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May 23, 2025

The Honourable Gregor Robertson Minister of Housing and Infrastructure Housing, Infrastructure and Communities Canada 180 Kent St. Ottawa, ON K1P 0B6

Dear Minister Robertson,

On behalf of the Association of Municipalities of Ontario (AMO) and its member municipalities, I would like to congratulate you on your appointment as Minister of Housing and Infrastructure.

The Association of Municipalities of Ontario (AMO) is a non-partisan, non-profit association representing almost all 444 municipal governments across Ontario. As the frontline order of government closest to the people, municipal governments are deeply invested in furthering the economic and social prosperity of our communities, Ontario and Canada as a whole.

More than ever, Canada needs strong and united leadership as we face the uncertainty of US tariffs and the potentially devastating impacts they will have on our economy, residents and communities. Given this, Ontario's municipalities are eager to support federal and provincial responses to these tariffs through a Team Canada approach. All orders of government need to work together to determine the best ways to weather a protracted economic downturn.

As outlined in AMO's 2025 pre-budget submission to the Ontario government, investing in municipal infrastructure and social housing are proven ways to stimulate the economy and project jobs right now while supporting productivity and economic resiliency in the long-term.

Investments in Municipal Infrastructure and Social Housing to Stimulate the **Economy**

There is significant opportunity to work together to ensure the more than \$50 billion in local capital projects planned for 2025 and 2026 stay on track despite cost escalation due to tariffs and accelerate the more than \$250 billion of capital works that municipalities have planned over the next decade.

AMO is calling for a stimulus investment of \$3.45 billion annually over five years (from both provincial and federal sources) for Ontario municipal infrastructure and social housing.

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This investment would:

- Support the new development, acquisition and capital repair of social housing to create up to 20,000 new social housing units across Ontario:
- Provide \$520 million per year to keep in-flight municipal infrastructure projects on trade despite tariff-related cost increases, in line with a macroeconomic report developed with Oxford Economics; and,
- Accelerate planned municipal infrastructure projects to get shovels in the ground faster.

These investments would save 14,000 Ontario jobs by 2026 and add \$17.6 billion back into Ontario's economy over the next five years.

While we're all seized with the continued uncertainty from outside our borders, we cannot lose sight of the long-standing challenges facing local communities. We have real opportunities to do things differently.

Social Housing and Homelessness

Ontario municipalities are unique in the Canadian federation. Ontario municipalities are legislatively required to fund, plan and operate social housing. As outlined in a recent AMO report Municipalities Under Pressure: The Human and Financial Cost of Homelessness in Ontario, municipal investments in housing and homelessness have grown significantly since 2020, hitting more than \$2.1 billion in 2024.

AMO is encouraged by your government's recent election commitments around thinking differently about how we build housing, including affordable housing. The current approach is not sustainable and transformational change is needed. It is essential that municipalities, the province, and federal government work together to tackle the housing crisis that is impacting communities across our province.

Municipal Infrastructure and Development Charges (DCs)

While Ontario's DC framework has provided a workable system to fund growth-related infrastructure for decades, a combination of economic factors now make its modernization important to a functional development environment.

Ontario has experienced an unprecedented level of legislative and regulatory change to both the DC and land use planning frameworks over the past three years, creating a degree of churn and uncertainty that have undermined efforts to increase housing supply. Provincial and municipal governments as well as developers have all learned valuable lessons with respect to the complexity of these issues and the importance of close collaboration across all parties.





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With a view to supporting effective partnership on this complex policy issue, AMO would welcome the opportunity to meet with you and your Ministry to discuss:

- Ontario's current DC framework and context, and its role in funding growth;
- Recent successful collaboration between AMO, the Ontario Homebuilders and the provincial government resulting in DC modernization now reflected in the recently introduced Bill 17 – the *Protect Ontario By Building Faster and Smarter* Act: and
- How to ensure that any federal action with respect to DCs achieves its intended outcomes and avoids pitfalls of previous changes in the Ontario context.

As the former Mayor of Vancouver I know that you understand better than most the real challenges facing municipalities across Canada. We look forward to working with you alongside our colleagues at the Federation of Canadian Municipalities (FCM) to build strong and sustainable communities across Ontario.

We would appreciate the opportunity to meet with you at your earliest convenience to discuss the Ontario context in more detail.

Sincerely,

Robin Jones **AMO President**

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CC. The Honourable Doug Ford, Premier of Ontario

> The Honourable Rob Flack, Minister of Municipal Affairs and Housing, Province of Ontario

The Honourable Graydon Smith, Associate Minister of Municipal Affairs and Housing. Province of Ontario

Mathieu Bélanger, Executive Director, Policy and Public Affairs, Federation of Canadian Municipalities (FCM)