

From: AMO Policy <policy@amo.on.ca>

Sent: Thursday, March 26, 2026 9:36 PM

To: Jennifer E. Willoughby <jwilloughby@shelburne.ca>

Subject: AMO Policy Update – Provincial Budget Spending Priorities and Build Canada Homes Operational Funding

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AMO Policy Update – Provincial Budget Spending Priorities and Build Canada Homes Operational Funding

Top Insights

- Provincial budget provides new funding for supportive housing, core and recreational infrastructure, and extends HST exemption for all new homes.
- AMO is calling on the provincial government to work with the federal government to commit operating funding to fully leverage federal Build Capital Homes capital investments in supportive and transitional housing.

Provincial Budget Stays The Course and Includes Millions in Municipal Infrastructure Funding

Ontario's Fiscal and Economic Outlook

Ontario's Minister of Finance introduced the 2026 Ontario Budget, [A Plan to Protect Ontario](#). The economic backdrop of this year's budget is largely

unchanged from last year. Heightened trade and geopolitical tension, along with slower economic and population growth will contribute to a softer labour market in 2026. Economic growth is projected to be on par with last year, with real GDP forecasted to reach 1.1%. Inflation continues to trend down from its COVID peak and is now within the Bank of Canada's target of 2%. The deficit is projected to increase by \$1.5 billion to \$13.8 billion as part of the province's plan to create a fiscal buffer to absorb potential softening of the economy. As a result of these spending decisions, a balanced budget isn't anticipated until 2028.

\$244 Billion in Program Spending and Tax Holiday for New Housing

Against this economic backdrop, the province is staying the course in its spending priorities, which totals \$244 billion (an increase of \$10 billion from last year). Many spending priorities are a continuation of commitments made in the [Fall Economic Statement](#). The focus now is on getting funding out the door and into the hands of families, businesses, and municipalities. To address cost-of-living and housing affordability concerns, which continues to be top of mind for Ontarians, the province is holding the line on taxes and program spending cuts. The province's proposal to exempt all new housing from the HST, for a one-year period, is action on its commitment to make housing more affordable.

The proposal comes into effect on April 1st and will remain in place for one year. The 8% tax vacation builds upon the [government's October 2025 proposal](#) to exempt or reduce the provincial portion of the HST for first time homebuyers that are purchasing homes valued at \$1.5 million or less. Wednesday's proposal extends to all new homes valued up to \$1.85 million and now includes existing homeowners.

The federal government is also proposing to cost-share in this tax holiday by covering the federal 5% portion of the HST. The province estimates this \$2.2 billion in tax relief could create an additional 8,000 housing units, support up to 21,000 jobs and grow Ontario's GDP by \$2.7 billion.

Budget Supports Some of AMO's Priorities

In our pre-budget submission, [*Partnering to Protect Ontario's Communities*](#), AMO called on the province to continue prioritizing housing-enabling infrastructure spending, paying its share of health and social services that are provincial responsibilities, and taking concrete actions to end chronic homelessness.

Today's budget includes some important funding for our sector. This is a step in the right direction for improving municipal fiscal health. Supportive housing is getting a \$53 million injection over 3 years. Funding for existing programs for core, recreation, and transit infrastructure is increasing by \$360 million. While \$2.3 billion in net new spending is going towards hospitals, home and community care, and long-term care, there are no corresponding changes to local share requirements for hospital development.

New Spending Breakdowns By Areas

Infrastructure:

- \$15 million in annual funding for the Northern Ontario Resource Development Support Fund, to enable investments in core assets such as roads and bridges.
- A \$15 million top-up over three years for the Ontario Transit Investment Fund.
- A \$300 million top-up over six years for the Community Sport and Recreation Infrastructure Fund to repair, upgrade or build new sports and recreation facilities.

Health and Social Services:

- Spending growth on hospitals (\$1.1 billion), home and community care (\$1.1 billion over three years), and long-term care (\$139.4 million) but no changes to local share requirements for hospital development.
- \$53 million over 3 years for supportive housing. While this is a good start, AMO has advocated for the province to provide matching operational investments to fully leverage federal capital funding for supportive and transitional housing through Build Canada Homes.

Emergency and Protection Services:

While the budget did not include any significant announcements that would help municipalities manage the rapidly growing costs of emergency services, it did include some targeted investments:

- Fire Protection Grant – Maintaining the \$20 million in enhanced funding for the 2026-27 grant cycle. The funding is aimed at supporting municipal fire departments to access the infrastructure and protective equipment they need to respond to local needs.
- Basic Constable Training – Extending the removal of tuition fees for the program at the Ontario Police College for an additional three years to support police services in their efforts to recruit and train more police officers.

Unlocking Build Canada Homes Funding for Transitional and Supportive Housing

AMO and municipal partners have [called](#) on the province to provide the operational funding needed to unlock federal capital from Build Canada Homes.

The federal government has earmarked \$1 billion nation-wide to create new supportive and transitional housing for people experiencing or at risk of homelessness. If Ontario received its per capita share, this could result in more than 1,200 new units in Ontario. Realizing this opportunity requires a provincial commitment of \$62 million in annual operating investment. Because Build Canada Homes requires operating funding guarantees at the application stage, a firm provincial commitment is the essential ‘key’ to unlocking this federal capital.

An online version of this Policy Update is also available on the [AMO Website](#).

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From: AMO Policy <policy@amo.on.ca>

Sent: Tuesday, March 31, 2026 12:24 PM

To: Jennifer E. Willoughby <jwilloughby@shelburne.ca>

Subject: AMO Policy Update – Funding Development Charge Reductions under the Canada-Ontario Partnership to Build & Bill 98 Building Homes and Improving Transportation Infrastructure Act

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AMO Policy Update – Funding Development Charge Reductions under the Canada-Ontario Partnership to Build & **Bill 98** *Building Homes and Improving Transportation Infrastructure Act*

Top Insights

- Federal and Ontario governments announce Canada-Ontario Partnership to Build initiative to lower development charges with an \$8.8 billion investment.
- Provincial omnibus bill focuses on increasing housing supply and moving goods and people across the province faster. Key areas of change **directly** impacting the municipal sector are land-use planning,

development charges, municipal services corporations, communal systems, Building Code, and transit system integration and innovation.

Canada-Ontario Partnership to Build

Yesterday, Premier Ford and Prime Minister Carney signed the “Canada-Ontario Partnership to Build” in support of shared goals to strengthen national and provincial economies by:

- Building more homes faster to make housing more affordable. Initiatives included joint funding to reduce Ontario municipal development charges (DCs) and the HST tax vacation for new homes [announced last week](#).
- Getting shovels in the ground on select transit projects including ALTO and various projects across the Greater Toronto and Hamilton Area (GTHA).

The [provincial](#) and [federal](#) governments made coordinated announcements.

AMO members share the provincial and federal governments’ commitment to accelerating housing and infrastructure development to support housing affordability and economic growth, and we are pleased to see new initiatives come with funding.

Reducing Development Charges

The Building Communities Strong Fund (BCSF) provincial-territorial stream will provide \$8.8 billion in cost-matched federal and provincial investment over ten years. This funding is focused on temporarily reducing or maintaining low DCs.

Although announced yesterday, we understand the program design is in the early stages and the full program parameters will be developed next. While AMO has yet to see the details of the agreement, it’s positive that there appears to be recognition that reduced municipal DCs need an offset from other levels of government. Further, the province has indicated infrastructure

funding may be available for municipalities without DCs, which supports equitable access.

The province has committed to working with AMO to design the program. As part of this process, AMO will identify key questions requiring clarity such as:

- What is the extent of the DC reductions? What are the mechanisms for determining and applying them?
- What is the timing for both the DC reductions and the delivery of offsetting funding?
- How will municipalities without DCs access this funding?

We look forward to working with the province to develop an equitable, efficient, and flexible program design that accounts for the diverse ways municipalities fund growth and use DCs.

Building Homes and Improving Transportation Infrastructure Act

The province introduced its intention to move forward with [14 pieces of legislative and regulatory amendments](#) first introduced last year under [Bill 17 Protect Ontario by Building Faster and Smarter Act](#), and [Bill 60 Fighting Delays, Building Faster Act](#). It's also proposing to consult on an additional 16 policy ideas. AMO continues to support the province's goals of achieving more consistent and timely approvals that deliver the housing and economic projects Ontarians need while improving how people move across the province.

A summary of province-wide and regional changes are provided below, organized by housing and transit themes. Many of the adopted changes address recommendations AMO raised in our [Bill 17](#) and [Bill 60](#) ERO submissions. Examples include:

- Ensuring municipal service corporation water systems remain under public ownership.
- Applying the same rigorous drinking water standards to private communal systems as those required for municipal systems; this ensures uniform standards and avoids costly upgrades should a municipality ever assume responsibility for a private system.

- Relieving pressure on municipalities by having the province backstop failed systems.

AMO will participate in the Bill's public consultation process. AMO will also work with the province to ensure municipalities have other opportunities to provide expert insights for pending regulations.

Land-Use Planning Changes

- i. **Standardized official plans.** A new simplified official plan format that includes: a mandatory and standardized set of land-use designations, and a common structure for table of contents and schedules. The Bill requires the new Official Plan format to be used following the 2028 and 2029 implementation dates, ensuring no impact on plans currently under development or approval.
- ii. **Site plan reforms.** Prohibiting enhanced development standards. Municipal standards beyond mandatory health and safety requirements, such as soil composition and landscaping are prohibited. The province will consult on the feedback process governing site plan controls.
- iii. **Minimum lot sizes.** Introduce new legislative authority to set provincial rules for minimum lot sizes for urban residential land through regulation. Concurrently, the province is consulting on a regulation that would set an approximately 175 square metre (1,884 square foot) minimum lot size standard.
- iv. **Encumbered parkland.** Introduce a new framework that would allow high-quality encumbered land to count towards parkland dedication requirement. The framework would include publicly available spaces such as courtyards.
- v. **Minister zoning orders (MZO).** Remove the legislative requirement to post MZO amendments and revocations for public comment. Substantive amendments that impact the functioning of MZOs will continue to be posted for comment.

Development Charges (DC)

- New DC exemption for not-for-profit retirement homes, which provide supportive housing for low-income seniors.

- New requirement to disclose DCs, taxes, and fees on home purchases and sales agreements.

Municipal Services Corporations (MSC)

- Changes to the *Water and Wastewater Public Corporations Act, 2025* that would enshrine, into law, public ownership of municipal water and wastewater assets.
- Create a framework for wider MSC adoption.

Communal Water and Wastewater Systems

- Introduce a new regulatory framework for communal water and wastewater systems. The framework encompasses standards for municipal approval while addressing system operations, maintenance, financial sustainability and water safety considerations including instances where the province would act as a backstop when systems fail, both operationally and financially.

Building Code Review

- A section-by-section review of the Building Code.
- Establishing an expert third-party advisory body — consisting of engineering, construction and Code specialists — to identify where rules can be modernized or streamlined.

Transit System Integration and Innovation

- Extend the One Fare program into Hamilton and Halton Region. Introduce legislation to enable regulations that would allow for a unified fare structure with common fares, discounts and free transfers across transit systems in the Greater Toronto and Hamilton Area.
- Northlander Rideshare program. Develop a framework to permit rideshare services in communities along the Northlander corridor.

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From: AMO Policy <policy@amo.on.ca>

Sent: Thursday, April 2, 2026 5:42 PM

To: Jennifer E. Willoughby <jwilloughby@shelburne.ca>

Subject: AMO Policy Update – Regional Governance Changes, Finalized Buy Ontario Directive, AMO Briefing on Canada-Ontario Partnership to Build, OEB Consultations on Natural Gas Franchise Agreements, Northlander Rideshare Pilot, Wildland Fire Management

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AMO Policy Update – Regional Governance Changes,
Finalized Buy Ontario Directive, AMO Briefing on Canada-
Ontario Partnership to Build, OEB Consultations on
Natural Gas Franchise Agreements, Northlander
Rideshare Pilot, Wildland Fire Management

Top Insights

- The province introduces legislation to appoint chairs for 5 regional governments and the Warden of Simcoe County along with strong chair powers, reduce the size of Simcoe and Niagara councils, and require other regions to review their council composition following the 2026 election
- The province releases final Buy Ontario procurement rules for municipalities that reflect AMO's recommendations to provide clear guidance and flexibility to meet local priorities. Supply Ontario is providing guidance and training to support local rollout
- AMO is hosting a CAO townhall on April 9th to provide insights on the Canada-Ontario Partnership to Build's development charge deferral initiative
- The Ontario Energy Board has launched a review of the Model Natural Gas Franchise Agreement and is inviting municipalities to participate with a deadline to register as an intervenor by April 20th
- The province is consulting on a pilot that would upload rideshare regulation and oversight to the province along the Northlander Passenger Train corridor
- The province announces enhancements to wildland fire management and safety introduces a new regulatory framework for administrative monetary penalties

Province Introduces *Better Regional Governance Act*

Today, the Ministry of Municipal Affairs and Housing [introduced the *Better Regional Governance Act, 2026*](#) which proposes to changes to the governance structure of Durham, Halton, Muskoka, Niagara, Peel, Simcoe, Waterloo, and York including:

- Allowing the Minister to appoint upper-tier council and heads of council with strong chair powers that mirror strong mayor powers
- Reduce Simcoe County Council from 32 to 17 members, and Niagara Regional Council from 32 to 13 members with both councils composed of the mayors of each lower-tier municipality plus the appointed head of council
- Require all regional governments except Niagara to review their council composition following the 2026 municipal election
- Develop a weighted voting framework for Niagara Regional Council

AMO will review the legislation and continues to encourage the province to ensure that clarity on governance structures is in place before the opening of nominations for the 2026 municipal elections.

Province Issues Municipal *Buy Ontario Act* Directives and Guidance

The Ministry of Public and Business Service Delivery and Procurement has released its finalized Buy Ontario directive for the municipal sector [on a new Buy Ontario website](#). The directive applies to light duty fleet vehicles, and capital infrastructure procurement. It addresses many of the issues raised by [AMO during consultations](#) including:

- Clear definitions of what is included under the directive and how municipalities can apply preferential scoring when evaluating bids
- Flexibility to meet *Buy Ontario Act* requirements including:
 - Exemptions for time sensitive, emergency purchasing
 - A value-for-money exclusion when buying domestic goods or services increases costs by 25% or more
 - Flexibility to meet procurement rules tied to federal or provincial funding programs
- Flexible options for smaller vendors to show how they meet the directive's goals

To support local rollout, Supply Ontario has posted Guidance Materials and is accepting registration for training through the [Buy Ontario website](#).

CAO Briefing on Canada-Ontario Partnership to Build Initiative

The province's announcement earlier this week of the [Canada-Ontario Partnership to Build](#) initiative has generated many questions and concerns from the sector, especially on development charge (DC) reductions. AMO is hosting a [virtual briefing](#) on this initiative on April 9th, 2026 from 2 pm to 3 pm for CAOs. At the meeting AMO will provide an update on what we know to date about the DC reductions initiative and hear from sector officials your top questions and concerns, with a focus on what's important for technical program design.

Ontario Energy Board Launching Review of Model Natural Gas Franchise Agreement

The Ontario Energy Board (OEB) has launched a [review of the Model Franchise Agreement](#) which sets standard terms between municipalities and natural gas utilities for gas service. This review responds to recent municipal concerns and will look at whether updates are needed including:

- Rules for easements including notice, access, and cost-sharing when a road is being sold or closed
- How costs are shared when pipelines are relocated
- Requirements for removing decommissioned pipelines
- How any changes should be applied to existing agreements

To support municipal involvement in the review, the OEB has adopted AMO's recommendation and made a one-time exception to allow municipalities to apply for cost awards to help cover participation costs. The OEB will hold a virtual [information session](#) on April 15th, and municipalities wanting to participate in the review must [apply for intervenor status](#) by April 20th.

Provincial Rideshare Pilot Consultation

The Ministry of Transportation [is consulting](#) on a rideshare pilot along the Northlander Passenger Train corridor that would upload regulation of rideshare services to the province. The pilot would set rules for rideshare companies, drivers and vehicles for all municipalities within 30 kilometers of Northlander train stations between Gravenhurst and Cochrane for one year. Comments on the proposal are [due to the province by April 10, 2026](#).

Lessons learned from this pilot may be used to expand rideshare regulation to all communities. AMO is working with the province to understand how any potential regulations may impact municipalities.

Ministry of Natural Resources Increases Staffing Levels for Wildland Fire and Establishes Administrative Monetary Penalties (AMP) Framework

The Ministry of Natural Resources (MNR) [announced](#) it will add an additional 68 permanent staff and increase compensation for critical staff, including wildland firefighters, pilots and aircraft maintenance engineers. AMO welcomes this announcement as it responds directly to [recommendations](#) we made to the province that encouraged MNR to provide additional resources to address challenges with recruitment and retention of its firefighters.

In addition to the new staffing measures, the province also [introduced](#) new and amended regulations under the *Wildland Fire Management Act* to establish a framework for issuing administrative monetary penalties (AMPs) to encourage compliance with wildland fire safety requirements, effective April 1, 2026. AMO previously expressed support for this measure in a [letter](#) to the Ministers of Natural Resources and Attorney General, as the greater use of AMPs can help alleviate the already overburdened provincial offences court system.

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