisis that is pricing too many people, especially young families and newcomers, out of the dream of homeownership. In partnership with municipalities, Ontario will continue working hard to unlock housing opportunities and support growing communities. The province continues to call on the federal government to pay its fair share and help fund housing-enabling infrastructure investments, and support vibrant, growing communities.

"Municipal infrastructure is the foundation of Ontario's economy and quality of life. From the water and sewer systems that enable our housing to the roads and bridges that connect our province, this critical funding will allow municipalities to support Ontario's growth," said Colin Best, President of the Association of Municipalities of Ontario and Halton Regional Councillor. "AMO commends the province for this investment in Ontario's prosperity and looks forward to working with the Ministry of Infrastructure on implementation."

Reaction from the construction industry was positive.

"The funding allocated by the MOI will play a pivotal role in addressing the urgent needs of housing-enabling infrastructure across the province," said Patrick McManus, Executive Director of the OSWCA. "This substantial investment underscores the government's dedication to modernizing infrastructure, bolstering resilience, and facilitating the construction of more homes."

"Today's announcement continues the government's work on ensuring that municipalities have the funding they need to meet the growing demand for infrastructure," said Nadia Todorova, executive director of RCCAO. "From roads to sewers to housing, this announcement ensures that there is funding for all kinds of critical infrastructure needed to support the province's growing population, unlock more housing opportunities, and spur economic growth."