

## **Bill 23 - Request for Update on Provincial Compensation**

WHEREAS, the Province of Ontario has expressed its commitment to working closely with municipalities to build a stronger Ontario;

WHEREAS, Bill 23, enacted on Nov. 28, 2022, has led to substantial revenue losses for municipalities, including the Niagara Region;

WHEREAS these revenue losses include an anticipated 20 per cent reduction in development charge rates, resulting in a loss of over \$35 million during the five-year life of the Region's DC by-law;

WHEREAS Bill 23 will strip approximately \$60 million dollars from the Region's 10-year capital plan that was earmarked for social housing;

WHEREAS Bill 23 has removed the Region's ability to recoup growth-related studies and land acquisition costs through its Development Charges By-law, resulting in an anticipated loss of \$121 million over the next 10 years;

WHEREAS the costs related to these items, and others, require payment but will now be shifted on to Niagara's property taxpayers;

WHEREAS offloading these costs to property taxes increases both the affordability of housing and the cost of living;

WHEREAS a recent study completed by Regional staff projects that water and wastewater rates may need to increase by more than 7.15%, excluding Bill 23 impacts, therefore, in order to offset the revenue losses created by Bill 23 the estimated increase will be in excess of 7.15%;

WHEREAS the Premier of Ontario has said on numerous occasions that if municipalities "have a shortfall" in regard to reduced revenue as a result of Bill 23 that they will be compensated by the province;

WHEREAS the Provincial Government announced on Aug. 23, 2023, that only the communities with housing targets will have access to the \$1.2 billion Building Faster Fund;

WHEREAS all upper-tier municipalities in Ontario were not assigned housing targets, despite playing a central role in the provision, planning and coordination of crucial infrastructure that is needed to facilitate new builds;

WHEREAS the Niagara Region has officially started its 2024 budget process and the province has not indicated when municipalities may expect to receive the funding required to cover the significant financial shortfalls created by Bill 23; and

WHEREAS without the materialization of this promised provincial funding, Niagara Region's rate, capital and operating budgets will account for this loss in revenue and be reflected in property taxes and water bills.

NOW THEREFORE BE IT RESOLVED:

1. That the Regional Chair **BE DIRECTED** to send correspondence to the Premier of Ontario, the Minister of Municipal Affairs and the Minister of Finance respectfully requesting an update on when municipalities can expect provincial compensation to cover the revenue loss incurred as a direct result of Bill 23; and
2. That the Regional Clerk **BE DIRECTED** to send a copy of this motion to the Association of Municipalities of Ontario and local Members of Provincial Parliament.