

THE REGIONAL
MUNICIPALITY OF
HALTON



2025 Federal Pre-Budget Consultation Submission to the Minister of Finance

March 10, 2025

Introduction

Halton Region is home to more than 656,000 residents across four communities (the City of Burlington, the Town of Halton Hills, Town of Milton, and Town of Oakville) and is expected to grow to a population of more than 1.1 million by 2051. With a growth rate of 8.8% between 2016 and 2021, Halton has seen the highest rate of growth across all upper- and single-tier municipalities in the Greater Toronto and Hamilton Area (GTHA) and is one of the fastest growing communities in Canada.

Halton Region's citizen-focused reliable services, safe communities and high quality of life are key reasons why people and businesses continue to choose Halton. The Region is an effective upper-tier government responsible for delivering many essential programs and services, including providing high-quality drinking water, building housing-enabling infrastructure, delivering homelessness supports, operating long-term care homes, and administering public health and paramedic services. Fiscal responsibility and continuous improvement have remained a key driver for the Region, with Halton maintaining top credit ratings from S&P Global Ratings (AAA) since 2002 and Moody's Investors Service (Aaa) since 1989.

Halton continues to benefit from a strong partnership with the Federal Government and supports the Federal Government's goals of building more homes and ensuring affordability for residents. Budget 2025 presents an opportunity for the Federal Government and Halton Region to continue to work together to advance the following priority issues:

1. Delivering Critical Infrastructure to Support Housing
2. Providing Housing for Those with the Greatest Need
3. Responding to the Threat of U.S. Trade Tariffs
4. Addressing Climate Change and Supporting Resilient Communities

Delivering Critical Infrastructure to Support Housing

The Canada Mortgage and Housing Corporation (CMHC) has estimated that 5.8 million new homes would be required across the country by 2030 in order to restore affordability for Canadians. In Ontario, municipalities are responding to this need and working toward a shared goal with the Provincial Government of delivering 1.5 million new homes by 2031. In Halton, our Local Municipalities have endorsed housing targets totaling 92,500 units in support of this shared goal. To support them in achieving their housing targets, Halton Region is proactively planning for, financing, and delivering the more than \$5.2

billion of water, wastewater and roads infrastructure that is needed to support acceleration of growth to 2031. This includes the development of the Region's Integrated Master Plan which identifies the water, wastewater and transportation infrastructure strategies needed to support growth across Halton.

Halton's continued success in supporting the Federal Government's goal of building more homes and delivering the infrastructure needed to support housing is dependent on the expansion of infrastructure funding programs as well as partnerships with the development community and the Provincial and Federal Governments. There continues to be significant interest from the development community to build more homes in Halton including 90,663 housing units in the development approvals pipeline across Halton. To support the development of these new homes, the Region has established a strong partnership with the development community in financing water and wastewater infrastructure and has executed agreements to ensure infrastructure is available when needed.

Infrastructure funding programs such as the Canada Housing Infrastructure Fund (CHIF) are welcomed tools to support municipalities in the delivery of critical housing-enabling infrastructure. However, municipal eligibility requirements for CHIF funding pose challenges for many municipalities. Specifically, the requirement to adopt zoning for "four units as-of-right" and implementing a three-year freeze on development charges from April 2, 2024, in municipalities greater than 300,000, which includes Halton. Clarity is needed on how zoning for "four units as-of-right" applies to regional governments in Ontario without planning responsibilities. In addition, in the absence of alternate long-term, sustainable sources of funding for infrastructure, development charges remain a key source of financing to build the infrastructure needed to support new homes and businesses. It is imperative that the Federal and Provincial Governments commit to exploring alternate long-term sources of funding for municipal infrastructure that does not result in an additional burden being placed on existing tax payers during a time when state of good repair costs are already increasing due to inflation and aging infrastructure. This should include a review of the municipal fiscal framework to ensure municipalities can continue to meet the needs of communities.

Let's Work Together

The Federal Government can support the continued successful delivery of critical housing-enabling infrastructure in Halton by:

- Working together with the Provincial Government to expand infrastructure funding programs such as the Canada Housing Infrastructure Fund and clarifying eligibility requirements for Regional Governments.
- Working with the Region and the Provincial Government to explore alternative sources of funding to deliver new water, wastewater and road infrastructure and support the necessary maintenance and repair of existing assets to support growth in Halton.
- Taking action with the Federation of Canadian Municipalities to develop a New Municipal Growth Framework to ensure municipalities can continue to deliver critical housing-enabling infrastructure and address priority community needs.

Providing Housing for Those with the Greatest Need

Halton Region appreciates the Federal Government's recent initiatives to address the growing homelessness, mental health and addictions crises. This includes additional funding allocated to municipalities, including Halton, under the Reaching Home program as well as continued funding provided through the National Housing Strategy. While the Federal investment of \$250 million to address the urgent issue of encampments and unsheltered homelessness across Canada was a welcome investment for the municipal sector, Halton was not a funding recipient but remains optimistic there will be further opportunities under the fund. These investments are essential to support municipalities; however, they remain insufficient to meet the increasing demand for assisted and supportive housing and to address homelessness in communities.

Halton's average monthly rent is currently one of the highest in the Greater Toronto Area leaving a growing number of households unable to participate in private market rental housing. These high market rental costs, and the growing mental health and addictions crisis are increasing the demand for homelessness services and supports, including emergency shelter. New [research](#) from the Association of Municipalities of Ontario (AMO), in partnership with the Ontario Municipal Social Services Association (OMSSA) and the Northern Ontario Service Deliverers Association (NOSDA) has found that more than 80,000 Ontarians experienced homelessness in 2024, a number that has grown by more than 25% since 2022. In Halton, there has been a 185% increase in unsheltered homelessness since 2018.

Municipal governments, including Halton, are often the first point of contact for people facing struggles with mental health and addictions, many of whom require intensive supports, and experience challenges with securing and maintaining stable housing. In late 2024, Halton Region conducted its fourth Point-in-Time (PIT) Count to enumerate homelessness across the Region. The survey found that 76% of individuals experiencing homelessness reported mental health challenges, and 47% identified substance use issues. Individuals require wrap around supports such as mental health, addictions and employment services to ensure better health outcomes and to maintain successful tenancies. Without these supports, people are at risk of recurring homelessness. A study commissioned by the Region in 2024 found that a minimum of 165 additional dedicated supportive housing units are needed to meet demand and prevent higher emergency shelter use, street homelessness and encampments in Halton.

There also continues to be significant demand for assisted housing in Halton for individuals and families unable to afford market rent. All 5,404 existing assisted housing units in the Region are fully occupied, with 8,048 households on the wait list. At current rates, only 9% of Halton's existing waitlist will be housed each year. The significant unmet demand in the community for assisted housing continues to put increased pressure on the Region's emergency shelter system.

Halton Region has a multi-pronged approach to delivering new supportive and assisted housing units to meet community demand including:

- Acquiring properties to preserve assisted housing units;
- Purchasing properties and converting them into supportive housing units;
- Developing supportive housing on Regionally owned land;
- Exploring modular housing options; and
- Strategically investing to deliver and operate new supportive and assisted housing units, including through partnerships with the development community and the Federal and Provincial Governments.

In November 2024, Halton was informed of a reversal of previously planned funding cuts to the Region's federal Reaching Home allocation for 2025-2028 and was provided incremental new funding. This stabilization of funding offers temporary relief for Halton's homelessness system, allowing existing programs to continue uninterrupted. While this funding is greatly appreciated, demand for service across Halton continues to exceed available supply with the Region's emergency shelter system currently operating at 140% capacity. Increased funding that allows the Region to meet demand is critical. The unpredictability of Reaching Home allocations also continues to impact Halton Region's

ability to make long-term strategic investments in homelessness prevention and supportive housing which has direct impacts on preventing higher emergency shelter use, street homelessness and encampments.

The Region currently has [548 shovel-ready assisted housing units](#) in our portfolio of housing development opportunities and proceeding to construction on these projects is contingent on securing funding. Recently, Halton Region and Support House, a third-party housing provider, broke ground on a supportive housing development at 47 Maria Street in the Town of Halton Hills, which will provide 12 housing units to individuals experiencing homelessness and mental health and addictions challenges. The project received \$3.94 million in Regional funding, and \$2 million from the Federal Reaching Home program. The Region continues to actively explore different partnership models for strategic investment in order to deliver these shovel-ready projects as quickly as possible; however, increased Federal partnership and investment remains essential to support the needs of the growing Halton community.

Let's Work Together

The Federal Government can support Halton in providing housing for those with the greatest need by:

- Partnering with Halton Region to get shovel-ready assisted and supportive housing properties built as fast as possible to meet increasing demand – Halton Region's [Portfolio of housing opportunities](#) provides an overview of Halton's shovel-ready and in progress projects and opportunities to partner in funding these projects.
- Providing increased, long-term and predictable capital and operating funding to support the Region in providing housing and supports for individuals who are homeless or at risk of homelessness.
- Increasing coordination across all three levels of government to address the homelessness, mental health and addictions crises.

Responding to the Threat of U.S. Trade Tariffs

Halton Region has been preparing for the implementation of tariffs and trade disruption imposed by the United States and any Canadian counter-tariff measures as they will have significant local, regional, and national economic impacts.

Halton supports a coordinated response to U.S. tariffs across all levels of government. On February 19, 2025, Halton Regional Council endorsed a resolution outlining that the Region stands together with our Federal and Provincial partners and supports the

measures put in place to respond to the threat of U.S. tariffs. Municipalities are on the front lines of communities and Halton's resolution underscored that municipalities must play a crucial role on Team Canada to protect Canadian and local economies.

As Halton is proactively responding to the threat of U.S. tariffs, the Region is working to plan and mitigate against potential impacts. The implementation of tariffs is anticipated to lead to economic instability and increased costs for essential goods and services. Tariff impacts may also potentially include negative impacts on the implementation of essential infrastructure projects through cost increases or supply chain issues for key products such as steel. According to data from the Association of Municipalities of Ontario, Ontario municipalities are expected to spend \$250 - \$290 billion on infrastructure in the next 10 years.

During this time of economic uncertainty and evolving U.S. trade policy, it is critical that the Federal and Provincial Governments help stimulate and stabilize Canadian and local economies by increasing funding for infrastructure and housing and working to remove trade barriers between provinces. The removal of any barriers that prevent municipalities in selecting Canadian companies also remains essential. These actions will support businesses and communities and strengthen Canadian resilience against threats to trading markets.

Let's Work Together

The Federal Government can support Halton Region in responding to the impacts of U.S. trade tariffs by:

- Ensuring municipalities are part of the coordinated Team Canada approach to leverage local expertise and ensure the economic and local impacts of communities are protected.
- Removing any barriers to municipalities preferring Canadian companies for capital projects and goods and services, including taking action to remove trade barriers between provinces.
- Ensuring municipalities remain "whole" to respond to existing priority community issues and the local impacts of U.S. tariffs and Canadian countermeasures.
- Increasing investments for infrastructure and housing to stimulate and stabilize Canadian and local economies.

Addressing Climate Change and Supporting Resilient Communities

The need for continued action on climate change from all levels of government is clear. The Region, its residents and businesses continue to be impacted by severe weather events such as floods, high winds, tornadoes, ice storms and extreme heat and cold days. These events pose serious risks to the Region's infrastructure including watermains and wastewater pumping stations and threaten the health, safety and quality of life of residents.

In the fall of 2023, Halton Regional Council endorsed the Region's 2023-2026 Corporate Climate Action Plan which is the foundation that guides Halton's work to accelerate its climate response and includes the corporate net zero target of 2045.

In July 2024, Halton Region experienced five consecutive intense rainfall events, resulting in 100 to 220 mm of total rainfall in isolated areas throughout the region contributing to 1,897 basement flooding incidents. Of the reported flooding, roughly 54 per cent were related to the stormwater-induced wastewater system surcharges, with the remainder being directly flooded by stormwater. Halton has not experienced flooding of this extent since August 2014 when the Region experienced a significant 1-in-200-year storm which also led to extensive flooding throughout the region.

In 2015, to reduce the risk of basement flooding due to stormwater-induced wastewater system surcharge, the Region-Wide Basement Flooding Mitigation Program was established. The Region has invested over \$78 million in the program to date which is focused on reducing public and private sources of excessive inflow and infiltration water from entering the Region's wastewater system and also supports adaptive measures to deal with more frequent and intense storms.

As outlined by FCM, municipalities build and maintain 60% of the core public infrastructure that supports communities including water, wastewater and roads. Long-term predictable sources of funding are required from the Provincial and Federal Governments to invest in climate action, including aging infrastructure and adaptation measures for communities. This must include the expansion of federal funding programs such as the Disaster Mitigation and Adaptation Fund.

Let's Work Together

The Federal Government can help address climate change and support a resilient Halton community by:

- Providing long-term, sustainable funding for municipal climate adaptation efforts to support resilient communities.
- Expanding federal funding programs such as the Disaster Mitigation and Adaptation Fund (DMAF).

Conclusion

Working together, Halton Region and the Federal Government have taken some key steps forward on priority issues, however, there is much more to be done. A continued strong, collaborative partnership with the Federal Government is critical to a successful and growing Halton community now, and into the future. Thank you for your consideration and the opportunity to provide input into the 2025 Federal Budget. For more information about Halton's advocacy priorities, please visit [Halton.ca/advocacy](https://www.halton.ca/advocacy).

