

2025 AMO CONFERENCE

Municipal-Provincial Fiscal Relationship

- The current provincial-municipal funding framework is broken. Long-standing problems combined with growth pressures, rising costs, and provincial policy decisions have pushed municipalities to their limits.
- Municipalities are doing their best to meet growing infrastructure needs, growing and complex social challenges, and the rising costs for essential services. But they don't have the financial tools to keep up.
- AMO continues to call on the province to work together on a Social and Economic Prosperity Review to modernize the municipal-provincial fiscal relationship.
- Municipalities need:
 - A source of long-term, predictable and substantial municipal infrastructure funding.
 - A plan to reduce the \$5 billion a year that municipalities spend in health and social services – services that are funded by provinces in the rest of Canada.
 - A commitment from the Province to invest in solutions that address the root causes of homelessness. These include improved income support, mental health and addictions services, and deeply affordable housing.

Infrastructure Funding

- Municipalities are planning for more than \$250 billion in capital spending over the next decade. This will support housing and economic growth, fix aging infrastructure, and help adapt to climate change.
- For decades, development charges have been central to funding the infrastructure necessary to support housing and growth. However, modernization is long overdue.
- AMO and the Ontario Home Builders Association have worked together on recommendations to modernize the development charge framework. These changes would make DCs more consistent and transparent, reducing friction and lengthy appeals.
- These costs cannot be shifted to the property tax base. This would only make housing less affordable.
- Ontario municipalities need a long-term, predictable and substantial infrastructure fund that supports the unique needs of all communities – large cities, small towns, rural and northern.

Homelessness

- Municipalities do not have the tools or financial resources to meet the health and social challenges fueling the homelessness crisis.
- There were 80,000 Ontarians known to be homeless last year. Without action it could grow to nearly 300,000 over the next ten years if we hit an economic downturn – such as one caused by the trade dispute.
- Recent provincial legislation giving police more powers might be helpful in some cases, but we cannot enforce our way out of the crisis. It will not address the root causes of homelessness.

- Investments in HART hubs are appreciated but will only build a fraction of the supportive housing units needed.
- Municipalities are doing their part. Municipal spending on homelessness and housing programs has sky-rocketed since 2020, growing to more than \$2.1 billion in 2024.
- We need a new approach. One that invests in long-term housing solutions, including deeply affordable community, transitional and supportive housing units across Ontario.
- Investing in community housing is the right thing to do socially and economically. At this time of economic uncertainty, these investments also promote productivity and create jobs to support our prosperity.

Property Tax Reassessment

- Municipalities know that Ontario's property tax system is best in class and doesn't need significant reforms – it needs a re-assessment
- It has been nearly a decade since the last Ontario property tax assessment. A well-functioning, predictable and up-to-date assessment system supports strong communities and makes Ontario an attractive place to invest.
- The reassessment needs to be rolled out thoughtfully and we will need broad collaboration to ensure property taxpayers understand the process.
- Frequent reassessments do not increase property taxes but instead increase fairness, stability and predictability for all involved. There is room to work collaboratively to get this message out.

Code of Conduct

- AMO is pleased to see the government respond to long-standing sector concerns through Bill 9, the *Municipal Accountability Act*.
- Respectful debate and ethical behaviour are fundamental to continued public faith in democracy. Like all people, municipal staff and council members are entitled to a safe and respectful work environment.
- Efforts to standardize municipal codes of conduct and integrity commissioner investigations will improve accountability and consistency.
 - AMO is seeking some amendments related to providing a progressive range of discipline options and a two-thirds vote to remove a councillor from office, rather than a unanimous decision.
- It's broadly understood that there is rising incivility and harassment in the public square. It's taking a toll on officials and staff, and undermining our democracy.
- AMO is also tackling these difficult challenges through its Healthy Democracy Project. It is focused on fostering greater civic participation, promoting a sense of belonging and enabling respectful debate.

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