

**Ministry of
Municipal Affairs
and Housing**

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234-2024-904

March 27, 2024

Your Worship
Mayor Adrian Foster
Municipality of Clarington
HAnderson@clarington.net

Dear Mayor Foster:

Thank you for your recent correspondence regarding the Building Faster Fund and the tracking of Clarington's 2023 housing starts. I appreciate the time you have taken to write, and I appreciate your support for our joint goal of building at least 1.5 million homes by 2031.

We are focusing on removing red tape for our partners, supporting municipalities, and making investments in housing-enabling infrastructure so that more homes can be built faster.

We have heard from many municipalities that your biggest obstacle in building homes is infrastructure. That is why we are making historic investments in housing- and community-enabling infrastructure to get more homes built across the province, including the Building Faster Fund and the Ontario Community Infrastructure Fund. In addition, Premier Ford recently announced a new \$1 billion Municipal Housing Infrastructure Program as well as a quadrupling of the provincial Housing-Enabling Water Systems Fund to \$825 million. More information about the new program, including eligibility and application intake details, will be announced later this year.

I know that municipalities, including the Municipality of Clarington, have undertaken significant initiatives to implement and complement provincial actions and get more shovels in the ground, faster.

The Building Faster Fund assesses performance against housing targets using new housing starts, as well as new and upgraded long-term care beds and additional residential units created by renovating or converting existing residential and non-residential buildings to residential uses.

As communicated in my letter on February 14, 2024, if the municipality does not reach at least 80 percent of their housing target in a calendar year through these combined numbers, it is not eligible for a funding allocation through the Building Faster Fund. Having met approximately 53% of its assigned housing target for 2023 (inclusive of these three data sources), the Municipality of Clarington is regrettably not eligible to receive funding for 2023-24.

I note your concerns with the use of Canada Mortgage and Housing Corporation (CMHC) data to assess eligibility for the Building Faster Fund. As my ministry measures progress towards meeting housing targets, we need to use consistent, validated, and regularly published data for all municipalities across the province. Further, a permit is not a shovel in the ground or a home to live in.

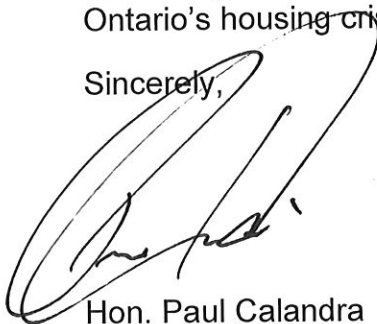
CMHC uses a consistent methodology nationally and publishes data for starts and conversions on a monthly basis. CMHC also has a very robust data collection and verification system that ensures that units counted as a start have actually begun construction (usually defined by the pouring of a foundation). Potential construction sites are first identified through building permit data. CMHC staff then visit the sites to confirm that new residential units have reached set stages in the construction process. Other approaches are also used (e.g., local sources, other field enumeration procedures) where there are no building permits.

Given the above, we will continue to use CMHC housing starts and conversions data (in addition to long-term care data provided by the Ministry of Long-Term Care) to track progress for the purposes of evaluating performance for the Building Faster Fund. All municipalities are judged by the same metrics, and we applaud those that are meeting or exceeding targets.

I also note your concerns with CMHC's tracking of housing starts data in your municipality and possible discrepancies with municipal data. My ministry is working with Association of Municipalities of Ontario and the City of Toronto to develop a coordinated process to engage CMHC on questions and issues associated with housing starts and conversions data such as those that you have identified. We will consider the issues you have identified as part of the process and look forward to working with your municipality to resolve any outstanding questions or issues you may have.

Once again, thank you for writing and sharing your thoughts with us. We remain ready and willing to work with municipalities to meet their housing pledges and address Ontario's housing crisis. Please accept my best wishes.

Sincerely,



Hon. Paul Calandra
Minister of Municipal Affairs and Housing