

Re: 2026 Pre-Budget Consultation Submission

13 January 2026

Habitat for Humanity Canada's Ontario Caucus is pleased to offer our input for Ontario's 2026-27 Budget.

Habitat for Humanity Canada's Ontario Caucus represents 23 local Habitats building affordable homeownership units and operating Habitat ReStores across the province. Together, we advocate to local governments and the province on key affordable housing issues.

Habitat for Humanity empowers eligible families living with low-to-moderate income to purchase a home at fair market value. Financed with no down payment and a geared-to-income mortgage, Habitat families gain the opportunity to own a safe, affordable home that meets their needs. We also keep the majority of homes we build affordable, even when families sell, making affordable homeownership a reality for even more Canadians. As Canada's only national affordable homeownership organization, we have a unique perspective of developer, builder, mortgage holder and family service organization.

According to Abacus Data, more than 65 per cent of non-homeowners say they want to own a home someday; among young adults aged 18–29, that number rises to a remarkable 86 per cent. Investing in solutions that enable these working young people and families to achieve homeownership not only protects Ontario communities now, it also invests in generations to come.

We are encouraged by the province's recent proposal on HST relief on new homes. This measure builds upon bold action to eliminate development charges for non-profit housing providers. These savings both directly benefit Habitat partner families and enable local Habitats to build more affordable homeownership units.

Our recommendations for Budget 2026 ask the government to continue bold action and partnership with Habitat so homeownership can stay within reach for working families of Ontario. We are calling on the government to:

1. Build upon existing investments in local Habitats and collaborate with us to formulate a province-wide approach to scale-up affordable homeownership solutions.
2. Swiftly pass HST relief measures, retroactive to May 27, 2025.
3. Unlock surplus land for affordable homeownership providers like Habitat so more working families in Ontario can achieve homeownership.

Further detail on these recommendations is enclosed. We would be pleased to meet with Minister Bethlenfalvy, his team, and Ministry staff to further discuss these recommendations so they can be actioned appropriately.

Thank you for working to keep homeownership within reach in Budget 2026.

For further information or clarification, please contact Habitat's Senior Manager for Ontario Caucus government relations, Sophia Koukoulas: skoukoulas@habitat.ca.

Sincerely,



Philip Mills, CEO Habitat for Humanity Waterloo Region
Chair, Habitat for Humanity Ontario Caucus

C:

Megan VanderEnde, Board President Habitat for Humanity Chatham-Kent
Leigh Taggart, ED Habitat for Humanity Cornwall & the Counties
Ene Underwood, CEO Habitat for Humanity Greater Toronto Area
Greg Fryer, ED Habitat for Humanity Grey Bruce
Steve Howard, CEO Habitat for Humanity Guelph Wellington
Eden Grodzinski, CEO Habitat for Humanity Halton-Mississauga-Dufferin
Sean Ferris, ED/CEO Habitat for Humanity Hamilton
Susan Fahner, CEO Habitat for Humanity Heartland
Rob Evans, ED Habitat for Humanity Huron County
Robert Cikoja, CEO Habitat for Humanity Huronia
Gary Lees, CEO Habitat for Humanity Kingston Limestone Region
Cathy Borowec, CEO Habitat for Humanity Northumberland
Mark Carl, CEO Habitat for Humanity Niagara
Kimberley Woodcock, CEO Habitat for Humanity Ontario Gateway North
Sara Cooper, CEO Habitat for Humanity Greater Ottawa
Susan Zambonin, CEO Habitat for Humanity Peterborough & Kawartha Region
Hazzem Koudsi, ED Habitat for Humanity Prince Edward-Hastings
David Waters, CEO Habitat for Humanity Sania-Lambton
Katie Blunt, ED Habitat for Humanity Sault Ste. Marie & Area
Anthony Conte, Board Chair Habitat for Humanity Thousand Islands
Todd Davis, CEO Habitat for Humanity Thunder Bay
Fiona Coughlin, ED Habitat for Humanity Windsor-Essex

1. Collaborate with Habitat's Ontario Caucus to develop a province-wide approach for affordable homeownership solutions

We urge the provincial government to collaborate with Habitat for Humanity Ontario Caucus to build upon existing investments in local Habitats and formulate a province-wide approach to scale-up affordable homeownership solutions.

Governments have partnered with local Habitats to increase access to affordable homeownership opportunities across Ontario. These bold solutions range from partnerships to turn unsold condo-market units into affordable homeownership opportunities, pilot projects in modular building, and leveraging Building Faster Fund investments. The recent *New Deals* resulting in provincial and municipal investments in Habitat projects on Coxwell Ave in Toronto¹ and Beechcliffe St in Ottawa² demonstrate how Ontario can scale up community-driven solutions to homeownership. These projects lay the foundation for a more consistent partnership between non-profit, affordable homeownership providers and the province. We want to build on this success by working hand-in-hand with the government to replicate these initiatives across the province, including in high population-growth areas.

With large-scale federal action on housing, Habitat's Ontario Caucus can help the province design a policy and funding framework which best aligns federal, provincial and local action to champion a made-in-Ontario solution for affordable homeownership. As Build Canada Homes (BCH) unveils its strategy, Habitat is well poised to support the stacking of these federal funds across provincial bilateral agreements and municipal programs. Habitat is a proven partner for government investments in affordable homeownership – leveraging every dollar received in federal funding at a 2:1 ratio.

Partnering with Habitat also offers a one-stop-shop for local delivery of projects, as we work with local service managers to ensure they are aware of opportunities to support affordable homeownership in their communities. Our unique perspective as builders, mortgage- and service- providers can also offer guidance for red tape reduction to benefit housing providers across Ontario.

Together, we can develop a consistent approach to scale-up affordable homeownership solutions in the province.

This could include enabling non-profit homeownership providers access to all existing provincial funding and financing opportunities related to housing. Affordable homeownership providers like Habitat are

¹ Ontario Partnering with Toronto and Habitat for Humanity to Build Modular Homes

<https://news.ontario.ca/en/release/1006571/ontario-partnering-with-toronto-and-habitat-for-humanity-to-build-modular-homes>

² Ontario Partnering with Ottawa and Habitat for Humanity to Build Modular Homes

<https://news.ontario.ca/en/release/1006827/ontario-partnering-with-ottawa-and-habitat-for-humanity-to-build-modular-homes>

currently locked out of many investment and financing opportunities offered by the province. By partnering with Habitat, Ontario can unlock existing programs to non-profit homeownership providers and also design new programs which keep affordable homeownership at the forefront of policy.

Ontario can also prioritize non-profit homeownership providers like Habitat in existing financing programs, including those offered through Building Ontario Fund. The province can also modify existing financing programs which prohibit providers like Habitat, including Infrastructure Ontario's Lending Program, from accessing these low financing opportunities.

By partnering with Habitat's Ontario Caucus, Ontario can design bold fiscal frameworks which help more Ontario families achieve homeownership. We are ready to partner with the Government of Ontario to ensure investments are being made across the housing spectrum to build more affordable homes and help more Ontario families.

The people of Ontario desire homeownership. By working together, Habitat can help Ontario deliver on this goal – helping families achieve prosperity for generations.

2. Swiftly pass HST relief measures, retroactive to May 27, 2025.

We applaud the Ontario government's commitment to providing HST relief to new homebuyers as detailed in the 2025 Fall Economic Statement. By making HST relief retroactive to May 27, Habitat families who journeyed through to homeownership over the busy summer and fall months will also benefit from this relief.

This measure builds upon bold action to eliminate development charges (DCs) for non-profit housing providers. The rising costs of building are only exacerbated by DCs, some of the highest of which are shown to be in Ontario³. The elimination of DCs for providers like Habitat demonstrates this government recognizes the importance of bringing homeownership within reach for more people.

Much like the savings offered with development charge exemption for non-profit housing providers, HST relief both directly benefits Habitat partner families and also allows us to reinvest savings into building more homes. For every 100 Habitat homes, we could deliver anywhere from 5 to 13 additional homes to Ontario families with HST relief.

We are anxiously awaiting this relief – with increased costs of land, construction, and labour, the HST burden can impact the financial feasibility of an affordable housing project.

³ CMHC "We built this city on... Development charges, and it's been rock and roll". <https://www.cmhc-schl.gc.ca/observer/2025/we-built-this-city-development-charges>

We continue to urge the federal government to quickly pass its GST measures so HST relief can be mirrored in Ontario. We also encourage the province to act swiftly to bring this relief forward to help bring affordable homeownership within reach to more families.

3. Unlock surplus land for affordable homeownership providers like Habitat so more working families in Ontario can achieve homeownership.

Land costs continue to rise across Ontario, increasing purchasing costs, Fair Market Value of Habitat homes, and impeding housing affordability solutions across the spectrum.

Municipal land provision has been crucial for local Habitats to continue to offer our affordable homeownership model. By gifting land to local Habitats, municipalities take an active role in full spectrum of the housing continuum by including affordable homeownership in their municipality's housing offerings.

Historically, provincial surplus land has been difficult to access. We understand the careful fiscal balance which must be applied to these public lands; however, land left unutilized does not benefit the provincial balance sheets nor the public. We believe these lands should be put back into productive use, lowering maintenance costs for the province while bolstering housing, economic development and jobs.

We are encouraged by the recent announcement to unlock surplus land in Hamilton⁴. We ask government to develop a pathway so that non-profit housing providers like Habitat can access these unused lands. Habitat is a trusted delivery partner and well-poised to leverage community-driven investments while delivering on value for ratepayers.

Habitat's Ontario Caucus is ready to support this action, working in partnership with government so more working families in Ontario can achieve homeownership.

⁴ Ontario Building More Homes Near Transit in Hamilton <https://news.ontario.ca/en/release/1006844/ontario-building-more-homes-near-transit-in-hamilton>