

AMO
Association of Municipalities
of Ontario

Annual Conference

Peel Region's
Advocacy Priorities

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Peel services and pressures

Support continuity for our residents and businesses

Policy and opportunity

As the Province proceeds with the implementation of *Bill 112*, which will dissolve the Regional Municipality of Peel effective January 1, 2025, Peel Region remains committed to ensuring that residents and businesses continue to receive the services and infrastructure they rely on both in the immediate and long term.

Our vibrant and diverse community of approximately 1.5 million people is experiencing rapid growth and is projected to reach a population of 2.28 million by 2051. While there will be changes to how Peel is governed moving forward, this anticipated growth will continue and bring with it both opportunities and challenges.

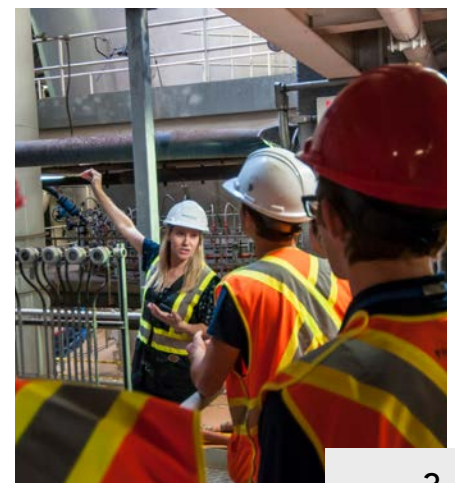


Background

To ensure a successful and smooth transition, it is vital that all stakeholders work closely with Peel Region to sustain high-quality services and infrastructure. Peel's path forward requires a continued vision seeking to strike a balance between the needs of its residents, businesses and the infrastructure requirements needed to sustain communities across the region.

The Province has appointed a Transition Board to determine the roadmap for the dissolution of Peel. The Transition Board, which has five members, will provide recommendations to the Minister of Municipal Affairs and Housing about the changes to the municipalities. Peel Regional Council and staff will work collaboratively with the Transition Board to provide support and facilitate the process professionally, providing facts and data to inform their recommendations on how to proceed.

With an average increase of over 25,000 people annually, Peel Region's commitment to high-quality services has been instrumental in supporting its fast-growing communities.



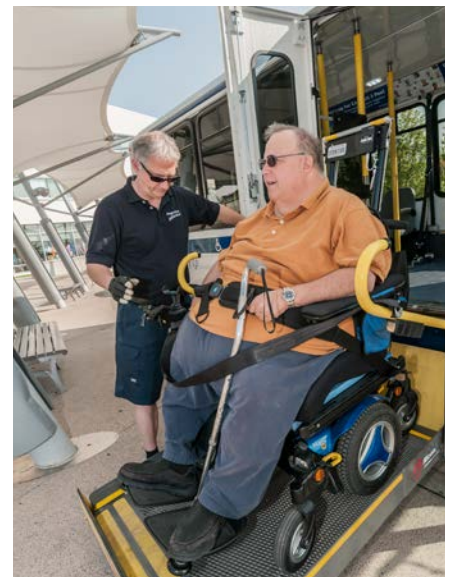
To provide Peel residents, businesses and the community with seamless delivery of high quality and services, Regional Council has established guiding principles, which will be used to assess how to proceed with previously approved projects and programs and how to prepare the 2024 budget. These decisions will be made in the public interest while having regard for the municipal restructuring, ensuring value for money, high quality efficient services and that other municipalities are not unreasonably impacted. Maintaining services is critical and ensuring the well-being of staff who deliver and support the delivery of those services is of utmost importance.

While changes are coming, Peel Region continues to ensure that strategic investments are made to meet the needs of the community, including \$5 billion over the next four years for its operating budget, which support vital services like waste collection, paramedic services, and childcare, as well as a 10-year capital plan to finance road construction, treatment plants, and affordable housing developments, critical for sustaining the region's growth.

Prioritizing Service Continuity

Moving forward with Peel's transition, it is essential that all partners in this process prioritize the need for maintaining service continuity. Peel Region is proactively addressing potential risks and collaborating closely with local and provincial partners to achieve our shared goals. By taking these steps, Peel Region remains focused on providing the necessary services to its residents and businesses, even amidst the challenges posed by its ongoing growth.

More details can be found on Peel Region's dedicated page for the transition process at: peelregion.ca/transition.



Municipal fiscal sustainability

Addressing municipal fiscal challenges

Policy opportunity and solutions

To ensure municipalities can provide the adequate level of services and programs required to meet needs of Peel residents and businesses, the Province should:

- Address historic underfunding for provincially mandated services in Peel.
- Engage with municipalities on the need for updated municipal revenue sources and collection tools to address the changing needs of local communities.

Background

Municipalities play a crucial role in providing essential services and infrastructure to ensure the safety and well-being of their communities. However, Peel Region, like many other municipalities, is facing significant fiscal challenges due to outdated funding models, which no longer support community needs, limited revenue sources, and historic under-funding for provincially mandated services. The COVID-19 pandemic has further highlighted the urgent need for predictable and sustainable funding for critical services, such as public health, paramedic services and long term care.

Challenges to municipal fiscal sustainability

Provincial funding for essential services such as public health, housing, paramedic and seniors' supports must keep pace with growth and inflation. For years, Peel Region has faced chronic underfunding for these services, which has placed an unfair burden on property taxpayers.



Peel Public Health

Base funding for Peel Public Health was frozen from 2018 to 2021. In 2022, there was a 1 per cent increase in funding, pro-rated from April 1, 2022, however, this only reduced the funding gap from \$8.5 million to \$8.1 million.

These persistent funding shortages continue to exert pressures on public health programs and services, ultimately resulting in staff reductions and contributing to existing challenges, such as “hallway healthcare.”

Housing subsidies

Housing subsidies in Peel have faced a significant decrease over the past several years, with federal and provincial funding dropping by 20 per cent between 2017 and 2021. Even after accounting for \$194 million in reserve contributions over the past decade funded by Peel taxpayers, the unfunded gap in housing subsidies stands at a substantial \$678 million. This underfunding puts significant strain on housing services, making it challenging to adequately address the housing needs of the community.

Paramedic services

Peel’s paramedic services also face challenges due to the Ministry’s 50:50 cost-sharing model, which is based on the previous year’s approved budget. This approach creates a funding lag that fails to consider current inflation and service pressures. As a result, Peel Region has to cover the Province’s share of increased costs each new budget year until the provincial funding is made available in the following year. To address this lag, Peel’s 2023 Budget included a reserve draw of \$3.3 million to address the expected 50 per cent funding shortfall for one year.

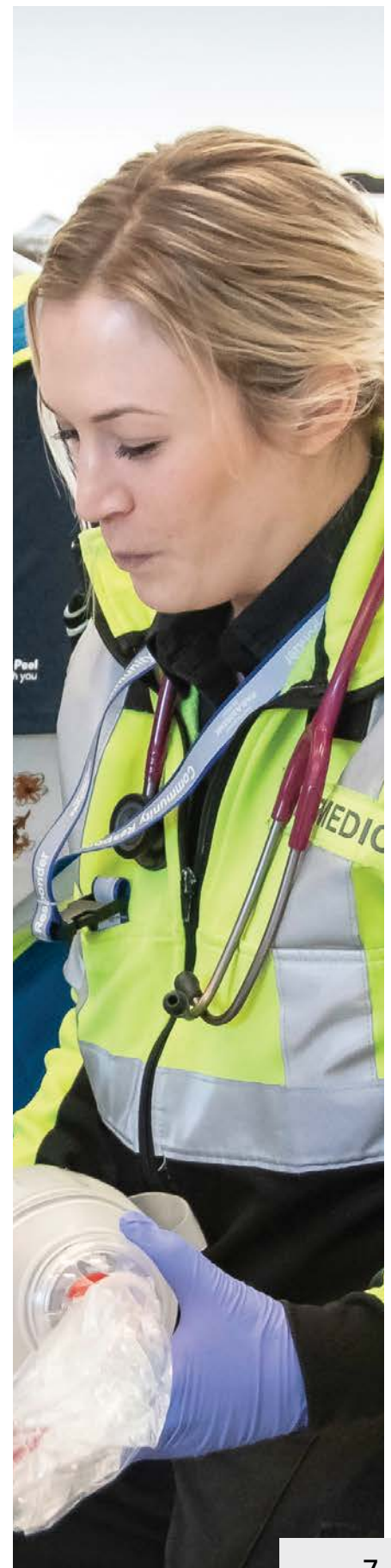
Seniors Services

Seniors Services in Peel are increasingly relying on property taxes to fund their operating budget. In 2023, the budget for Seniors Services amounted to \$129.5 million, with \$47 million (36%) coming from property taxes. Despite some increases in program funding in 2022, the available financial resources are still falling short of meeting these demands.



Chronic underfunding has placed an unfair burden on property taxpayers. Continuing to finance income redistribution programs through the property tax base places an increasing burden on residents, some of whom are facing heightened unaffordability challenges due to higher inflation and rising interest rates. To address this challenge, the Province should develop more appropriate funding solutions through income-based, provincial revenue sources, which could include:

- **Increased revenue sharing:** To ensure fair distribution of tax revenues between different levels of government, the Province should allocate an increased portion of tax revenues to municipalities to support their service delivery.
- **Grant programs:** To support adequate funding, the Province should work with the municipal sector to ensure that these grant programs are appropriately designed and enhanced to provide adequate levels of funding.
- **Allocation-based infrastructure programs:** The Province should coordinate with the federal government to implement funding programs using an allocation model to distribute stimulus funds expeditiously for priority projects, consistent with each municipality's asset management plan.



Municipal fiscal sustainability

Mitigating the impacts of Bill 23, *More Homes Built Faster Act, 2022*

Policy opportunity and solutions

While recognizing the important provincial goals to increase Ontario's housing stock through measures included in Bill 23, *More Homes Built Faster Act, 2022*, the Province should also ensure municipalities are able to support this mandated growth.

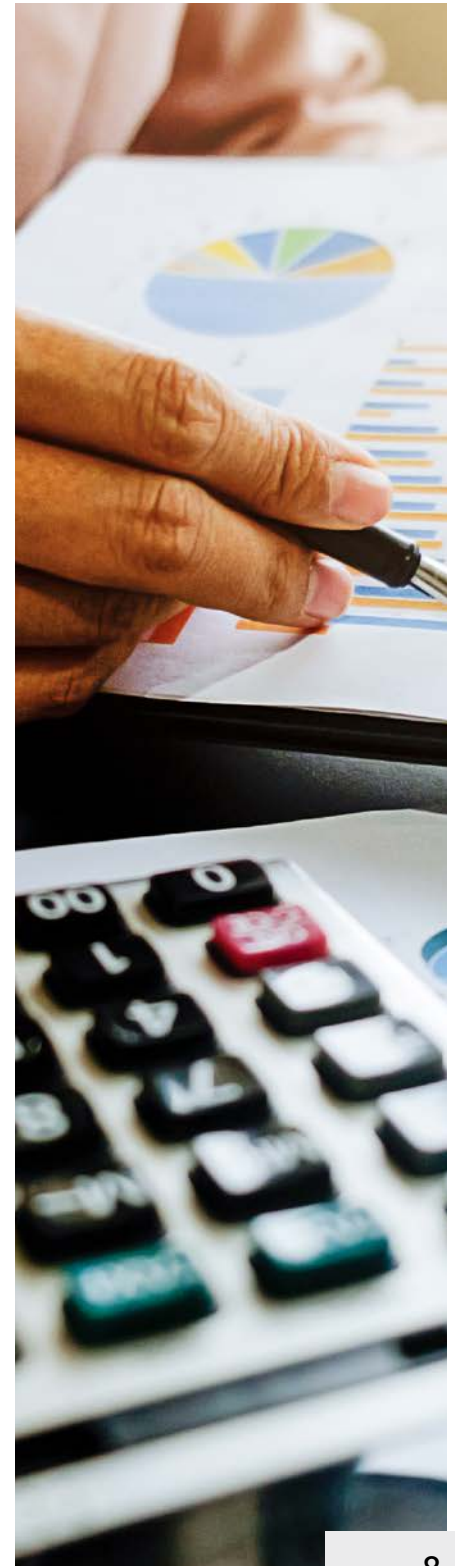
To accomplish this, the Province should create a municipal compensation fund to compensate municipalities for revenue shortfalls resulting from Bill 23 and ensure revenue neutrality.

Background

Peel Region's current growth portion of the approved 10-year Capital Plan for water/wastewater and transportation infrastructure is budgeted to cost \$8.9 billion. The water, wastewater and transportation infrastructure required to support the Province's new housing targets, as mandated by Bill 23, increase that cost to approximately \$20.4 billion, not including land acquisition, debt borrowing and other soft costs. At the same time, added financial pressures resulting from the implementation of Bill 23 are further threatening municipal fiscal sustainability.

The financial strain, resulting from these new measures, and specifically the resulting projected revenue shortfalls of more than \$2 billion in the next 10 years due to changes to the Development Charges Act, presents a pressing and critical challenge for Peel Region.

Eliminating housing services, growth-related studies, and certain land costs from being eligible for Development Charges, undermines the principle that "growth should pay for growth". This shift places an undue burden on municipal resources and threatens Peel Region's ability to provide essential services and sustainably support Peel's projected growth.



Making municipalities “whole”

To mitigate the financial impacts of Bill 23 to Peel Region and municipalities across Ontario, the Province should establish a compensation fund that will make municipalities whole. Timely flow of this funding is critical to ensuring infrastructure that enables housing to be in place prior to development, given the significant investment required from the municipality upfront and the time lag before any development charge revenue is received.

Dedication to high-quality service delivery

Municipalities have demonstrated resilience and dedication to effectively manage growth and provide quality services. However, absorbing additional financial burden without external support is unsustainable. A strong partnership between the Province and Peel Region is needed.

Addressing the challenges borne as a result of Bill 23 and ensuring fair and sustainable funding mechanisms is an opportunity for the Province to ensure Peel Region and the local municipalities can continue to deliver essential services, while fostering growth, development and affordability in Peel.



Affordable housing

Focus on affordable housing solutions

Policy opportunity and solutions

To address housing challenges in Peel, collaborative efforts from all levels of government are needed. This includes investing in affordable housing, supporting Service Managers, and adopting measures to improve housing affordability. Specifically, the Province should:

- Encourage the use of housing for homes.
- Increase the supply of new affordable housing in complete communities and ensure the longevity of existing affordable housing.
- Expand the scope of social programs to assist families in carrying high housing costs.
- Strengthen the capacity of the Service Manager and community housing sector to respond to rapidly growing need for deeply affordable and supportive housing.
- Provide predictable, stable funding to maintain housing stock service levels and gradually build toward desired service levels.

Background

Like many municipalities across Ontario, Peel is facing two housing crises. The first crisis sees rising house prices and rents increasingly unaffordable for middle income earners to live in their communities. The second crisis stems from a lack of deeply affordable and supportive housing for those people with low incomes, or who are experiencing family, physical, mental health, and addiction struggles. In Peel, these crises are deep, unprecedented, and inequitable.

Current service levels only meet 19 per cent of demand.



It is estimated that an average income household now requires about 30 years to save a large enough down payment for an affordable 25-year mortgage, whereas a minimum wage household requires about 50 years. Average rents in Peel are equivalent to more than a minimum wage earner's entire income, and approximately 4,000 people relied on the emergency shelter system in the last year alone.

Peel Region's client-centered, wrap-around housing services are designed to holistically address the diverse needs of individuals and families seeking housing support. This client-focused approach helps ensure that each individual receives tailored support, empowering them to achieve stable and sustainable housing solutions that best suit their needs and foster long-term well-being.

However, Housing System Managers, like Peel Region, face challenges related to chronic underfunding, as well as provincial legislative changes, which place significant risk to meeting housing needs across the region.

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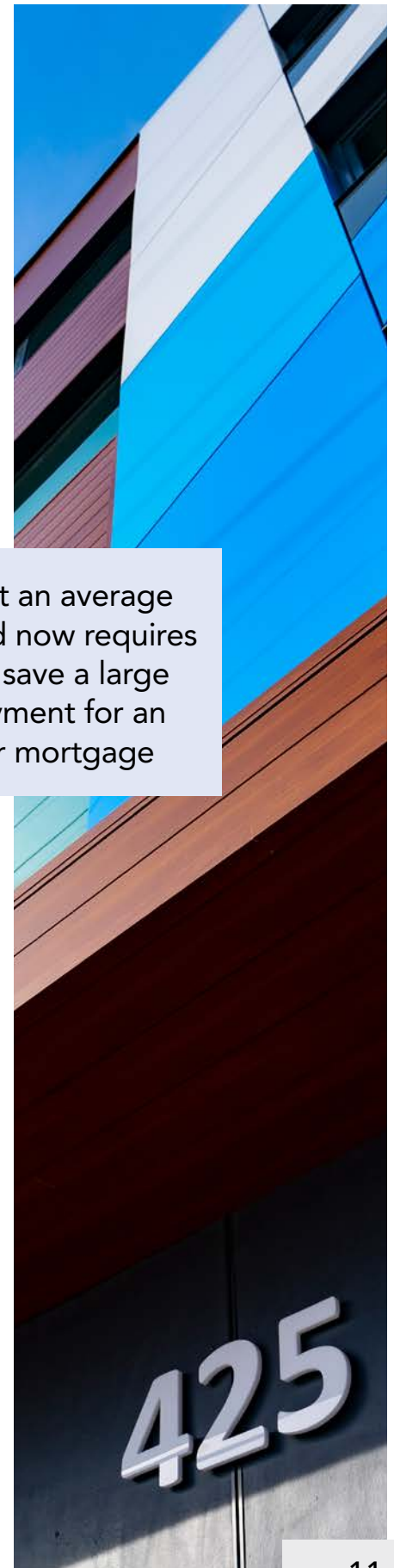
Core housing need in Peel

Current estimates indicate that approximately 91,000 households in Peel are living in core housing need, but the current service levels only meet 19 per cent of this demand. The majority of these households have annual incomes of \$57,000 or less and are renters. Additionally, 40 per cent of households in core housing need require additional supports to maintain stable housing.

As Peel Region's population continues to grow, the number of households in core housing need is expected to rise, with an estimated 114,000 households facing this challenge over the next ten years.

Closing the housing funding gap

It is estimated it could take up to \$50 billion, over the next 10 years, to eliminate 100 per cent of core housing need in Peel.



Peel Region's housing funding gap is currently \$4 billion over the next 10 years to simply maintain today's level of services – only about 19 per cent of Peel's housing needs. In other words, less than one in five households are able to get the help they need. To close this gap, adequate and sustainable funding for Peel's affordable housing system is essential for supporting clients, maintaining existing housing assets, and expanding new affordable and supportive housing supply.

Strengthening the capacity of Service Managers

As Service Managers, Peel Region requires legislative and policy changes at the federal and provincial levels of government to increase local autonomy and improve housing affordability outcomes. These changes are essential for fulfilling the Peel Community Housing Development program, which aims to ensure people can access and afford suitable housing.

However, due to the financial impacts of the recently implemented Bill 23, rising construction costs, and inability to secure more federal and provincial funding, targets have been revised to 12 projects or 1,444 units/beds. Peel Region continues to urge the Province to provide funding to support the full implementation of the Peel Community Housing Development Program to achieve these targeted units.

Addressing Peel Region's housing challenges and the fiscal impacts of Bill 23, requires collaborative efforts from all levels of government. Investing in affordable housing, supporting Service Managers, and adopting measures to improve housing affordability will help address the housing needs of Peel residents.



Infrastructure funding

Program funding & design

Policy opportunity and solutions

To address its 20-year capital infrastructure deficit of \$5.8 billion, Peel Region and the local municipalities need the provincial government to address long-standing issues with infrastructure funding programs. To achieve this, the Province should:

- Partner with the federal government to ensure Peel Region receives sustainable and timely infrastructure investments.
- Ensure funding is commensurate with expected high inflation through 2023/2024 to maintain real spending levels.
- Implement funding programs using an allocation model to distribute stimulus funds expeditiously.
- Align related funding programs to prevent delays or barriers that arise when one infrastructure project relies on the completion of another.
- Revisit transfer payment agreement terms and conditions that align with realistic infrastructure planning cycles and projects.

Background

Peel Region is committed to working with the Province and other partners to help foster stability and growth during the state of heightened economic uncertainty. This includes increased infrastructure investments in Peel that will help achieve key provincial priorities, such as building more homes faster, creating jobs, and building an integrated transportation network, all of which will be essential to accelerating local economic activities and supporting Ontario's economic growth.



To effectively advance these shared priorities, it is crucial to ensure fully funded and effective programs that support infrastructure projects are aligned with provincial priority objectives. These projects encompass a range of critical initiatives, such as:

- Wastewater plant rehabilitation and energy resiliency projects, which focus on enhancing energy efficiency, recovery and generation.
- Inflow and infiltration projects aimed at improving water management and infrastructure integrity.
- Road construction projects, encompassing widening efforts, active transportation improvements, and the implementation of green infrastructure solutions.

However, achieving these objectives requires addressing challenges related to the design of current infrastructure programs. This involves identifying and overcoming potential barriers and inefficiencies to ensure programs effectively expedite these essential projects. By proactively addressing these design-related challenges, the Province can maximize the value of the remaining funds and accelerate progress toward shared priorities.

Capital infrastructure deficit and funding challenges

Peel Region currently faces a \$5.8 billion capital infrastructure deficit over the next two decades to simply maintain existing infrastructure in a state of good repair. To cover capital infrastructure gaps over the next two decades, Peel Region has increased property taxes and the utility rate. However, changes to the Development Charges (DC) Act, through Bill 23, will add pressure to the property tax base due to reduced development charges, leading to potential revenue shortfalls of \$2 billion or more over the next decade.

Increased government investment in infrastructure projects will not only help achieve provincial economic objectives, but also address Peel's pressing need for essential infrastructure.



Reforming municipal infrastructure funding programs

Provincial investment in infrastructure will be essential as municipalities push to meet their housing targets. To do this efficiently, the Province should work with municipalities to address design-related challenges in existing and future infrastructure funding programs. For instance, housing and transit construction can lead to additional costs in other areas, such as premature replacement or updating of water/wastewater infrastructure and higher life cycle and asset management costs.

Funding for such housing and transit projects should consider the costs borne by impacted services to ensure timely and sustainable implementation. Aligning related funding programs can prevent delays or barriers that arise when one infrastructure project relies on the completion of another.

Future funding programs must also allow for flexible project parameters and realistic timeframes that align with infrastructure planning and implementation cycles (e.g., 10 years). This approach will optimize the value of taxpayer dollars and address potential temporary supply shortages and increased resource and labor costs during construction projects in a high inflation environment.

Allocation vs. Application-based funding

To also support efficient use of infrastructure funding, the Province should support the implementation of an allocation-based model, aligned with each municipality's asset management plan. This approach can reduce costs by avoiding price fluctuations and contractor shortages associated with application-based funding. The allocation funding model used for the COVID-19 Infrastructure Resiliency Stream serves as a positive example. Moving forward, developing and implementing similarly structured funding programs in collaboration with the federal government will benefit residents in Peel, and across Ontario.



Local share for hospital funding

Re-examine local share funding requirement

Policy opportunity and solutions

Hospitals are a provincial funding responsibility and should be funded through the provincial tax base, not from municipal property tax dollars. The requirement for a 'local share' contribution puts pressure on municipalities to raise additional levies or decrease municipal services, taking away resources available for other important services that contribute to the health and well-being of Peel residents.

To avoid additional fiscal pressures on the property tax base, the Province should re-examine the 'local share' hospital capital calculation methodology to better reflect the limited fiscal capacity of municipalities and acknowledge the contribution to health care services municipalities already provide to their communities.

Background

Peel Region and the local municipalities face fiscal challenges related to the current funding model used for hospital expansion. While recent commitments of provincial funding to expand hospital capacity in Brampton and Mississauga are appreciated, this has resulted in significant fiscal challenges for Peel Region's local municipalities. For example, for the Peel Memorial Redevelopment and Expansion and Cancer Care Centre alone, the local share requirement contribution is estimated at \$250 million.

Unlike the City of Toronto, with its long-standing and committed philanthropic community, Peel taxpayers have historically funded the local share contribution of hospital developments.



For instance, Peel Region, using collected development charges (DCs), was able to contribute:

- \$37 million toward the Brampton Civic Hospital (2007)
- \$25 million for the Credit Valley Hospital expansion (2005)

However, as municipalities are no longer allowed to collect DCs for hospitals, property taxes are the only available revenue source for municipalities to fund any local share contribution.

Re-examining the 'local share' hospital capital funding calculation methodology

As hospitals are a provincial funding responsibility, the current funding model should be reviewed to ensure that hospital infrastructure is funded through the provincial tax base, not from municipal property tax dollars.

While Peel Region recognizes the need for additional critical hospital infrastructure and has contributed toward its development in the past, the local share requirement places immense pressure on municipalities to raise additional levies or decrease municipal services. This diverts resources from other essential municipal services that contribute to the health and well-being of residents.

To address this challenge, the Province should work collaboratively with municipalities to find fair and sustainable funding solutions for hospital expansion. By alleviating the burden of local share contributions, municipalities can focus on providing vital municipal services that enhance the overall quality of life for Peel residents.



Mental health and addictions

Supporting community-based care

Policy opportunity and solutions

To ensure the strength of the health system in Peel and across Ontario, it is important that provincial investments and ongoing support for mental health and addictions match service needs. Achieving this shared goal can be accomplished with support from the Province to:

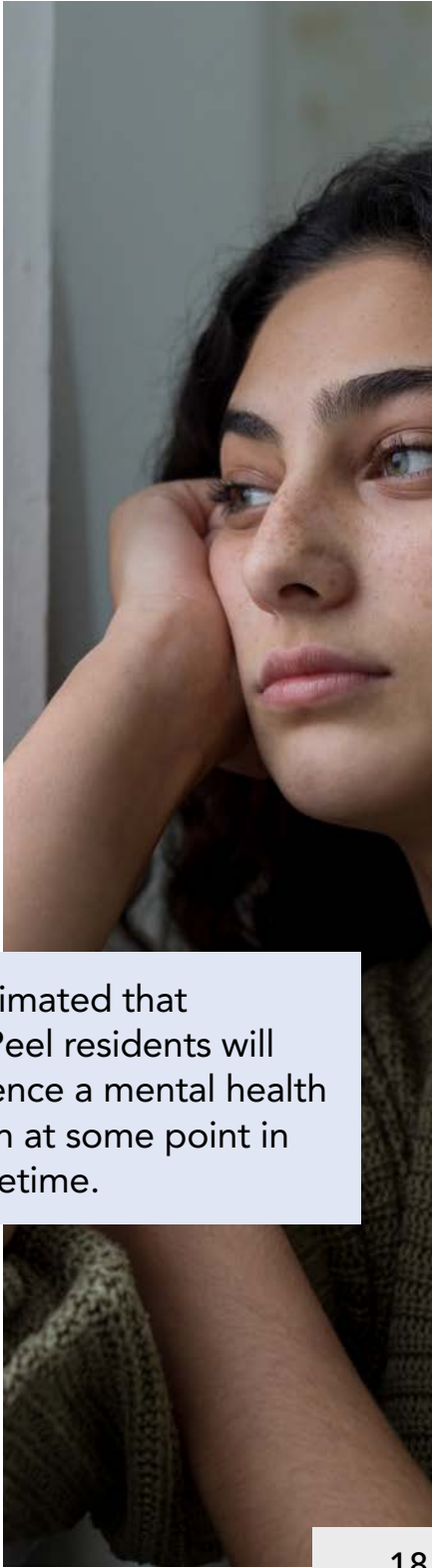
- Implement a funding formula for mental health and addictions services that considers population and demographic factors, and community need.
- Provide targeted, specific and sustainable investments to Peel's community-based mental health and addictions services to address growing waitlists.

Background

Peel Region appreciates the level of engagement and ongoing collaboration with the Province to advance mental health and addictions supports. We welcome the base funding commitment for community mental health and addictions care made in the 2023 Provincial Budget. It is an acknowledgement of the pressures articulated by mental health and addictions service providers across Peel Region.

The Roadmap to Wellness plan and new investments in the sector represent a step forward. However, Peel communities are currently experiencing sustained growth and are dependent on provincial support for critical frontline services – including mental health and addictions – which are desperately needed in rapidly-growing communities.

Mental health and addictions funding is not keeping pace with Peel's growing population and unprecedented demand for increased access to under-resourced health care services. It is estimated that 1 in 5 Peel residents will experience a mental



It is estimated that 1 in 5 Peel residents will experience a mental health concern at some point in their lifetime.

health concern at some point in their lifetime. There are approximately 20,000 emergency department visits per year for mental health related disorders by Peel residents. In response, Peel Region is requesting the following provincial support:

- A population-based allocation approach and needs-based operational funding increases to reduce the funding disparity between service areas.
- Catch-up funding to correct for Peel's historical underfunding.
- Investment in innovative and integrated approaches to reduce the burgeoning reliance on acute care services and create new models of care for complex clients.


Service providers in Peel receive less funding per capita for adult mental health and addictions supports compared to the rest of Ontario. This funding inequity also impacts children and youth mental health services – Peel's average per capita funding for child and youth mental health is significantly lower at \$76.38, while average per capita funding in Ontario is \$152.48. A population-based funding approach that considers funding needs based on population size and demographics, with adjustments for socioeconomic and geographic factors is required. Based on current service demands, Peel needs more funding to ensure no resident is left behind and is provided with the care and support they need.

Targeted, sustainable investments

Through implementation of an updated funding formula that responds to Peel's population size and needs, Peel's community mental health and addictions system will be able to reduce wait times and waitlists, improve care options, and reduce the burden on the acute care system.

There are several opportunities for increased provincial investment in evidence-based and community-based programming, including:


- Cognitive behavioural therapy for children and youth (ages up to 24 years old).



There are approximately 20,000 emergency department visits per year for mental health related disorders by Peel residents.

- Rapid access addiction medicine (RAAM) clinics to provide clinical supports and mobile crisis rapid response teams (MCRRT).
- 24/7 crisis walk-in services.
- Stepped care programs which provide a system to deliver and monitor treatments based on intensity of need and reduce wait times for psychiatric supports.
- Supportive housing, as a key determinant of both mental health and well-being.
- Culturally inclusive peer programs and services – especially for youth, adults and caregivers.

Despite ongoing advocacy, existing disparities for those facing mental health or addictions challenges are amplified in Peel, where the rates of depression, anxiety, substance-related harms, and opioid-related deaths have increased. These challenges emphasize the urgency and need for continued collaboration and sustainable funding from the provincial government.



Service providers in Peel receive less funding per capita for adult mental health and addictions supports compared to the rest of Ontario.

Support for seniors health services

Supporting long term and community-based care

Policy opportunity and solutions


Protecting our vulnerable seniors and ensuring a quality of life for residents of long term care, including those living in Peel Region's five long term care homes, is a priority and requires increased investment as Peel's population continues to rapidly grow. The increasing pressures placed on the senior services sector resulting from this significant growth present challenges and opportunities for innovation. To address the challenges facing seniors in Peel, the Province should:

- Provide funding and stronger regulatory requirements and measurement to support emotion-based care and enable dementia-friendly design in long term care.
- Provide \$6 million in sustainable operational funding to support the expansion of community support services and delivery of wrap-around care at the Seniors Health and Wellness Village at Peel Manor.

Background

With a rapidly growing seniors population in Peel and Ontario, new types of infrastructure are needed to enable aging-in-place. It is expected that by 2041, one in five residents in Peel will be over the age of 65.

After the age of 65, the chance of developing dementia doubles every five years. To meet the complex care needs of people living with dementia, it is essential that long term care homes and community-based care providers have the necessary resources to provide a specialized approach to care that is based on person-centred, integrated and emotion-based care.



It is expected that by 2041, one in five residents in Peel will be over the age of 65

Emotion-based care

Peel Region has been working to implement the emotion-based Butterfly model of care across its five long term care homes. This model incorporates adjustments to the long term care setting to create a home-like environment with a dementia-friendly design. It also empowers staff to know the people in their care by taking every opportunity to engage them in personal and meaningful ways.

Evaluations of these homes have demonstrated that residents become less agitated and react more positively to their social interactions with staff and the dementia-friendly home environment, which reduces the need for resource-intensive specialized units.

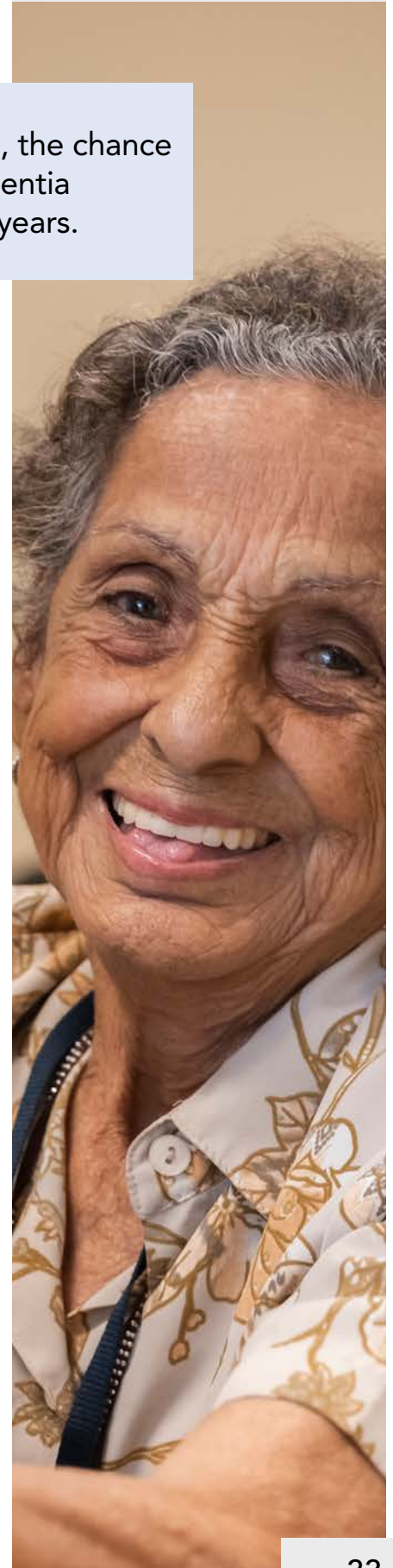
However, to help ensure the implementation of emotion-based care and dementia-friendly design in Ontario's traditional long term care homes and in the community, legislative and regulatory changes are required.

Peel Region appreciates provincial support for the Transitional Behavioural Support Unit pilot at Peel Manor and awaits designation and 2023–2024 funding. This unit will focus on meeting the needs of seniors with advanced dementia, who are experiencing expressive behaviours, through targeted clinical care. The specialized unit will also leverage the Butterfly model of care to provide person-centred care and ensure strong collaboration between the interdisciplinary team, family members, acute care and the community.

Seniors Health and Wellness Village

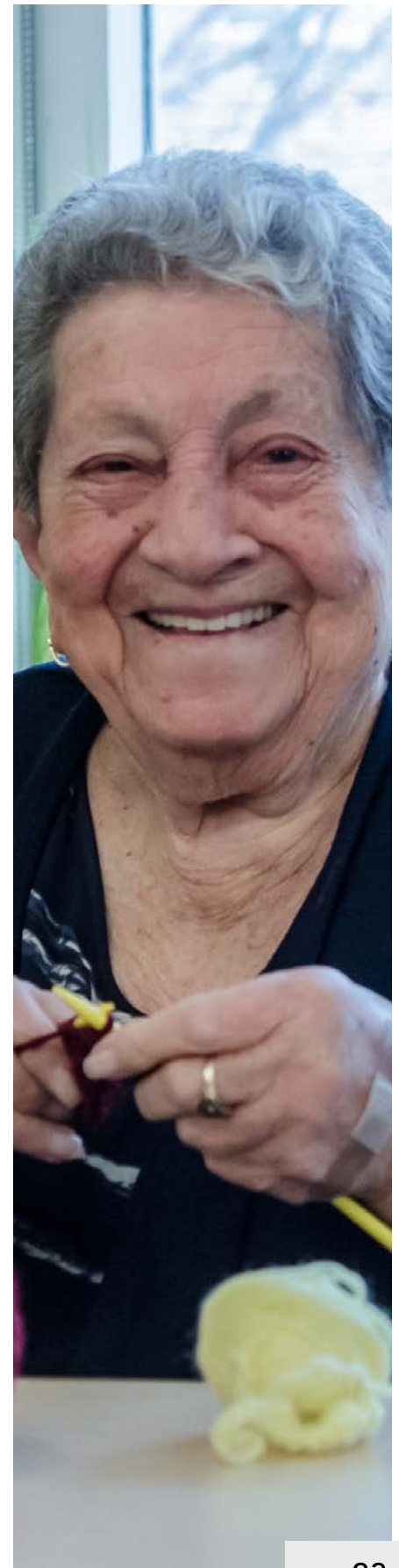
The Seniors Health and Wellness Village at Peel Manor is an innovative initiative that aligns with the provincial government's efforts to end hallway health care and improve long term care integration within the community. This facility includes a service hub and is part of a campus of care that will accommodate a spectrum of services to enable seniors in the community to age in place, delaying or eliminating their need for long term care and reducing demands on the health system.

After the age of 65, the chance of developing dementia doubles every five years.



Peel-area community support services have been historically underfunded compared to provincial averages, and to date, Peel has not received any financial assistance to support the redevelopment and transformation of the Peel Manor site. The transformation of Peel Manor into a Seniors Health and Wellness Village will support the Province's vision of strengthening long term care, improving access to care at home and reducing wait lists.

To fully realize the benefits of this innovative centre for seniors, Peel Region is seeking \$6 million in sustainable operational funding toward the expansion of community support services and delivery of wrap-around, integrated care. Partnership with the Province will contribute to upstream solutions for Peel residents, while safeguarding health system capacity in Peel, and across Ontario. Through collaboration, we can better address gaps and complexities in health and social systems preventing seniors and their caregivers from successfully navigating and accessing a range of services that support this vulnerable population.



Climate change

Investing in sustainable communities

Policy opportunity and solutions

If Ontario wants to win its fight against climate change, it must be won in Peel. To achieve provincial emission reduction targets, a large percentage of those emissions must be cut in Peel, which is home to extensive transportation networks and a growing population that will take on more growth over the next three decades than any other region in the province, including Toronto. With this in mind, the Province should:

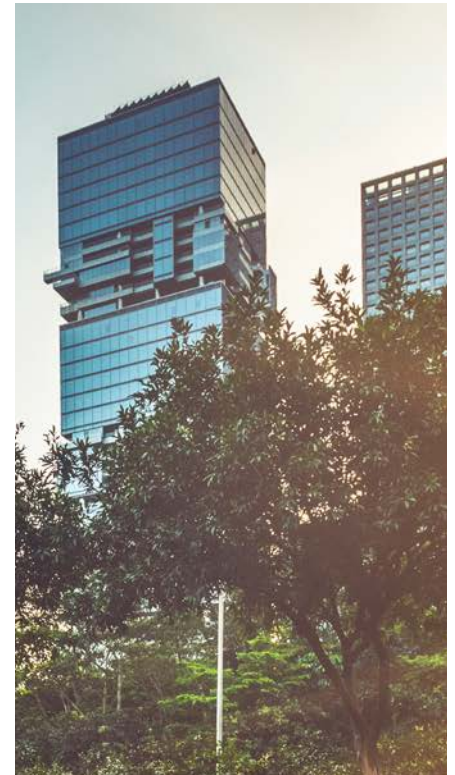
- Apply a climate lens to economic stimulus investments that considers the impacts of extreme weather and municipal resilience to climate change.
- Invest in sustainable energy generation to ensure decarbonization is prioritized as part of plans for economic expansion and growth.

Background

Global greenhouse gas (GHG) emissions are at dangerous levels and continue to rise, resulting in Peel experiencing more frequent and severe impacts of climate change that threaten Regional services and infrastructure. In response, Peel Region declared a climate emergency in 2019 due to the serious environmental and socio-economic implications for services, our residents and businesses.

Peel Region continues to advance sustainability and resiliency priorities through a holistic and proactive response, and similar initiatives being undertaken by the Province are appreciated. Peel's strategic location and consistent economic growth will contribute significantly to Ontario's long-term success, however, this can only be accomplished by prioritizing sustainable energy generation and through the implementation of a climate change lens.

Peel Region declared a climate emergency in 2019 due to the serious environmental and socio-economic implications for services, our residents and businesses.



Climate change lens

As climate events become more extreme and occur more frequently, damage and disruption to Peel Region's infrastructure and services will likely increase, driving up costs to maintain a state of good repair and affect the delivery of services.

As the Province moves forward with its infrastructure stimulus program, a climate change lens should be applied, consistent with federal climate change objectives. This will help expedite the flow of federal funds to much-needed municipal infrastructure projects. Further, applying a climate change lens to infrastructure planning will help:

- Develop timely and purposeful mitigation and adaptation measures that are needed for efficient, effective and resilient utility services to residents.
- Avoid future, increased climate change-related damage costs from being passed onto taxpayers.
- Demonstrate feasibility of clean technology and innovative infrastructure projects that can be replicated by other municipalities, while stimulating activity and growth across multiple job sectors.

By applying a climate change lens to various aspects of policy and decision-making, it becomes possible to identify opportunities to reduce emissions, enhance resilience, and pursue sustainable pathways that align with the municipal and provincial goals to mitigate and adapt to climate change.

Sustainable energy generation

As the provincial government continues to position Ontario as a premier location for businesses, it is important that clean electricity is not limited by grid capacity and investments are made in resilient infrastructure. This will provide a competitive advantage as these investments demonstrate support for maintaining business continuity amid increasing extreme weather events. It will also contribute to economic development in communities across the province, including Peel.



The success of decarbonizing our economy and communities can be achieved through sustainable energy generation. The Province's Electrification and Energy Transition Panel is a step in the right direction. However, climate action should also become part of a modernized Independent Electricity Service Operators (IESO) mandate. This will better enable the IESO and Local Distribution Companies (LDCs) to conduct a grid-scale capacity study to identify and coordinate where investments are needed to improve the capacity of clean electricity to support the transition to made-in Ontario electric vehicles (EV) and zero-emission buildings.

Opportunities to collaborate

Peel Region is addressing the ongoing challenges of the climate emergency through the following actions:

- Following the Ontario's Financial Accountability Office's methodology, all Peel Region assets are being assessed to determine vulnerability to climate hazards and the adaptations necessary to ensure continuity of critical services.
- Avoiding or reducing existing GHG emissions by investing \$26 million into new affordable housing in progress and projects that will undergo substantial redevelopment and expansion.
- Achieving further reductions in GHG emissions through a \$12.2 million investment in the Peel Housing Corporation State of Good Repair & Low Carbon Project Support.
- Advancing the greening of the Peel fleet through the investment of \$2.2 million into two key projects: Zero Emission Waste Collection Vehicle Pilot and investing in EV Charging Infrastructure.

As part of our commitment to resiliency and sustainability, Peel Region welcomes provincial support for these efforts as we embed a climate change lens across all services to reduce our carbon footprint for Peel residents and businesses into the future.



Waste Management

Support sustainable communities

Policy opportunity and solutions

Peel Region and the Province have a shared commitment to address the current housing crisis by supporting actions aimed at creating more housing and providing the necessary services to support these developments. As such, we are committed to ensuring that Peel Region's waste management system can handle this expected and continuous growth and also reach a regional target of 75 per cent diversion by 2034.

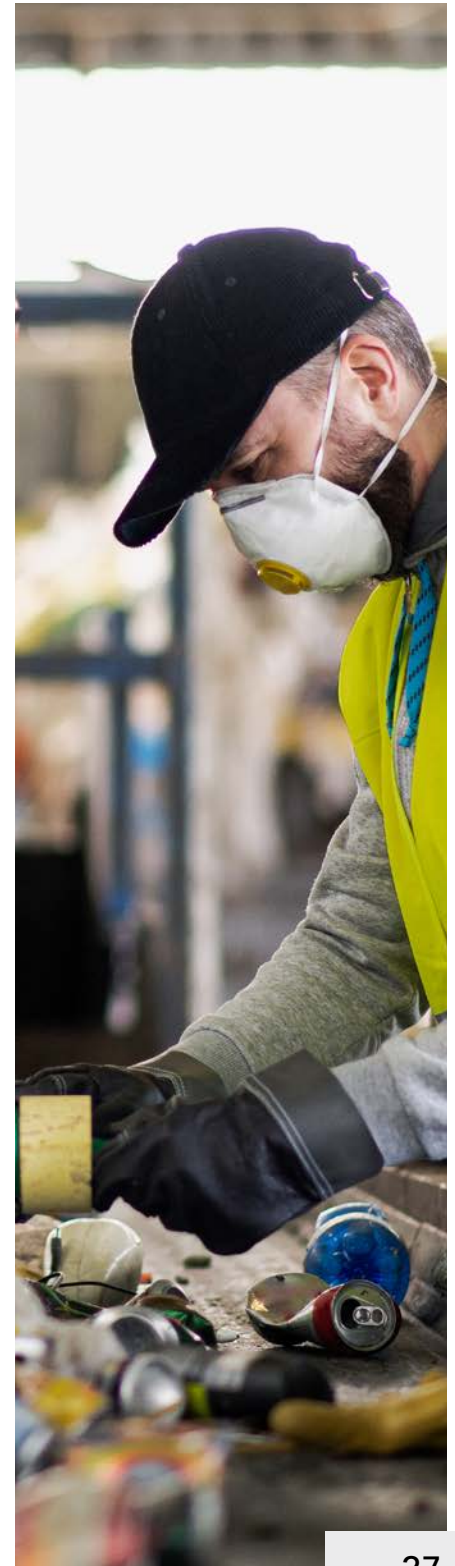
To support these efforts, the Province should provide funding to ensure waste management infrastructure keeps pace with anticipated growth in Peel.

Background

Peel Region is focused on reducing greenhouse gas (GHG) emissions associated with our waste management program and investing in climate friendly initiatives. For instance, current curbside waste collection contracts include a requirement that waste collection vehicles use compressed natural gas as fuel, which generates lower GHG emissions than using diesel and some of Peel's organic waste materials are sent to third-party anaerobic digestion facilities for processing enabling the production of renewable fuels. Peel Region is also conducting an electric waste collection vehicle pilot, in partnership with one of its collection contractors, as an initial step toward developing a Green Fleet strategy.

Investment in Waste Management Infrastructure

Peel Region generates approximately 570,000 tonnes of residential waste each year and diverts 50 per cent of it from landfill. The pressure to manage the growing amount of waste, while meeting diversion targets are expected to intensify. This will



require both community participation and development of new waste processing infrastructure and technologies to ensure existing program materials, such as blue box recyclables, green bin organics, yard waste, electronics, and hazardous materials are managed properly and diverted from landfills.

Support is also requested to manage and divert yet-to-be-designated materials, such as textiles, mattresses, furniture, industrial, commercial and institutional recyclables, construction and demolition waste.

With further provincial support in waste management infrastructure, the shift from disposal to resource recovery (given dwindling disposal capacity), can be accelerated, which is necessary to support healthy, prosperous communities and move toward a low-carbon circular economy.



Child Care

Enhancing supports for human services

Policy opportunity and solutions


The Canada-Wide Early Learning and Child Care (CWELCC) program is improving affordability for Peel families. The Province can ensure the unique challenges and local needs in Peel are met by:

- Supporting and funding a strategy to address the Early Childhood Educator (ECE) workforce crisis.
- Providing fair, predictable, flexible funding to Service System Managers to support the administration of the Canada-Wide Early Learning and Child Care Expansion Plan program.
- Providing adequate capital funding to support child care expansion to improve access to affordable license child care.

Background

The CWELCC is a transformative all levels of government initiative, which, when fully implemented, will provide much-needed affordability for families in Peel, where parents pay some of the highest child care fees in the country. Funding received from the Ministry of Education toward the expansion of the CWELCC program supports fee reduction, workforce compensation, administration and start-up funding as new child care spaces are opened.

The program is also expected to act as a catalyst for increased labour force participation, which in turn, supports shared goals in Peel and communities across Ontario to drive economic expansion. Each dollar invested in early years and child care returns \$3 to \$10 in terms of savings and benefits that are both immediate and long-lasting.



In Peel, parents pay some of the highest child care fees in the country.

The progress of CWELCC implementation has been encouraging. However, the goal of achieving \$10/day child care by 2025 is at risk unless adequate conditions, such as a suitable workforce of qualified ECEs, sufficient funding that takes local needs for child care into consideration are in place, which will require ongoing support from the Province.

Each dollar invested in early years and child care returns \$3 to \$10 in terms of savings and benefits

Workforce strategy

In Peel's fast-growing communities, demand for affordable child care continues to outstrip supply. To address this challenge, the Province should develop and implement a comprehensive, long-term recruitment and retention strategy for ECEs. Without sufficient qualified staff, there will be waitlists and a lack of access to licensed child care, despite the millions in funding that have been invested.

In the absence of a province-wide approach, Peel Region launched an innovative program aimed at increasing the number of available staff resources by offering fully and partially funded ECE diploma spaces to qualified applicants. This is part of a comprehensive plan to address the workforce shortage. However, as this was funded through a one-time provincial grant, long-term support from the Province is critical for the continuation of the program beyond 2023 to ensure there is a sufficient supply of qualified ECEs.

Expansion of the post-secondary Child Development Practitioner Apprenticeship Program and financial subsidies should also be considered by the Province to support additional avenues to increase the number of ECEs.

Fair and flexible funding

While the final details of the 2024 CWELCC funding formula have not yet been shared, the Province should continue working with Service System Managers on the new funding formula to ensure it considers local cost differences (including child care fees, lease costs, wages) and key demographic statistics (e.g., Low-Income Measure) to ensure fair access to affordable child care across Ontario.



Further, to address the unique needs of Peel communities, the Province should reinstate flexibility for local Service System Managers to use provincial funding to support families living in poverty. Families earning less than \$50,000 a year still cannot afford \$10/day child care, and families with children ages 6 to 12, who do not qualify for the CWELCC program, will need ongoing financial support to afford licensed child care. This is not a request for additional funding but simply a return to the flexibility Service System Managers had previously. Also, as the system grows, so will the number of children with special needs accessing child care and funding is needed to ensure these children have fair and equitable access to affordable child care.

Capital funding

Provincial support received through the Start-up Grant and CWELCC funding from the Province is greatly appreciated. This funding will ensure communities identified in Peel as having greater need for quality, affordable child care will continue to be prioritized, while supporting first-time start up costs and minor renovations to create more net new spaces.

However, not-for-profit providers do not have access to private financing to support expansion and are governed by boards, which require assurances that organizational viability can be maintained under the new funding approach before exploring expansion opportunities. Provision of capital funding will support non-profit expansion in Peel to maintain the existing 60/40 not-for-profit and for-profit space ratio, while increasing access to affordable child care for families.

Peel Region is committed to continued collaboration with the provincial government toward our shared goal of building and supporting an Early Years and Child Care system that is responsive to current and future needs of children and families in Peel.



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