



Waterloo Region  
**HOME Builder's**  
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[Via electronic submission](#)

To: [irpb-mmah@ontario.ca](mailto:irpb-mmah@ontario.ca)

Ministry of Municipal Affairs and Housing  
Intergovernmental Relations and Partnership Branch  
13<sup>th</sup> Floor, 777 Bay Street  
Toronto, ON  
M7A 2J3

Re: **ERO 026-0302**

**Communal Drinking Water and Wastewater Systems Municipal Consent Requirements**

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The Waterloo Region Home Builders' Association (WRHBA) strongly supports the proposed legislative amendments under ERO 026-0302 to the *Municipal Act, 2001* and the *Safe Drinking Water Act, 2002*. These proposed changes are consistent with, and an important complement to, the Province's broader housing-enabling reforms introduced through Bill 98, the *Building Homes and Improving Transportation Infrastructure Act, 2026*.

Waterloo Region is currently experiencing acute impacts on housing delivery as a result of ongoing water capacity constraints, driven in part by a prolonged under-investment in infrastructure and the application of planning methodologies that have artificially altered the direction, pace and type of growth. The cumulative impacts have resulted in water capacity constraints and a risk management approach that includes an indefinite development freeze across large portions of Waterloo Region. While WRHBA fully recognizes the importance of protecting drinking water and environmental systems, the current approach has extended beyond prudent risk management and has materially undermined housing supply, economic activity, and employment in the construction sector.

Infrastructure risk cannot be reduced to zero without effectively eliminating growth altogether. Housing delivery necessarily requires a balanced and nuanced approach to risk that safeguards public health while also allowing development to proceed where appropriate technical, operational, and financial protections are in place.

The proposed amendments under ERO 026-0302 directly address this challenge by introducing greater clarity, consistency, and predictability into the municipal approval process for non-municipal communal drinking water and wastewater systems. In the context of Waterloo Region, non-municipal communal systems could represent a practical and responsible servicing solution for certain forms of development, particularly within township settlement areas.

At present, the absence of clear provincial direction has often resulted in an effective prohibition, regardless of whether a proposed system meets appropriate technical and operational standards. This increases uncertainty for prospective applicants, resulting in less investment and higher housing costs that ultimately flow through to new home purchasers and renters.

The proposed requirement that municipalities provide consent where prescribed criteria are met represents a necessary and appropriate policy adjustment. It ensures that municipal decisions are objective and meet province-wide standards rather than subjective or shifting local policy position. It will also restore confidence that appropriate and technically supported projects can proceed in a predictable manner.

WRHBA views ERO 026-0302 as fully aligned with the Province's stated objectives under Bill 98 to accelerate housing approvals. Reducing unnecessary delays and enabling infrastructure solutions that support growth will help municipalities meet, or even exceed, Provincial housing targets. Those housing targets cannot be achieved without complementary reforms to infrastructure approvals, and policies which send a clear and signal that infrastructure constraints should be managed through appropriate regulation and accountability.

WRHBA encourages the Province to proceed with ERO 026-0302 and to implement the supporting regulations as quickly as possible. Provincial leadership is urgently needed to restore balance in municipalities like Waterloo Region, where infrastructure challenges have been allowed to undermine housing supply in a manner that is inconsistent with provincial policy objectives.

Sincerely,

**WATERLOO REGION HOME BUILDERS' ASSOCIATION**



**Marie Schroeder**  
**Chief Executive Officer**

**c: WRHBA Board of Directors**  
**WRHBA Member Companies**  
**Ontario Home Builders' Association**

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**WATERLOO REGION HOME BUILDERS' ASSOCIATION**

*For eighty years, the Waterloo Region Home Builders' Association (WRHBA) has been the recognized leader and the official voice of the new residential home construction, land development, and professional renovation industries in the Regional Municipality of Waterloo, ON. We are an association of knowledgeable, trusted, resourceful, and local professionals, and together we create vibrant, thriving, and sustainable communities across our regional area, comprising three municipalities and four townships. WRHBA member companies construct over 90% of all new residential construction, making it one of the most significant economic engines driving the Region's economy, creating over 22,000 jobs, 1.5 billion in wages, and three billion in investment value. As an Association, we are invested in providing insight to public policy decision-makers at all levels of government on matters affecting the residential development and construction industry, with a focus on housing affordability and consumer choice.*

