



The Corporation of the City of Sault Ste. Marie
Council Correspondence

July 17, 2020

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SAULT STE. MARIE REGION CONSERVATION AUTHORITY

Regular Meeting Agenda

Tuesday, July 21, 2020 4:45 p.m.
Electronic Meeting

1. **Declaration of Conflict of Interest**
2. **Finance and Administration**
 - June 16, 2020 Meeting Minutes
 - Accounts Payable
 - Health and Safety Meeting Minutes
3. **Water and Related Land Management**
 - Development, Interference with Wetlands and Alterations to Shorelines and Watercourses
 - Application Approvals
 - Mark's Bay Erosion Control Project Update
4. **Conservation and Recreation**
 - Update on Conservation Areas
5. **New Business / Other**
 - Update on Fort Creek Signage
 - Preliminary 2021 Budget Discussion
6. **Adjournment**

For members of the public interested in joining the meeting electronically, please contact the General Manager, Corrina Barrett, at cbarrett@ssmrca.ca **no later than Noon on Friday July 17th, 2020** to make arrangements. Thank you in advance for your cooperation.

UNITED CALL FOR EMERGENCY MUNICIPAL FINANCIAL RELIEF AND NEW PROVINCIAL GROWTH, RENEWAL, AND ECONOMIC RECOVERY PLAN

July 6, 2020

Municipal call for emergency financial support

Standing together municipal leaders today have called for immediate provincial and federal support to cover lost revenue and additional costs caused by the COVID-19 pandemic in order to protect municipal services that people depend on for their daily lives.

AMO, LUMCO, MARCO and the City of Toronto, representing all municipal governments in the province, are calling for at least \$10 billion dollars in emergency relief for Canadian municipalities to be funded 100% by the federal and provincial governments. This call supports the national funding call led by the Federation of Canadian Municipalities (FCM).

The FCM proposal would provide approximately \$4 billion to Ontario municipalities to offset lost transit revenues and added service costs, but there has been no clear signal on the timing and level of a joint federal-provincial financial assistance program yet. Municipal leaders have been patient so far for this expected funding relief but the time for a commitment from the senior orders of government is running out.

Without these federal-provincial emergency funds now, municipal governments may have to significantly increase property taxes and/or make harmful cuts to frontline municipal services. Such cuts or property tax increases will unfairly hurt the very same people that the federal and provincial governments have spent billions helping during the pandemic.

Municipal services are key to safely re-opening the economy. Investing in municipalities now is necessary so they can continue to provide services needed to help restart their local economies.

New provincial growth, renewal and economic recovery plan

The province has announced the development of a made-in-Ontario plan for growth, renewal and economic recovery. This plan includes measures to make it easier and faster to build provincial highways, major transit infrastructure projects and quality, affordable housing, while making sure that there are meaningful public consultation opportunities.

As part of this plan, the government would also enter into new commercial agreements with partners to build transit-oriented communities. This would allow for the development of more housing around transit in an integrated manner with more job opportunities. We look forward to learning more details shortly.

AMO's [COVID-19 Resources](#) page is being updated continually so you can find critical information in one place. Please send any of your municipally related pandemic questions to covid19@amo.on.ca.



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ONTARIO MAYORS AND CHAIRS ISSUE EMERGENCY CALL FOR FINANCIAL SUPPORT

Jul 6, 2020

Municipalities face difficult choices: major tax hikes and cuts to services

July 6, 2020 - Today, Mayors and Chairs from across Ontario, represented by the Association of Municipalities of Ontario, the Mayors and Regional Chairs of Ontario, and the Large Urban Mayors' Caucus of Ontario, met to discuss the COVID-19 financial emergency.

Ontario municipalities are speaking with one voice to deliver one important message: Our residents cannot wait any longer. To protect municipal services, we need immediate provincial and federal support to cover lost revenue and additional costs caused by the COVID-19 crisis.

This call for action by Ontario municipalities is part of a national effort, led by the Federation of Canadian Municipalities, to secure at least \$10 billion dollars in emergency relief for Canadian municipalities to be funded 100% by the federal and provincial governments.

Municipalities across Ontario have been on the frontlines of keeping people safe during COVID-19. This has meant hundreds of millions of dollars in additional costs and lost revenues. The FCM proposal would provide approximately \$4 billion to Ontario municipalities to offset lost transit revenues and added service costs, but so far, there has been no clear signal on the timing and level of a joint federal-provincial financial assistance program.

Time for a commitment is running out. Now, halfway through the budget year, municipalities have no choice but to consider plans to balance the budget by raising property taxes, user fees and charges or cutting services. Difficult conversations about cost-saving service reductions are taking place at Council meetings across the province, including:

- supports to children, families and seniors,
- reducing or cancelling transit services,
- staffing adjustments including layoffs and delaying or cancelling hiring,
- reducing essential services including public health, fire, paramedic and police services,
- closing parks and cultural sites and cancelling recreation programs,
- slower land use planning reviews and development approvals, and
- cancelling or deferring critical infrastructure and affordable housing projects, costing construction jobs.

By acting now to confirm relief for municipalities, senior governments can avoid these unforeseen property tax increases and destructive cuts to frontline municipal services. Cuts or property tax increases will unfairly hurt the very same people that the federal and provincial governments have spent billions helping during the pandemic.

Municipal services are also key to safely re-opening the economy. Investing in municipalities will ensure they continue to provide services needed to help restart their local economies.

We truly appreciate the commitments that both Premier Ford and Prime Minister Trudeau have already made to support municipal service delivery during this crisis. The millions of Ontarians we collectively serve are counting on all governments to work together now to address this urgent problem.

Our residents need support now. The time is up for federal-provincial wrangling about how to share the costs. We strongly encourage the federal government to address this in their fiscal update this week.

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For more information:

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PROVINCIAL LEGISLATION RE: EMERGENCY ORDERS

July 7, 2020

Legislation was introduced today that, if passed, will provide for flexibility to make sure that needed emergency orders are in place even after the provincial declaration of emergency has ended and while the economy is reopening.

The Reopening Ontario (A Flexible Response to COVID-19) Act, 2020 will allow any orders in effect under the *Emergency Management and Civil Protection Act* (EMCPA) to continue for an initial 30 days after the provincial emergency has ended, and the Province can further extend such orders for up to 30 days at a time. Under this draft legislation, new emergency orders will not be allowed to be created, however, it will provide for emergency orders to be rescinded when it is safe to do so.

This draft legislation would enable the Province to amend some continued orders that relate to:

- labour redeployment
- workplace and management rules
- regulation and/or closure of businesses and spaces (e.g. to continue to facilitate gradual reopening)
- compliance with public health advice; and
- setting rules for gatherings and organized public events.

This is supported by our continuing provincial-municipal partnership for a prudent approach on what orders may be needed for public and community safety as we have an ongoing COVID-19 pandemic for the foreseeable future. AMO will review the legislation once publicly available and will provide updates to members when required.

It should be noted that the end of the provincial emergency declaration, or the passage of this proposed Act, does not prevent a Head of Council of a municipality from declaring that an emergency exists in any part of the municipality or from continuing a municipal emergency declaration under the EMCPA. Likewise, the termination of the provincial emergency declaration, or the passage of this proposed Act, does not impede the exercise of the powers under the *Health Protection and Promotion Act* by Ontario's Chief Medical Officer of Health or local Medical Officers of Health.

AMO's [COVID-19 Resources](#) page is being updated continually so you can find critical information in one place. Please send any of your municipally related pandemic questions to covid19@amo.on.ca.

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FEDERAL ECONOMIC STATEMENT AND INITIAL ANALYSIS OF ONTARIO OMNIBUS COVID-19 ECONOMIC RECOVERY LEGISLATION

July 8, 2020

Federal Finance Minister Bill Morneau presented an Economic and Fiscal Snapshot in the House of Commons today. The Minister noted that today's economic statement was predicated on the backdrop of a public health and economic crisis as it projected a sizeable deficit of \$343 billion dollars with a debt-to-GDP ratio of 49.1%.

The Minister noted the scale of the deficit is the result necessary measures that provided an appropriate response for dealing with the unexpected public health and economic impacts arising from the COVID-19 pandemic. The fiscal snapshot indicated several fiscal highlights including:

- Federal spending reduced the size of economic contraction by nearly 5 per cent and reduced unemployment figures by 2 per cent.
- A budget deficit of \$343.2 billion is projected for 2020-21 with a debt-to-GDP ratio of 49.1%.
- Direct support to Canadian businesses and individuals amounts to \$229 billion with the total value of the federal emergency response to date is 14 per cent of GDP.
 - The Canadian Emergency Response Benefit (CERB) is set to cost \$73.1 billion this year.
 - The Federal Wage Subsidy program is expected to cost \$82 billion this year.

Funding for Municipalities:

AMO is disappointed that immediate federal funding relief for municipal governments was not contained in today's federal snapshot. We remain hopeful that current federal-provincial-territorial conversations continue productively to find an agreed upon arrangement for providing this necessary relief to municipalities. In his daily briefing, Premier Ford noted that Ontario had financial resources ready for municipal support but that he was working towards a deal with the federal government for flexible funding that reflects Ontario's proportion of the national population.

ONTARIO INTRODUCES COVID-19 ECONOMIC RECOVERY ACT

The Ontario Government introduced a broad omnibus legislation, *Bill 197, The COVID-19 Economic Recovery Act*, which the government says is aimed at giving municipalities and their communities the tools they need to spur recovery efforts. In introducing the legislation, the Minister of Municipal Affairs and Housing noted that the province had been working with municipal governments since the early days of the pandemic and acknowledged that municipalities would lead the recovery in their communities. The objective of the legislation is to get infrastructure and development projects up and running faster to create jobs and economic activity. The legislation is comprehensive and complex, totaling over 180 pages with 20 schedules amending other Acts. AMO will be evaluating the legislation and its elements more thoroughly and will communicate to members significant concerns or implications assessed.

In the meantime, this current update includes a description of major relevant sections and initial analysis from AMO. Municipal officials should begin a local review of the Bill to assess its impact on your municipal governments which can be identified during the legislative and regulatory processes.

Municipal Function: Governance

Electronic Participation in Meetings and Proxy Voting

This Bill proposes to continue provisions for municipal councils and local boards to meet electronically, as has been enabled temporarily through the pandemic. As well, the government is proposing that elected officials be allowed to vote by proxy in cases determined locally, such as when they are ill or must self-isolate.

AMO Comments:

Both changes are positive and reinforce that municipal governments are a mature level of government. AMO has requested that if the legislation passes, the government prepare guidance materials to assist their implementation in practice.

Municipal Function: Finance

Development Charges and Community Benefit Charges

After extensive consultation, the government is introducing an “all in one regime” for Development Charges (DC) and Community Benefit Charges (CBC). The *Development Charges Act* is being amended to further expand the list of eligible services funded through development charges and allows for a blended use with CBCs.

The full list of services eligible for development charge recovery now include:

- Libraries,
- Long-Term Care,
- Park Development,
- Public Housing,
- Recreation,
- Childcare,
- Housing Services (e.g. affordable housing & shelters),
- By-Law Enforcement and Court Services,
- Emergency Preparedness, and
- Airports (specific to only Waterloo Region).

The above services will see the elimination of the 10% discounting. Background study costs remain recoverable.

Parkland Dedication:

Existing parkland provisions (including basic parkland dedication and alternative parkland rates) will be maintained. These provisions can now be used in conjunction with community benefit charges in respect to the same development. The legislation introduces a new public consultation requirement and the alternative rate is now subject to Local Planning Appeal Tribunal (LPAT) appeal.

Community Benefit Charges:

The Community Benefit Charge can be used by single and lower tier municipalities as most upper-tier services are

included under the development charge calculation. The CBC can only be applied for higher density residential developments for buildings of 10 units and five storeys or greater.

As a result of the consultations, the CBC is now a flexible tool that can fund any municipal service provided it is not being recovered through another mechanism (e.g. development charges). The CBC is subject to appeal to the LPAT. The CBC percentage of land value cap will be set by regulation at a future date.

Transition Period:

Following sector advice, municipalities can continue under the current regime until 2 years after proclamation date.

AMO Comments:

AMO is pleased to see the addition of eligible services for development charge recovery being restored. Maintaining existing parkland provisions and the flexibility of CBCs as a tool to recover additional costs is welcomed along with moving toward a two-year transition period. The draft legislation does reflect significant municipal consultation feedback.

Under this new regime, AMO will continue to watch carefully that growth continues to pay for growth. This will include reviewing the potential for increased LPAT appeals, determination of land value caps for CBCs (to be set out in regulation), assessing the use land values and how that corresponds to the cost of municipal services.

The Ministry of Municipal Affairs and Housing will be hosting technical information sessions on the CBC framework soon and invitations to municipal officials should be out shortly.

Municipal Function: Infrastructure Development + Environmental Assessment (EA)

The Bill creates comprehensive changes to streamline and accelerate Environmental Assessments (EAs) to improve project timelines and build infrastructure in communities faster. Major provisions include a new process for projects going forward including class EAs; limiting requests for “bump up” decisions to the Minister to those affecting aboriginal treaty rights; requiring Minister’s orders to be made within 30 days of the comment period; and establishing a 10-year limitation for project commencement after EA completion. These changes are in addition to previous amendments to exempt low risk projects made last year. The legislation also eliminates hearings of necessity under the *Public Transportation and Highway Improvement Act* for expropriations allowing the Minister to establish an alternative process to receive comments from property owners.

AMO Comments:

AMO supports a faster and less costly EA process in Ontario, especially when projects have already been through multiple studies and consultations through municipal planning processes. AMO and other others have long raised concerns that the EA process took too long to complete and added significant costs to projects in addition to time. In some cases, AMO understands, the cost of completing EAs has been in excess of building the infrastructure studied. AMO will work with the Municipal Engineers Association (MEA) and other municipal groups to ensure the new legislation is appropriate to municipal government requirements.

Environmental Assessment and Landfill Siting: Municipal Say on Landfill Approvals

Proponents of landfills must seek approval of the municipality in which the landfill is located. The Bill also includes additional approval requirements for landfill proposals that have residential developments within a 3.5km zone (or such other distance as may be prescribed) perpendicular at each point from the property boundary of the property on which the proposed landfilling site would be situated. While the Minister will still have final approval authority on

all landfill environmental assessments (EAs), the landfill proposal will now have additional requirements for consultation with adjacent municipalities.

AMO Comments:

There will be implications for municipal governments, both those who are preparing landfill proposals/expansions, as well as those in the adjacent municipalities. AMO will keep members informed of the consultation for those who want to comment on this section.

Municipal Function: Transit Development

The Bill also includes a schedule to deliver on the Premier's earlier commitment to develop transit-oriented communities and make it easier for developers to contribute to the development of this infrastructure to support land development in these areas. The legislation is limited to priority transit projects in the Toronto and York systems. The legislation proposes to allow regulations to designate transit-oriented communities, allowing the creation of corporations to invest in the development and processes for expropriating land.

AMO Comments:

As written, the legislation applies only to priority projects in Toronto and York as identified in the legislation. AMO understands that other municipal governments may be interested in a similar approach to transit development and encourages interested communities to assess the provisions.

Municipal Function: Land Use Planning

Ministers Zoning Order (MZO):

The Bill amends the Ministers Zoning Order provisions. The amendments to the *Planning Act* have been proposed to reflect the Provincial Government's desire to use this tool to fast track development where there is complexity and provincial interests. The MZO will not be used in the Greenbelt.

An example of how MZO's could be used would be requiring affordable housing, especially inclusionary zoning. The Bill also includes a new power to allow for ministerial approval of site plans.

AMO Comments:

While AMO supports the need for this tool in circumstances that are complex and accelerating the process is desirable, prior notice and support from the municipal government is essential. AMO will pursue greater clarification about the intent of this clause about notice.

Provincial Facilitator:

The Bill also amends the provisions concerning a provincial facilitator, making the position permanent. The Provincial Facilitator is an advisory role related to growth, land use planning and provincial interest that has been in place in various capacities for decades. The Facilitator provides advice to the Minister and when assigned, will work through development proposals that have come to an impasse, prior to appeals to the LPAT.

AMO Comments:

Where the municipal council is supportive of the development, the Facilitator is a welcomed source of assistance. AMO will seek more information regarding the use of this office to advance developments in conflict with the Official Plan.

Municipal Function: Other Amendments:

Municipal Courts Administration: *Provincial Offences Act (POA)*

Amendments to the POA will allow court filings and proceedings to proceed by electronic means, including meetings and hearings. The amendments will make it easier to contest charges and schedule appearances, increasing efficiency of administration.

AMO Comments:

AMO supports changes to the POA that increase access to justice and efficiency of proceedings and administration. Electronic filing and meetings are welcome modernizations in the justice system.

Building Code Act

Schedule 1 amends the *Building Code Act* and will permit regulations under the Act to be drafted by the Minister of Municipal Affairs and Housing instead of the Lieutenant Governor General in Council. The proposed changes will enable the Province to pursue necessary recovery-related regulatory changes to the Building Code in a timely fashion. As well, the amendments clarify the scope of certain regulation-making authorities, including the authority to make regulations by adopting certain documents by reference.

AMO Comments

The amendments to the *Building Code Act* will streamline the ability to draft regulations that is necessary to facilitate municipal recovery. AMO continues to highlight the need to consult and engage with municipal governments and key stakeholders on any proposed changes in the future. Small, rural and northern municipal governments have limited capacity and resources and should be taken into consideration when moving forward.

Drainage Act:

Schedule 4 amends the *Drainage Act*. The Ministry of Agriculture, Food and Rural Affairs (OMAFRA) recently posted a consultation paper on altering the Drainage Act to address three areas:

- Streamlining Approvals creates a new process for minor improvements.
- Simplifying Administrative Processes: simplify process to update the engineer's report and to account for changes to drain design during construction.
- Supporting Technical Proposals: incorporation of protocols by reference in a regulation.

AMO Comments:

AMO supports simplifying processes and making routine low risk activities easier to undertake. AMO also supports opportunities to introduce green infrastructure that will improve infiltration to reduce the potential for flooding. The proposed change would allow for more accurate information on final drain construction and have much shorter approval timelines. AMO will monitor the regulatory details when they are brought forward.

Marriage Licences:

AMO and other municipal organizations have long called for updating the paper-based marriage license process to keep up with public expectation and improve administrative efficiencies. The pandemic emergency response has emphasized this and brought forward the need to address expiring licenses without financial penalties for members of the public that could not marry during the pandemic.

AMO Comments:

The rules for marriage licenses are the responsibility of the province but administered by municipal governments.

These changes are welcome and will help to address an unexpected anxiety for couples planning to marry at an already often stressful time.

Payday Loans Act

Schedule 16 amends the *Payday Loans Act* and sets a new maximum interest rate of 2.5 percent that will be applied on any outstanding principal under a loan agreement that meets a set criteria. The provision can be changed by regulation. The amendments will also impose a limitation on the fee that can be charged for a dishonoured cheque, pre-authorized debit or other instrument of payment.

AMO Comments:

Although these proposed amendments do not have any municipal impacts, it should be noted that these changes will be helpful for the most vulnerable community members who often need to use these facilities.

Next Steps:

Bill 197 is broad, omnibus legislation with many implications for municipal governments. AMO will be reviewing in greater detail each of the sections of this draft legislation and will report significant concerns or impacts to members.

Members and municipal staff are encouraged to review the Bill for local municipal or community effects to flag during the legislative and regulation-making processes. It is expected that this draft legislation will move quickly in this summer session.

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EMERGENCY ORDERS EXTENDED, ICON PROGRAM AND MANDATORY MASK BY-LAWS

July 9, 2020

Emergency Orders extended

The Province has extended all emergency orders currently in force that were made under s.7.0.2(4) of the *Emergency Management and Civil Protection Act* to July 22, 2020. The extension was made to provide flexibility to protect public health and safety as more businesses reopen and people go back to work.

This extension of the current emergency orders was done to align with the *Reopening Ontario (A Flexible Response to COVID-19) Act, 2020*, if passed. AMO's policy update on this draft legislation, Bill 197.

A full list of emergency orders can be found on the e-Laws website under the *Emergency Management and Civil Protection Act* and at [Ontario.ca/alert](https://ontario.ca/alert).

Application Intake Opens Today for Broadband & Cellular Programs

The Province announced that the application intake for the \$150 million *Improving Connectivity for Ontario* program (ICON) opens today. This funding is intended to help expand access to reliable broadband and cellular service in underserved and unserved parts of the province.

There are two intake periods, and each intake has two stages. Stage 1 ensures that applicants meet the basic eligibility requirements. Stage 2 requires a detailed project description and supplementary information that will be assessed and scored against evaluation criteria.

The preliminary application deadline for the first intake of the ICON program is August 21, 2020. [Click here](#) for more information on the Stage 1 program guidelines.

Mandatory Mask Bylaws

AMO now has a section on its COVID-19 Resources page on mandatory face masks bylaws/directives for information to municipal governments considering similar bylaws.

AMO's COVID-19 Resources page is being updated continually so you can find critical information in one place. Please send any of your municipally related pandemic questions to covid19@amo.on.ca.

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STAGE 3 COMING, CHILD CARE SPACE INCREASES AND STANDING COMMITTEE ON COVID-19 MUNICIPAL IMPACTS HEARINGS

July 13, 2020

Stage 3 Announcement

The Ontario government has announced today that nearly all businesses and public spaces will reopen in Stage 3 of the Province's reopening framework with public health and workplace safety measures and restrictions in place.

On Friday, July 17th most of the province outside of the GTHA will be able to enter Stage 3. The public health unit regions that are remaining in Stage 2 at this time include: Durham Region, Halton Region, Haldimand-Norfolk, Hamilton, Lambton County, Niagara Region, Peel Region, Toronto, Windsor-Essex and York Region. At the start of each week, the Province will continue to reassess local trends in public health indicators to determine if additional public health unit regions can progress to Stage 3. As part of the Stage 3 reopening, Ontario is increasing gathering limits for those regions entering the next stage to the following:

- indoor gathering limits will increase to a maximum of 50 people;
- outdoor gathering limits will increase to a maximum of 100 people;
- gathering limits are subject to the two-metre distance physical distancing requirements.

Public gathering limits apply to indoor and outdoor events, such as community events or gatherings, concerts, live shows, festivals, conferences, sports and recreational fitness activities, fundraisers, fairs, festivals, or open houses.

Regions remaining in Stage 2 will maintain the existing gathering limit of 10. Social circles in **all** stages at this point will also be kept to a maximum of 10 people province-wide, regardless of stage.

The Chief Medical Officer of Health and other public health experts have advised the following, high-risk places and activities **are not yet safe to open**, even if a region has entered Stage 3, due to the likelihood of large crowds congregating, difficulties with physical distancing, or challenges maintaining the proper cleaning and sanitation required to prevent the spread of COVID-19:

- amusement parks and water parks;
- buffet-style food services;
- dancing at restaurants and bars, other than by performers hired by the establishment;
- overnight stays at camps for children;
- private karaoke rooms;
- prolonged or deliberate contact while playing sports;
- saunas, steam rooms, bath houses, and oxygen bars;
- table games at casinos and gaming establishments.

Child Care Spaces to Increase

As child care is necessary to enable the continued restart of Ontario's economy, the Province also announced

changes to child care restrictions. Beginning on July 27, 2020, child care centres will be permitted to operate with cohorts of 15 children, which is an increase from the current cohort cap of 10. This change has been made to allow parents to return to work, and it is estimated that it will bring the child care sector to approximately 90% of its pre-COVID operating capacity. We understand a Ministry of Education communiqué will be coming out shortly with additional details.

Standing Committee on Finance and Economic Affairs Hearings on Municipal COVID Impact

AMO and many municipal governments will be presenting to the Standing Committee on Finance and Economic Affairs over the next three days to highlight both the urgent municipal fiscal need for relief as well as the municipal role in the province's economic recovery while still in a COVID pandemic.

AMO's President, Jamie McGarvey, Mayor, Town of Parry Sound, will be presenting to the Standing Committee on Wednesday, July 15th at 3 pm. Brian Rosborough, AMO Executive Director, will be attending with President McGarvey.

The webcast for these hearings can be found on the current committee webcast schedule page.

Agendas for July 13 and July 14 are here. The agenda for July 15th was not available when this update was written.

Mandatory Mask Bylaws

AMO has an expanding section on its COVID-19 Resources page on mandatory face masks bylaws/directives for information to municipal governments considering similar bylaws.

AMO's [COVID-19 Resources](#) page is being updated continually so you can find critical information in one place. Please send any of your municipally related pandemic questions to covid19@amo.on.ca.

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July 15, 2020

AMO Policy Update – AMO Submission to Standing Committee, New Long-Term Care Bed Funding Approach, and Stage 3 Orders

AMO Submission to the Standing Committee on Finance and Economic Affairs Hearings on Municipal COVID-19 Impact

AMO's President, Jamie McGarvey, Mayor, Town of Parry Sound, will be presenting to the Standing Committee on Wednesday, July 15th at 3 pm. Brian Rosborough, AMO Executive Director, will be attending with President McGarvey. [AMO's submission](#) can be found here.

LTC Bed Development Funding and New Visiting Rules

To accelerate long-term care home development projects where they are needed, the Province today announced a [new Modernized Funding Model](#) that moves away from a one-size fits all approach to address the different barriers and needs across the province. The challenges cited include the increasing costs of upfront expenses including development charges, land, and construction.

Over the next five years, the Province will be investing \$1.75 billion in long-term care homes. It is also updating design standards to include air conditioning for any new and renovated homes, beginning immediately and to be completed by 2022.

The new Funding Model includes both (a) an increase to the existing Construction Funding Subsidy per diem; and (b) a percentage of upfront capital investment costs reimbursed through a substantial completion payment. This is to accelerate

development of LTC beds – up to 7,800 new beds and 11,000 redeveloped beds are expected to be created. Long-term care projects dating back to 2018 will be eligible for this new funding model.

This new approach includes four new regional categories based on geographic location, each with a targeted LTC home size: large urban, urban, mid-size, and rural. An increase to the Province's construction funding subsidy (CFS) will be tailored to each of these four categories.

The Province also announced that it is relaxing rules for indoor visits at long-term-care homes, allowing up to two people beginning July 22, with restrictions.

Stage 3 Orders

The Ontario government has filed two Orders made under the *Emergency Management and Civil Protection Act* regarding Stage 3 of the reopening of the province.

The first Order ([Ontario Regulation 363/20](#)), Stages of Reopening, is a new regulation that identifies which regions of the province are at Stage 1, 2, or 3 of the reopening plan.

The second Order issued on July 13 ([O. Reg. 364/20](#)), Rules for Areas in Stage 3, is a new Order that sets out the reopening rules that will apply beginning Friday, July 17 for those regions moving into Stage 3. As like in Stage 2, there is no general closure order, and places of business may generally open unless the Order specifically provides that they must remain closed.

The Order also establishes a wide range of restrictions on businesses that are permitted to open. As before, there are general compliance requirements, such as ensuring compliance with the *Occupational Health and Safety Act* and ensuring compliance with the advice, recommendations, and instructions of public health officials. These apply to any place of business that opens under Stage 3.

AMO's [COVID-19 Resources](#) page is being updated continually so you can find critical information in one place. Please send any of your municipally related pandemic questions to covid19@amo.on.ca.

*Disclaimer: The Association of Municipalities of Ontario (AMO) is unable to provide any warranty regarding the accuracy or completeness of third-party submissions. Distribution of these items does not imply an endorsement of the views, information or services mentioned.



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Supporting Ontario's Communities: Long-term Prosperity in the Wake of COVID-19

Submission to the Standing Committee on Finance and Economic Affairs

July 15, 2020

Key Takeaways for Committee Members:

- Ontario's municipal governments invest \$50 billion/year in Ontario's prosperity – equivalent to 1/3 of all provincial revenue invested across all geographic areas of Ontario.
- The pandemic and the subsequent lockdown have stressed workers, residents, businesses and local governments financially as jobs disappear while conversely demand for services increase. Canada has lost over 3 million jobs since the start of the pandemic.
- The ability of municipal governments to meet their expected services levels and to continue to do so is under severe pressure when the economy needs it the most.
- AMO has repeatedly called for provincial and federal financial assistance to Ontario's municipal governments and transit systems to provide relief from the pandemic's impact.
- Immediate relief funding will shore up the municipal sector, ensuring municipalities can lead the economic recovery locally in their communities with beneficial effects for provincial and national economies.
- Investing in municipal services such as transportation and transit, affordable housing, child care, water and wastewater, flooding and stormwater management, energy and conservation and others will get Ontarians back to work through jobs now and will lay the foundations for prosperity in the future.
- Municipal governments remain ready to partner with the province and federal government but require financial support and investments to create a broad-based economic recovery.

Introduction:

Municipal governments are local governments, delivering critical services directly to residents every day in their homes and neighbourhoods. During the pandemic and the corresponding lockdown response, municipal front-line workers have kept Ontario communities running by providing clean water; transportation and transit systems; managing wastes properly; delivering social services and housing to our most vulnerable; managing and enforcing public health safety rules to keep local communities and economies operating.

Municipalities continued to provide these essential services for their residents while ensuring worker safety and managing their own budget uncertainty. Many municipal governments in Ontario have deferred or delayed property tax or fee payments to help their residents manage their household finances while seeing steady declines in budgeted fees as services such as recreation programs and summer camps were not delivered; operated transit systems at greatly reduced capacity to help front line workers get to and from work and residents to essential services and occupations. Providing these services means providing workers with protective equipment such as face masks, shields, gloves and increasing cleaning schedules are evidence of our new, altered economic reality.

Now Ontario and Canada have entered a new phase of our post-COVID-19 world. It will likely never be like it was. However, governments, citizens and businesses must do what we can to safeguard our prosperity. Municipal governments are ready to lead the recovery in their communities and local economies – those local economies which make up Ontario and Canada's. To lead that recovery for everyone's benefit, municipal governments need relief from the expenses they have already incurred, and revenues foregone in the pandemic response – our COVID-19 gap. Without that relief, the local recovery we all depend on will be stalled, muted and delayed – which will only leave residents and communities at a disadvantage, bargaining with their future prosperity.

Municipal governments have always been the province's partners. Since March 17th, 2020, that partnership has only deepened as we continue work to safely close and re-open Ontario's economy. Since April, AMO has been warning that without relief to municipal budgets and transit systems municipalities would be forced to make very difficult decisions regarding the services they offer and the workers that deliver them. Ontario municipalities need financial safeguards to make it through the pandemic and continue to be your partners in the future.

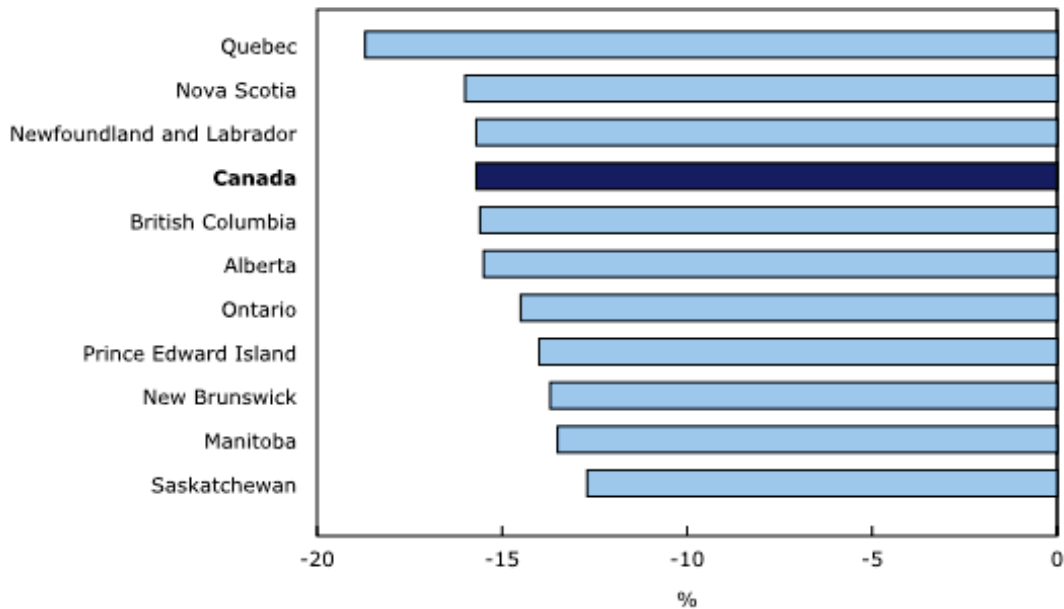
AMO and its members appreciate the actions taken by the Ontario government so far. The Provincial Government's Social Services Relief Fund (SSRF) provided \$298 million that literally helps save the lives of our most vulnerable citizens by helping to offset substantial increases in costs to supporting human services experienced throughout the pandemic and lockdown. In addition the recently tabled *COVID-19 Economic Recovery Act* will make investments by local governments at the local level faster and more effective, assuming they have the resources to make them. In tabling the legislation, Minister Clark noted that municipal governments will lead the recovery in their communities and the Premier acknowledged that provincial resources were at the ready for municipalities awaiting federal support. AMO hopes that support arrives soon. Local governments and the communities they serve cannot wait much longer.

Economic Reality:

The economies of Ontario and Canada have been hit hard by the pandemic and the emergency response. Jobs and wealth creation have been reduced and the economic security of millions has been threatened.

While, the lockdown was the right measure and it surely saved lives, the economic costs of this policy action have been enormous: in January of this year, the Ministry of Finance reported that Ontario's unemployment rate was 5.2 per cent, a relatively healthy measure for the province in recent years. In March, the Ministry reported it had increased to 7.6 per cent as some of the impacts of the lockdown policy were felt. By May, a staggering 13.6 per cent of workers were unemployed and jobs declined by over 14 per cent.

Employment change by province, February to April 2020



Source(s): Statistics Canada, Labour Force Survey.

Putting that in perspective, it has been nearly 40 years – the 1981-82 recession – since unemployment was this high. In the 2008-10 financial crisis, unemployment in Canada was less than nine per cent. In the 1990-92 recession it was just over 12 per cent. But the magnitude of today's job losses is much more than it was in the 1980s, with today's employment decline over 15 per cent compared to 5.4 per cent at the time. Combining unemployment with under-employment, over 36 per cent of workers did not work or worked half of their usual hours in April. In February, that number had been 11.4 per cent, an increase of almost a quarter.

Unemployment rate increases during economic downturns, Canada, 1976 to 2020



Source(s): Table 14-10-0287-01 (formerly CANSIM table 282-0087).

For the province of Ontario overall, AMO is aware of some projections that suggest full time equivalent (FTE) positions in the workforce will be reduced by over 730,000 in 2020 with a projected impact on GDP for the province of -\$89 billion. This is a staggering amount of wealth destruction and foregone economic opportunity for the province.

But there is some good news economically. The lockdown is a policy response to the coronavirus and the decline in infection rates and deaths shows that it is working. As the increase in cases leveled off and started to decline and the lockdown could be eased, jobs have rebounded with implications for GDP. In its latest forecast, the Conference Board of Canada estimated that 300,000 of the 3 million Canadian jobs lost during the pandemic lockdown reappeared in May and estimated that more will be regained by the end of the year, though still 1.1 million short of the level in 2019. Recently, Statistics Canada reported that unemployment had dropped to 12.3 per cent nationally and Ontario added 378,000 jobs between May and June and unemployment declined 1.4 points to 12.2 per cent. The same Conference Board of Canada report projected that GDP in Canada will grow by 6.7 per cent in 2021 and 4.8 per cent in 2022 as the Canadian economy returns which will have implications for jobs and productivity.

That said, COVID-19 and other macro-economic and political factors are likely to leave lasting or permanent impacts on the global trade environment, changes that will have implications for Ontario businesses. The Economist magazine refers to the economy that is likely to emerge from COVID-19 as the 90 per cent Economy, not quite the same in strength or character to what preceded it.

Financial Relief for Municipal Governments:

The potential that the new economic reality emerging from COVID-19 will not quite be able to reach the magnitude and robustness of previous economic environments is significant for Canada, Ontario and municipal governments. To maximize economic potential to create and sustain widespread prosperity in Ontario as the province emerges from the lockdown will require both a steadily managed and phased approach to removing limitations as well as a carefully laid foundation on which to build economic activity.

In the past few months, municipal governments have acted on the needs of their residents and communities during the pandemic. Municipalities maintained essential services such as drinking water and wastewater treatment, waste management, transit services, long term care homes, housing and income supports, safety services and others, while deferring payment of taxes, fees, fares and other revenues. While revenues were reduced or foregone, municipal budgets also absorbed increased costs for protective equipment for our workers and increased costs for cleaning of transit and facilities.

To help ensure these services continue to be available to residents, businesses and communities, AMO has strongly supported the request of the Federation of Canadian Municipalities (FCM) for at least \$10 billion in emergency funding to municipal governments. AMO has also worked with CUPE Ontario to call for a shared provincial-federal program to provide emergency support to municipalities and their workers. As those calls have noted, the time for action is running out – emergency funding is urgently needed.

While the impacts on each municipal government will vary based on population, services, geography and other characteristics, AMO understands that all municipalities in all regions of the province will have experienced impacts due to foregone revenues and increased expenses. Each of the affected municipalities will have adopted financial strategies to manage the impact including layoffs, not hiring positions, reassigning staff, accessing reserves, amongst others.

As an example of the impact the shortfalls due to the pandemic are having, in the Greater Toronto and Hamilton Area municipal finance staff worked together in April to begin to quantify the impact on their budgets after mitigation measures and (some) savings from reduced services. They found that they would experience a shortfall between \$2-3.5 billion this year and require impossible property tax increases of between 16 and 32 per cent to cover it.

Our small and rural communities are also impacted by the increased costs brought by managing the pandemic. As an example, the Town of Meaford has experienced increased costs due to the needs of increased cleaning and protective equipment for staff as well as increased staffing to deal with service demands. Meaford is projecting the impact of the emergency could be \$200,000 - \$400,000 this year. To put that in perspective, in 2020, the Town has budgeted tax revenues of \$14.97 million, meaning the pandemic will have an impact of 1.3 – 2.7 per cent of taxation revenue potential on the Town. Meaford instituted a property tax deferral scheme for 3 months to help their residents manage the impact of the pandemic on their finances.

Grey County is a rural Ontario municipality that has experienced increased costs due to the pandemic. The municipality of 94,000 residents anticipated property taxes in 2020 of \$59.8 million. The increased costs of managing the pandemic for the municipal government are expected to be \$1.1 million, nearly two per cent of the tax revenue.

A final example is the City of Ottawa which is projecting a deficit of \$192 million in 2020 representing almost 11 per cent of its property tax revenues. Ottawa is experiencing the demands all the other municipalities are facing as a result of the pandemic and the City operates an extensive transit system. The City's taxation revenue projected for the year is \$1.76 billion.

Appendix 1 provides a snapshot of what has been experienced in communities large and small, urban and rural, and provides some details on how AMO members have worked to manage these impacts.

Sustaining Public Transit through COVID-19 and Beyond:

Public Transit system impacts, usually operated and financed by municipal governments with operating support from rider fares, have received media attention as ridership has significantly decreased while the need for physical distancing on vehicles has increased. Cleaning and protective equipment costs have also increased substantially.

According to the Canadian Urban Transit Association (CUTA), transit operating budgets have experienced unrecoverable declines of 40-50 per cent as a result of the factors discussed. AMO has supported the Federation of Canadian Municipalities (FCM) and CUTA request for \$2.4 billion transit relief funding.

In Ontario, our public transit partners, the Ontario Public Transit Association (OPTA) have informed AMO that local transit agencies in the province are experiencing shortfalls of approximately \$200 million per month and transit is unlikely to see a return to pre-pandemic ridership in the near future. If these conditions are sustained for one year, that will result in a \$2.4 billion shortfall – the request for all of Canada - for transit in Ontario alone.

However, on a more qualitative note, the impact on municipal transit system finances is about more than funding pressures and fares foregone. It is also about returning services to a sustainable level to support local economies. For instance, AMO is aware of a member's transit system in southwestern Ontario where a local food manufacturer has added another shift and needs increased transit service on Saturday to support its workers. However, recent losses mean there is no funding for expansion available. Unless there is a solution found, this will leave products unmade and less money in the pockets of recently added workers.

Another potentially surprising implication impacts specialized transit services to our most vulnerable residents. AMO understands that to manage the pandemic and safety of healthcare staff, medical offices are requesting specialized transit operators to drop off patients as close as possible to when appointments start and pick them up immediately thereafter, to minimize contact and exposure. While reasonable and understandable, such measures curtail the number of trips that can be made, limiting service availability for patrons under current restraints.

AMO appreciates the Ontario government's commitment to transit expansion and local infrastructure generally as demonstrated by many of the commitments in Bill 197 to deliver projects faster. Transit agencies and municipal governments also appreciate the support the province has given to help extraordinary transit cleaning needs in the short-term. However, without the immediate relief for municipal budgets and transit systems that AMO has repeatedly called for, municipal governments will not have the resources to put towards these initiatives, curtailing the potential for economic recovery locally, in the province and nationally.

Investing in Jobs Now and for Prosperity for the Future:

Ontario's municipal governments remain a key partner in the prosperity of local businesses and workers, their communities and the provincial and national economies they make up. On the whole, municipal governments invest \$51 billion of revenues in Ontario's communities to support workers and residents, their families and businesses, over one third of the provincial government's revenue take.

Almost \$8 billion of that municipal own-source funding went to capital in 2017 and \$3 billion to services that are traditionally delivered by provinces in Canada such as health and social services, housing and family services with the balance delivering services such as fire, paramedic, policing, waste management, parks and recreation, culture and libraries as well as roads and transportation management, public health and services to the elderly. Other municipal services such as water and wastewater and recreational programming are supported by user fees.

Historically, infrastructure spending has been an effective option for governments to improve GDP growth, jobs and tax revenues at the federal, provincial and local levels. While jobs are created in the short term for development and construction, infrastructure provides multiplier benefits in the long term by making it more efficient for private sector companies and consumers to make and access goods and services which contributes to prosperity now and in the future.

These investments also increase government revenues long term. In 2015, in a paper for the Broadbent Institute, the Institute for Spatial Economics estimated that every dollar of public sector investment in infrastructure in Canada increased GDP by \$1.43 in the short term, created 9.4 short-term jobs for every million dollars spent, and returned \$0.44 in taxes. In the long term, that same investment increased GDP by \$2.46 - \$3.83 for each dollar spent.

A more recent analysis by the Canadian Center for Economic Analysis suggests that if the Ontario and federal governments invest in infrastructure at the same proportion as they did pre-pandemic (while covering municipal operating deficits) the result would be a decline of 55,000 jobs over ten years and in \$8 billion federal and \$12 billion provincial tax revenues. However, if those investments were increased in the short term with coverage for municipal operating deficits so that municipalities could also invest, within ten years a gain of approximately 61,000 jobs and \$9 billion federal and \$13 billion provincial tax revenues could be realized.

AMO has previously written a letter (Appendix 2) to the federal and provincial ministers of Finance and others responsible for the economic recovery to suggest areas of capital investment in municipal services which could improve the efficiency of services and contribute to an environmentally sustainable recovery. To start with AMO suggested:

- Accelerating infrastructure investments under current programs such as the Investing In Canada Infrastructure Plan (ICIP) through moving allocations – including for unallocated Green Stream funds – forward and expediting approvals for projects to allow construction to proceed as quickly as possible and flowing funds to municipal governments up front, rather than after the fact;
- Additional increases to the federal Gas Tax Fund to support local infrastructure projects as called for by the FCM; and
- Long-term funding to expand transit in light of new requirements for managing physical distancing.

AMO notes that in recent days funding for some ICIP projects in Ontario have been announced and appreciates the Ontario government's expanded commitment to municipal connecting links and the federal government's acceleration of this year's Gas Tax Fund allocation.

In addition, should changes to Environmental Assessment requirements be streamlined as proposed in Bill 197 with the effect anticipated by the provincial government, Ontario municipal infrastructure projects should be able to move forward faster in the future at lesser cost, maximizing funding.

AMO also noted in that letter the potential for investment in many municipal services through targeted funding expansion to meet the shared goals of economic expansion, environmental quality improvements, climate change adaptation and mitigation of greenhouse gases. Investments in these services include:

Connectivity:

Additional provincial and federal investments in connectivity in Ontario to accelerate improved internet access and cellular coverage for residents and communities – especially relevant as school and work moves increasingly on-line.

The pandemic and lockdown have exposed and exacerbated existing inequalities in connectivity experienced by Ontario communities as many residents struggled to stay connected to their jobs and essential services and education. AMO is aware of at least one member, the Town of Caledon, which invested in extending their own Wi-Fi connections outside of Town facilities so that residents could access their jobs, families and services.

Flood Protection and Stormwater Infrastructure:

Flooding and stormwater management infrastructure safeguard communities and ensure economic continuity in Ontario in the face of changing weather patterns and increasing storms. This infrastructure protects residents and their properties, essential public and private infrastructure systems and allows businesses to continue to operate when potential flooding disruptions threaten operations. They can also reduce costs for insurance and taxpayer relief by mitigating flood event impacts.

One example of flood protection costs for Ontario municipalities is the Town of Tecumseh, with a population of 23,000 residents which is facing a cost of \$100 million to safeguard its residents and infrastructure from flooding. Nearby in Ontario's Southwest, The Municipality of Chatham-Kent is home to a \$3 billion agri-food sector amongst other industries and is estimating up to \$1 billion in flood mitigation works required to protect the municipality and its economy from rising waves and flooding.

Energy Conservation and Green Energy:

Residential, commercial and institutional buildings are a major driver of demand for electricity and heating fuels. Retrofitting existing building stock to improve energy conservation and lower intensity could potentially create thousands of jobs, increase building values, improve indoor air quality and contribute to climate goals.

While a number of mechanisms could be used, AMO supports a mix of instruments including Local Improvement Charges (LICs) that would allow home and building owners to borrow funds and pay off these improvements over time on their local property tax bill. To do this, federal and provincial backstop funding and seed capital could allow the program to get up and running faster and make it broadly available to Ontarians. Overall, this would allow the creation of readily trained local jobs to fill the demand and improve outcomes for residents, communities, Ontario and Canada.

Affordable Housing:

There also appears to be promising practices in play that could help facilitate new affordable housing and employ unemployed and under-employed people at the same time.

Recently, the provincial government announced a new training project that will prepare up to 100 job-seekers with the training and resources needed for a career in the construction industry, by providing them with a hands-on learning experience while building affordable modular homes at a new training facility in the Town of Georgina. SkillsAdvance Ontario is providing \$4 million to facilitate the new project, in collaboration with SkillsOntario and Georgina Trades Training Inc. (GTTI).

In Sault Ste. Marie the Ontario Government is investing in a project that will help people move out of community housing into affordable home ownership and provide training to help social assistance recipients get good jobs. The District of Sault Ste. Marie Social Services Administration Board is buying homes in a state of disrepair and expanding a training program at Sault College that teaches Ontario Works clients building and maintenance skills. The students will work with licensed contractors to renovate the homes. After which, the DSSAB will then sell the homes to residents of community housing and low-income community members. This increases home ownership and frees up community housing units for other low-income residents. It also serves to help rejuvenate neighbourhoods and generate additional property tax for the municipality.

If scaled up across the province, these types of initiatives could increase housing affordability and improve long-term social and economic outcomes with benefits for Ontario's prosperity. Those receiving this type of training would also be able to market their skills in any building energy efficiency upgrade program supported by LICs at the local level, increasing their employment potential in the near and medium terms.

Child Care:

In addition to stabilizing school participation, child care will be an essential ingredient to returning the economy to a growth path. In our letter to federal and provincial ministers on the recovery, AMO noted that for every five children in child care, it is estimated to generate one full-time employee equivalent, typically women in these sector professions. This includes Early Childhood Educators, cooks and cleaners. This means that investments in child care make good economic and social sense in a number of ways.

In addition to facilitating participation in the labour force by parents and guardians, it plays a role to help reduce poverty and is essential for early childhood development which leads to improved educational outcomes resulting in a stronger labour force in the future. Without attention to schooling and child care, Ontario and Canada are unlikely to be able to facilitate the prosperity that we all seek.

Conclusion:

Ontario's municipal governments are important contributors to Ontario's prosperity, investing \$50 billion annually, the equivalent to approximately one-third of provincial government revenues, in local economies across the province. These investments are automatic stabilizers in times of economic uncertainty and downturn and the services provided allow economic expansion, improved prosperity and increased federal and provincial tax revenues in the long-term in addition to short term jobs.

Ontario municipal governments have continued to support local communities through the pandemic and lockdown, providing essential services to our residents and businesses. Without immediate attention and support from the provincial and federal governments, municipalities' ability to continue to partner in investing in Ontario's economic prosperity is under significant threat and those services that residents, businesses and communities have relied upon during the emergency could face cuts. The knock-on effects in local economies are likely to be substantial.

This does not have to be the future we envision. Immediate relief for municipal governments and the transit services they fund can shore up municipal ability to continue to invest in communities. Further, investments in a broader view of infrastructure can improve and expand services that businesses and residents rely on to create wealth and improve prosperity for the long run.

**Appendix 1:
Community Snapshot: Examples of Current Municipal Review/Analysis of Financial Position During COVID-19**

- The following table outlines a series of intermittent findings derived from various municipal public reports to Council and interviews with municipal staff.

Municipality	Increased Expenditures (if applicable, health and human services) – Cost mitigation (where available) is captured as well	Decreased Revenues (i.e. impact of deferrals, user fee reductions, lower DCs, loss of recreation, POAs etc.)	Current and/or Future Fiscal Outlook (i.e. cash flow, expected losses etc.)
City of Hamilton	<ul style="list-style-type: none"> - Additional \$7.4M for staffing and PPE costs for Public Health Services - Total gross additional costs are estimated to be \$31.7M as Public Health, Ontario Works and Housing Services are being increased in response to COVID-19 pandemic (some costs offset by Province) 	Current forecast estimates a loss of revenue of 58.1 million mostly from transit, recreation, parking etc.	The city has undertaken a “two scenario analysis” from their recent Council Report based on projections for how long this current Covid-19 environment will continue
Owen Sound (As of June 30)	<ul style="list-style-type: none"> - \$90,000 on COVID-specific expenses so far - City has regained some funds via fares, bag tag fees, parking. 	Deficit expected to double if team sports can't take place this fall – a revenue hit. The revenue at risk is estimated to be up to \$1M.	Total estimated operating deficit is estimated to be around \$560,000.



Municipality	Increased Expenditures (if applicable, health and human services) – Cost mitigation (where available) is captured as well	Decreased Revenues (i.e. impact of deferrals, user fee reductions, lower DCs, loss of recreation, POAs etc.)	Current and/or Future Fiscal Outlook (i.e. cash flow, expected losses etc.)
<p>Grey County</p>	<ul style="list-style-type: none"> - County departments experiencing deficits include: worker compensation, provincial offences, LTC, paramedic. - LTC increased costs include screening, additional staff, PPE, equipment to support infection protection. If outbreak occurs, costs are even higher. - Projected deficit of \$1.37M (LTC hardest hit). Using surpluses from other departments to assist with deficit. - The Health Unit's expenditures related to COVID-19 projected to be \$250,000 for 2020. - Long-term care COVID-19 expenditures and impact: Difficult to predict, but additional equipment and staffing costs incurred. - Paramedic Services: projected to end the year 	<p>Gross revenues are \$245,100 lower than budgeted as of the end of April.</p> <ul style="list-style-type: none"> - Investment income is projected to be lower by \$200,000 with interest rates being lower than projected in budget. - POA is projected to end the year with a shortfall of \$33,000 Workers' Compensation budget is projecting a year-end deficit of \$192,000. - Economic Development: anticipate a \$76,000 deficit resulting from fixed costs. - Transportation Services Department is projecting to end the year with a \$105,000 operating budget shortfall. 	<ul style="list-style-type: none"> - Predicts \$1.1M deficit due to COVID. - Grey Bruce County Health Unit projected to see \$250,000 in additional COVID expenditures. - Looking to shift capital projects money to offset COVID expenses.



Municipality	Increased Expenditures (if applicable, health and human services) – Cost mitigation (where available) is captured as well	Decreased Revenues (i.e. impact of deferrals, user fee reductions, lower DCs, loss of recreation, POAs etc.)	Current and/or Future Fiscal Outlook (i.e. cash flow, expected losses etc.)
Municipality of Meaford	<ul style="list-style-type: none"> - with a shortfall in the operating budget. - Estimated costs from COVID-19 is more than \$ 145,000 - This includes signage, barriers, PPE, cleaning supplies. Enhanced daily cleaning for staff if return to work. - Parks reopening could add massive cost in cleaning and staff time. 	<ul style="list-style-type: none"> - The 2020 Tax Levy has been budgeted at \$14.97M. Losses are going to well over 1% of tax levy. <p>In part, due to tax deferrals for three months.</p>	<ul style="list-style-type: none"> - Staff now expect the minimum financial impact of the emergency to be \$146,300 (end of June). - July and onwards: Additional cost of +/- \$45k to deal with enhanced cleaning/by-law enforcement coming. - Anticipating \$200k-\$400k of further losses depending pandemic duration.
City of Ottawa	<p>Staff put in place measures including hiring freeze, pause infrastructure.</p>	<p>Revenues continuing to decline in a number of areas. (significant for transit).</p>	<p>Projecting deficit of \$192 million.</p>
City of Windsor	<ul style="list-style-type: none"> - Unexpected budget costs of \$15.4 million to address virus-related needs that include the purchase of personal protective equipment (PPE) and additional cleaning efforts. 	<p>Losses at Transit Windsor are projected at \$4.8 million. Dividend payments from Ontario Lottery and Gaming Corporation provided to the city for hosting Caesars Windsor are expected to be \$6.6 million less this year</p>	<p>Expecting an overall loss of revenues this year to reach \$36.6 million.</p>



Municipality	Increased Expenditures (if applicable, health and human services) – Cost mitigation (where available) is captured as well	Decreased Revenues (i.e. impact of deferrals, user fee reductions, lower DCs, loss of recreation, POAs etc.)	Current and/or Future Fiscal Outlook (i.e. cash flow, expected losses etc.)
City of Mississauga	- Reduced operating expenses of \$16.7 million due to shutdowns and layoffs	Significant revenue loss in transit, reduced revenues for recreation, parking, POA.	A deficit of approximately \$60 million by year end is expected as a result of revenue losses and new costs due to COVID-19.
City of Niagara Falls			Facing a \$4 million gap to date. Without support, they are facing a double-digit property tax increase according to Mayor Diodati.
City of St. Catharines			Originally facing a \$10.5 million year-end loss. It has since been mitigated to \$6.6 million due to temporary layoffs. Indication that deep service cuts may be forthcoming.
City of Sudbury	City increased services to help vulnerable people and to help with health and safety measures. Expenditures related to COVID-19 are expected to be	\$5.7 million of the deficit is attributed to lost revenues from parking, transit, facility rentals, and sports and programming fees.	Staff project a \$6.7 million dollar deficit to the end of June.



Municipality	Increased Expenditures (if applicable, health and human services) – Cost mitigation (where available) is captured as well	Decreased Revenues (i.e. impact of deferrals, user fee reductions, lower DCs, loss of recreation, POAs etc.)	Current and/or Future Fiscal Outlook (i.e. cash flow, expected losses etc.)
	<p>\$5.6 million until the end of June.</p> <p>\$1.7 million in mitigation comes from cancelling the summer student program.</p>	<p>62% of revenue loss arises from user fees. Next is 20% from slot revenue, POA and MAT revenues. Last 15% is on lower investment income.</p>	
Municipality of Chatham-Kent	<p>Reopening of services as part of Phase 2 will result in the corresponding maintenance, staffing, vehicle, garbage and signage requirements. This will cancel out an estimated \$450,000 of the savings.</p>	<p>Reduction of revenues from reduced or stopped services also meant that cost containment measures were in effect.</p>	<p>The potential 2020 operating deficit was estimated at \$3.3M in the May 11th, 2020 report on Financial Resiliency which was to be offset with \$2M of savings by closing facilities and operations.</p>
Township of Leeds and Thousand Islands	<p>Emergency expenditures related to COVID-19 currently total approximately \$34,000 year to date. This includes laptops, fencing, signage, vehicle rental costs and cleaning supplies.</p>	<p>Reductions and Revenue loss:</p> <ul style="list-style-type: none"> - Operating budget reductions \$363,350 - Operating projects \$199,000 - Estimated Casino revenue reduction (\$750,000) - Transfers to reserve funds from operating \$750,000 - Penalty and interest revenue on property taxes and utility bills (\$77,500) 	<p>Current estimate on reduction to operating budget for the year is \$250,850.</p>



Municipality	Increased Expenditures (if applicable, health and human services) – Cost mitigation (where available) is captured as well	Decreased Revenues (i.e. impact of deferrals, user fee reductions, lower DCs, loss of recreation, POAs etc.)	Current and/or Future Fiscal Outlook (i.e. cash flow, expected losses etc.)
Municipality of Brockton	COVID-19 expenses at \$15,068, with ongoing expenses being processes.	<ul style="list-style-type: none"> - Garbage bag tag revenue (\$35,000) - Capital Budget reductions/deferrals \$716,500 - Daycare closure revenue loss: \$127,884 (since March 13) *does not incl. fixed costs - Projected recreation revenue loss to end of June 30th: \$260,050 <p>Lost revenue from waiving penalties and interest: \$10,087/month. \$30,260 for three-month term.</p>	The current forecast to June 30th estimates a loss of revenue of nearly \$434,483.

Appendix 2: Municipal Services and Economic Recovery – Letter to Ministers Morneau and Phillips beginning on the following page.

Sent by email to: Bill.Morneau@canada.ca
Minister.fin@ontario.ca

April 27, 2020

The Honourable Bill Morneau
Minister of Finance
Department of Finance Canada
90 Elgin Street
Ottawa, Ontario
K1A 0G5

The Honourable Rod Phillips
Ontario Minister of Finance
Frost Building South, 7th Floor,
7 Queen's Park Cres
Toronto, Ontario
M7A 1Y7

Re: Municipal Government Services and Ontario and Canada's Economic Recovery

Dear Minister Morneau and Minister Phillips:

The current COVID-19 pandemic has offered Canada and the world an unprecedented challenge. In managing this emergency, the Association of Municipalities of Ontario (AMO) commends the Prime Minister, Premier and all ministers and officials for their leadership and dedication to the health, safety and well-being of the people of Ontario. However, the steps we have collectively taken to limit the spread of the virus and manage the disease have taken a steep toll on our economies, businesses, workers and communities that is likely to continue for the foreseeable future without urgent and dedicated attention. Municipal governments are also impacted.

As your partners providing services on the front lines, municipal governments have welcomed the supports Ontario and Canada have put in place to date. AMO also appreciates that attention is turning to efforts to guide the economic and social recovery of our society as the rate of infection slows and we return to a more normal footing. Collectively our citizens will turn to their national, provincial and local governments for the leadership and investments needed to safely return to regular life and chart our path to lasting prosperity.

Municipal Fiscal Stabilization:

Stabilizing local governments must be a priority. The pandemic has had a major impact on the finances of municipal governments across Ontario and Canada. AMO strongly supports the requests of the Federation of Canadian Municipalities and the Canadian Urban Transit Association for stabilization funding that will help municipal governments recover from these impacts and prepare them for the long-term recovery. We appreciate greatly Premier Ford's support for these requests.

In addition, AMO believes that it may be necessary for the Ontario government to create a short-term grant which helps to keep municipalities whole during the pandemic and beyond.

Municipalities have continued transit services, often foregoing fares, to keep frontline workers and others able to work and access services during the emergency. The costs of delivering key human services have continued to mount. Many have deferred property taxes and other fees with impacts to their solvency, and increased needs for personal protective equipment and cleaning costs have challenged municipal operations. Property tax deferrals are an important support to the population while the economy contracts and unemployment increases. They cannot be a long-term solution. While there are proposals to permit municipal operating deficits, these proposals only delay costs and create structural financial pressures.

A partnership among all three orders of government working together to stabilize and put our economy on the path to recovery is required.

Economic Recovery:

Turning to recovery and efforts to return our economy to growth, AMO believes that stimulus measures to accelerate and enhance both provincial and federal infrastructure programs would help to get our economy moving again. Capital investments will get people and businesses to work, creating jobs in the short term and creating multiplier effects through local firms and communities. They will also make it more efficient for businesses and people to create and access goods and services in the long term, benefiting overall prosperity and competitiveness.

Investments in public infrastructure stimulate economic progress. In 2015, in a paper for the Broadbent Institute, the Institute for Spatial Economics estimated that every dollar of public sector investment in infrastructure in Canada increased GDP by \$1.43 in the short term, created 9.4 short-term jobs for every million dollars spent, and returned \$0.44 in taxes. In the long term, that same investment increased GDP by \$2.46 - \$3.83 for each dollar spent.

The timing of infrastructure investments is also key. While steady long-term investment in infrastructure is important to ensure that it contributes to gains in long term productivity, investments in infrastructure during times of reduced economic output have an even greater impact on economic advancement. One International Monetary Fund (IMF) study suggested that increasing infrastructure spending by 1 per cent of GDP through deficit spending can increase GDP 0.9 per cent in the first year and up to 2.9 per cent by year four in economic downturns.

The case for public infrastructure investment for economic benefit is clear but there are other policy benefits as well. Sound investments in social, cultural and environmental infrastructure can increase equity, well being and quality of life as well as improve the natural environment, all with ultimate benefits for prosperity.

Municipal governments offer services in all of these areas in which investments can increase our collective economic, environmental and social bottom lines.

With this in mind, we recommend the following proposals to help restart the economy and put Ontario on track for long term growth and prosperity:

Accelerate Existing Infrastructure Funding:

The Investing in Canada Plan (ICIP) partnership funding offers Ontario and municipal governments significant and appreciated resources to invest in needed service improvements. As a first step, AMO believes the governments of Canada and Ontario should accelerate the funding allocations under the various streams of the ICIP. This would include expediting project approvals as well as changing the transfer of funding from the completion of projects to the start of projects to allow municipalities to manage cash flow better and faster. This would effectively re-profile ICIP funding into stimulus.

However, in re-profiling this funding, the need for long term infrastructure funding and certainty in its allocation cannot be forgotten.

This long-term funding should include transit service expansion, which, while challenged by the current pandemic and lockdown, will need to be increased and improved for long term prosperity, social and environmental needs. Stabilizing public transit and adapting it safely to our needs post-pandemic will be critical to meeting our goals.

Ontario's Gas Tax for Transit Fund, given its flexibility and stability, is an important source for capital and operating funds for transit. The province should consider how to address diminished revenue collected for the fund anticipated in 2020 – such as discounting the year altogether in favour of a multi-year average - as maintaining the envelope is likely to be critical to helping transit services recover.

Federal Gas Tax:

In the previous year's federal Budget, the Government of Canada doubled the investment in the federal Gas Tax Fund in that year. The federal Gas Tax Fund is a major stable source of flexible infrastructure funding offering permanent, formula-allocated funding to local infrastructure that is bankable and leverages significant local investment from municipalities because it is matched to municipal government priorities.

In Ontario, in 2019 the increased allocation provided \$1.64 billion to municipal governments for priority projects. Additional increases in funding have the ability to be quickly contributed to municipal local priorities in priority areas, flexibly across Ontario. As a result, the federal Gas Tax Fund remains a preferred and reliable choice to quickly move funding for infrastructure from the federal government to municipal governments in Ontario.

However, much can also be achieved on our shared infrastructure priorities through targeted funding to important services and areas. The remainder of this letter focuses on the potential for us to make real progress for our communities economically, socially and environmentally through investments in local services.

Connectivity:

Access to internet and cellular technologies has never been more important, and the current pandemic has laid bare disparities Ontario communities are faced with as people do as they are asked and isolate at home. Connectivity in this time is a lifeline. It is access to food, medicine and medical services, family, school and work. Yet, the Ontario Ministry of Infrastructure estimates that 12 per cent of Ontarians, 1.7 million people, live in unserved and underserved communities. Both Ontario and Canada have ambitious goals to connect these people and improve this now essential service. This funding is set to launch this year and it should be accelerated to improve services to these areas to bring them to the 50/10 MB standard, a helpful improvement.

While these programs will help to narrow the gaps in connectivity rural and remote communities are experiencing now, the auctioning of new spectrum frequencies later this year, and the introduction of new next generation technologies, could exacerbate these disparities if not properly managed. The federal government's proposals to ensure competitiveness and set aside spectrum for regional and smaller carriers should help. Ideally this will ensure that small local carriers have the opportunity to invest in spectrum in underserved rural areas, including those close to urban agglomerations. That said, it may be necessary for the Government of Canada to also consider rules that require providers to forfeit the license if actual connections to under and unserved residents are not made within a specified period at specified speeds, as many rural communities are concerned that projects do not always result in the outcomes proposed.

Additionally, Ontario should explore ways to ensure access to Hydro One to hydro pole infrastructure to expedite installation of necessary wireless technologies in rural areas. Local municipal electricity distribution corporations in Ontario will be able to work with their shareholders where connectivity issues exist to ensure hydro poles are available to service providers per local priorities.

To ensure these services are implemented, and communities are able to take advantage in new and improved technologies, AMO encourages the Governments of Canada and Ontario to continue to work with municipalities, and service providers, to help all Ontarians take advantage of the new technologies and applications this new spectrum will bring. Additional stimulus funding to incentivize partnerships and investments in wireless, fixed and satellite connection expansion also should be considered as a sound economic, social and environmental investment in our future prosperity.

Housing:

Infrastructure includes social infrastructure that develops human capital. The need for more affordable housing is clear, and the current pandemic has shown in even starker relief why housing provision to inadequately housed people is in the public interest. Acting now to resolve this will help make managing the spread of future diseases easier.

In 2018, the Ontario Non-Profit Housing Corporation and the Canadian Co-operative Housing Federation – Ontario Region produced a proposal to all orders of government in a document called [An Affordable Housing Plan for Ontario](#). According to these provincial housing associations, construction of at least 16,600 rental homes each year is required to address population growth and the backlog of those in need of affordable housing. This would amount to building up to 69,000 rental homes over ten years. In addition, up to 30,000 new supportive housing units are required for vulnerable, low-income people including seniors and those with mental health and addictions challenges. Much of the existing municipally funded community housing stock is also in need of capital repair given the age of the buildings.

Building and repairing these rental homes is projected to contribute \$2.6 billion annually in construction multipliers and inject \$1.1 billion in increased consumer spending. As well, it can save money to the health and justice systems, estimated at \$1.1 billion annually. Permanent housing is more cost effective than putting people in shelters, jails or psychiatric beds, and is essential to reducing chronic homelessness. An adequate supply of housing for a range of incomes, including the middle class, assists communities to attract and retain workers needed to grow local economies.

Investing in housing also helps to secure a critical social safety net for people with low to moderate incomes or requiring special supports, such as help with mental health and addictions. There are many construction ready projects that could be built quickly, or capital repairs quickly undertaken. The National Housing Strategy framework provides a ready mechanism to move investments forward expeditiously.

There are other options other than direct investments that are worth exploring. For example, [HPC Housing Investments Corporation \(HIC\)](#) is a new national lender dedicated to the affordable housing sector. It was co-founded by Housing Services Corporation (Ontario), BC Housing and Manitoba Housing with support from CMHC. HIC offers housing providers direct access to the capital markets and delivers low-cost, long-term mortgages to build affordable housing across Canada.

While HIC has a proven model for generating and maximizing funds for affordable housing projects, a provincial guarantee of HIC mortgages will make the offering more attractive to the capital markets and also drive down financing costs to Ontario providers. For example, HIC estimates that a provincial guarantee will result in interest savings of up to \$120 million for the Ontario sector for a \$500 million guaranteed program with 40-year mortgage terms. An Ontario guarantee will not

require any upfront funding from the Province and can be quickly and easily implemented for Ontario providers through HIC's established lending platform.

Child Care:

Child care will play an important part in the economic recovery if adequate funding is available. No one wants to see child care centres closed permanently as a result of the current situation. Sustaining existing child care capacity is critical to facilitate continued labour market participation of parents in the workplace.

Maintaining employment in the sector will also contribute to recovery. For every five children in child care, it is estimated to generate one full-time employee equivalent, typically women in these sector professions. This includes Early Childhood Educators, cooks and cleaners. Investments in child care make good economic social sense in a number of ways. In addition to facilitating participation in the labour force, it plays a role to help reduce poverty and is essential for early childhood development which leads to improved educational outcomes resulting in a stronger labour force in the future.

Flooding and Storm Water Management:

AMO has long called for funding to improve and expand flood protection and storm water management infrastructure.

A changing climate is changing the parameters for storm water management infrastructure, necessitating additional capacity. This is costly to communities and intensifies the need for investments that are already challenging municipal governments. Better storm water management infrastructure has a direct benefit to our lakes and rivers, to flora and fauna and, if green infrastructure is integrated, to wetlands and resident's quality of life.

The ICIP Green Fund is a helpful start and these investments should be accelerated. However, more will be needed to truly increase the protection to our communities and our environment. AMO suggests that Ontario and Canada provide additional funding to improve municipal storm water management and for flooding control infrastructure including green infrastructure and wetlands as part of the recovery efforts. Policy which prioritizes lot level water management through low impact development will help to manage future demand (LID) for expansion and provide benefits to water quality long term. Some municipal governments have implemented dedicated storm water charges, and many will have a need to consider them as they manage future needs.

Energy Conversions, Public and Private Buildings:

Upgrading and enhancing energy conservation and green energy such as solar, district energy, combined heat and power and others for public and even private buildings should be considered. For public buildings, green energy upgrades to municipal

offices, public housing and recreation centres would help to reduce our sector's greenhouse gas footprint and better manage future expansion of generating capacity needs. It would also make a meaningful contribution to Canada's Paris Agreement commitments.

Furthermore, municipal services such as organic waste management and wastewater treatment facilities offer the opportunity to capture heat and gas as major energy recovery projects. Doing so closes the loop on greenhouse gas production and more efficiently stewards renewable resources. If these sources were combined with agricultural waste in one facility, the potential for regional energy conversion could be realized. Funding for such projects under stimulus and long-term infrastructure plans should be included.

In addition, we urge the provincial and federal governments to consider the potential for supporting energy conservation and renewable energy for homeowners, commercial and institutional buildings. This should be done through a combination of incentives and other mechanisms. AMO believes that the support of your governments and the potential for Local Improvement Charges (LICs) that can finance these changes on property tax bills could be an effective way to support residents and businesses, create short-term jobs and improve our environment for the long term.

Your governments should also consider investments in charging capacity for electric vehicles. While municipalities will continue to invest in transit operations and active transportation initiatives, AMO believes that an expansion in Ontario's charging capacity for electric vehicles could help consumers to increasingly adopt such vehicles by reducing anxiety about ranges and providing an alternative to petrol.

Greater adoption will have immediate impacts on our GHG emissions and air quality as the current emergency has shown – the World Meteorological Organization recently reported that measures to manage the spread of COVID-19 will result in a 6 per cent decline in GHG emissions globally in 2020, the first decline since World War 2. Closer to home, analysis by scientists at the University of Toronto suggest that lockdowns in Canada's major cities such as Toronto, have reduced nitrous oxide and ultrafine particulate pollution by almost 50 per cent and other analyses suggest that the world's major cities may have seen reductions of up to 60 per cent in other particulates such as PM 2.5, with implications for human health.

As economic activity picks up and returns to some form of normalcy, switching our main transportation options to transit, active transportation and electric vehicles will help to ensure we can continue to enjoy better environmental health while increasing income and prosperity. Also, if accompanied by connectivity enhancement and expansion, the potential for green, autonomous vehicles grows with attendant benefits for transport on demand and built form.

Conclusion:

The prosperity Canada and other western nations and, indeed much of the world experienced in the wake of the Second World War was not a mistake or happy coincidence. It resulted from determined planning and dedicated short- and long-term investments in prosperity. The current health crisis, accompanied by the sharp drop in economic activity as we manage it has given us a stark choice: we can continue our current path with the substantial funds we have committed to date; or we can invest strategically, significantly and smartly in areas that affect our prosperity and quality of life broadly defined and reap the attendant benefits in the short and long term by changing our foundational rules.

AMO believes the project categories included will do just that. Quantified and delivered transparently, such investment will provide our residents, businesses and investors with clarity and certainty allowing stability to guide private sector growth as the recovery takes hold.

To be clear, AMO is not suggesting that the federal and provincial governments embark on this alone. Municipal governments will do their part as your local partners to invest in these services and aid the recovery as much as they are able now and in the long term. The pandemic has put the importance of governments in very clear relief.

The mechanisms for investment in the recovery are already in place or can be established quickly.

We welcome the opportunity to discuss these important matters with you soon.

Sincerely,



Jamie McGarvey
AMO President
Mayor of Parry Sound

cc: Bill Karsten, President, Federation of Canadian Municipalities
Rocco Rossi, President and CEO, Ontario Chamber of Commerce
The Right Honourable Justin Trudeau, Prime Minister of Canada
The Honourable Chrystia Freeland, Deputy Prime Minister of Canada
The Honourable Catherine McKenna, Minister of Infrastructure and Communities

The Honourable Ahmed Hussen, Minister of Families, Children and Social Development
 The Honourable Jean-Yves Duclos, President, Treasury Board of Canada
 The Honourable Jonathan Wilkinson, Minister of Environment and Climate Change
 The Honourable Navdeep Bains, Minister of Innovation, Science and Industry
 The Honourable Maryam Monsef, Minister for Women and Gender Equality and Rural Economic Development
 The Honourable Mélanie Joly, Minister of Economic Development and Official Languages
 The Honourable Doug Ford, Premier of Ontario
 The Honourable Steve Clark, Ontario Minister of Municipal Affairs and Housing
 The Honourable Vic Fedeli, Ontario Minister of Economic Development, Job Creation and Trade
 The Honourable Peter Bethlenfalvy, President of the Ontario Treasury Board
 The Honourable Caroline Mulroney, Ontario Minister of Transportation
 The Honourable Christine Elliott, Ontario Deputy Premier and Minister of Health
 The Honourable Ernie Hardeman, Ontario Minister of Agriculture, Food and Rural Affairs
 The Honourable Greg Rickford, Ontario Minister of Energy, Northern Development and Mines and Minister of Indigenous Affairs
 The Honourable John Yakabuski, Ontario Minister of Natural Resources and Forestry
 The Honourable Laurie Scott, Ontario Minister of Infrastructure
 The Honourable Lisa MacLeod, Ontario Minister of Heritage, Sport, Tourism and Culture Industries
 The Honourable Lisa Thompson, Ontario Minister of Government and Consumer Services
 The Honourable Monte McNaughton, Ontario Minister of Labour, Training and Skills Development
 The Honourable Prabmeet Sarkaria, Ontario Associate Minister of Small Business and Red Tape Reduction

**Ministry of Municipal Affairs
and Housing**

Office of the Minister

777 Bay Street, 17th Floor
Toronto ON M7A 2J3
Tel.: 416 585-7000

**Ministère des Affaires municipales
et du Logement**

Bureau du ministre

777, rue Bay, 17e étage
Toronto ON M7A 2J3
Tél.: 416 585-7000



234-2020-2680

July 8, 2020

Dear Head of Council:

The COVID-19 outbreak has touched everyone in the province, creating personal and financial hardship, and resulting in losses far greater than anyone could have imagined. We are making steady progress in the safe reopening of the province, and we acknowledge and celebrate those who went above and beyond through this crisis.

I am writing to inform you that on July 8, 2020, our government introduced the COVID-19 Economic Recovery Act, 2020, to help get Ontario back on track. Our proposed bill will address three critical needs Ontario faces: restarting jobs and development; strengthening communities; and creating opportunity for people.

Our government recognizes the key role that municipalities play in restarting the economy, and that their efficient functioning and economic sustainability is critical to Ontario's future success. We are also continuing to negotiate with our federal partners to ensure communities across Ontario receive the urgent financial support they need. We know that municipalities require fair and flexible investment to protect front line services and help restart the economy.

This bill includes proposals that will enable municipal councils and local boards to meet electronically on a permanent basis and allow municipal councils to decide if they wish to have proxy voting for their members. Our government also proposes to finalize the community benefits charges framework; enhance the Minister of Municipal Affairs and Housing's existing zoning order authority to provide more certainty when fast tracking the development of transit oriented communities; make it faster to update and harmonize the Building Code so that we can break down interprovincial trade barriers, and permanently establish the office of the Provincial Land and Development Facilitator to help solve complex land use issues. We are also working on optimizing provincial lands and other key provincial strategic development projects that will help facilitate economic recovery efforts.

My ministry will be hosting a technical information briefing on the proposed community benefits charges framework, including proposed changes to development charges and parkland dedication, so that municipal staff can gain a better understanding of the proposal. The technical briefing will take place in the near future and invitations from the Assistant Deputy Minister of Local Government and Planning Policy Division to municipal Chief Administrative Officers, Treasurers and Chief Planners will be forthcoming.

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In addition to initiatives that I have outlined above from my ministry, there are several other proposals included in our proposed legislation that will support your communities. Changes proposed will modernize our outdated environmental assessment framework, provide more local say on future landfill sites, and ensure strong environmental oversight, while supporting faster build-out of vital transport and transit infrastructure projects to support our economy. Municipally-run courts will be able to use technology to deliver services remotely and we are also moving to fill justice of the peace vacancies faster and more transparently.

We will be extending the validity period of unused marriage licences and protecting the province's most vulnerable consumers who rely on payday loans, by proposing limits on related interest rates and fees.

Also proposed is the reduction of regulatory burdens on farming while preserving the environmental rules that will support this vital part of our economy. Businesses will be able to count on clear, focused and effective rules that do not compromise people's health, safety or the environment through our changes that continue to focus on cutting red tape. At the same time, our changes will allow health and safety standards to be updated more quickly to ensure worker safety in a changing economy.

As the province continues to reopen and the economy recovers, it's more critical than ever to position Ontario as a top-tier destination for investment, domestic growth, and job creation. A key measure to support this objective is the creation of a new investment attraction agency, Invest Ontario, that will promote the province as a key investment destination and work closely with regional partners to coordinate business development activities.

Our proposed changes will also help our communities respond in part to the challenges that this outbreak has brought to our education system. Changes proposed would allow school boards to select the best candidates for director of education for their respective communities. We will also reduce red tape that is preventing access to school for some First Nation students and by limiting unproductive suspensions for our very youngest students. Students with severe learning disabilities will have an opportunity to complete their studies in the upcoming school year and by broadening the mandates of TVO and TFO, our broadcasters will be able to support students' learning needs better during these challenging times.

Through this proposed legislation, we will take the first step towards a strong restart and recovery. More information on our proposals can be found on the Legislative Assembly of Ontario's [website](#).

Our greatest challenges lie ahead of us, and we know we cannot overcome them alone. It's time for everyone to play a role in rebuilding Ontario together. We will ensure no community or region is left behind. Every community must recover if all of Ontario is to grow and prosper again.

Head of Council
Page 3

Municipalities are encouraged to continue to review our Government's Emergency Information webpage at: [Ontario.ca/alert](https://ontario.ca/alert). I thank you for your continued support and collaboration in these challenging times.

Sincerely,

A handwritten signature in blue ink that reads "Steve Clark". The signature is written in a cursive, flowing style.

Steve Clark
Minister of Municipal Affairs and Housing

c: Chief Administrative Officers
Municipal Clerks
Kate Manson-Smith, Deputy Minister of Municipal Affairs and Housing
Brian Rosborough, Executive Director, Association of Municipalities of Ontario



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kingsvilleworks@kingsville.ca

June 29, 2020

The Honourable Doug Ford (premier@ontario.ca)
Premier of Ontario
Legislative Building, Queen's Park
Toronto, Ontario M7A 1A1

-and to-

The Honourable Rod Phillips (rod.phillips@pc.ola.org)
Minister of Finance
Frost Building South; 7th Floor
7 Queen's Park Crescent
Toronto, Ontario M7A 1Y7

Dear Premier Ford and Minister Phillips:

RE: Kingsville Council request that the Rent Assistance Program to include all businesses in a lease agreement within all "residential-above-commercial" properties without a cap on commercial/residential ratio

At its Regular Meeting of June 22, 2020, Kingsville Council resolved the following:

391-2020

Moved By Councillor Kimberly DeYong

Seconded By Councillor Larry Patterson

Whereas the COVID-19 Pandemic has greatly impacted the business community in the Town of Kingsville;

And Whereas the Province of Ontario has provided financial assistance including a multi-level Rent Assistance program to the business community impacted by the COVID-19 Pandemic;

And Whereas the Rent Assistance program offered by the Province of Ontario established an arbitrary cap on multi-use properties where it is common for "residential-above-commercial" developments, especially in downtown and Main Street corridors;

And Whereas Kingsville, particularly in our downtown business centres, has several properties with residential-above-commercial where the ratio of commercial storefront businesses represents less than 30 per cent of the entire building, thus leaving a gap where local business owners cannot qualify for rent relief with their willing landlords;

And Whereas the Town of Kingsville's newly adopted Business Retention and Expansion Project Report identified that Kingsville businesses would benefit from the Province expanding the Rent Assistance program to include all commercial lease properties regardless of overall footprint.

Now Therefore Be It Resolved That the Town of Kingsville requests that the Province of Ontario expand their Rent Assistance program to include all businesses in a lease agreement within all "residential-above-commercial" properties without a cap on commercial/residential ratio;

And Finally, That this Resolution be circulated to the Premier, Doug Ford, the Minister of Finance, Rod Phillips, our local MPP Taras Natyshak, and all Ontario municipalities requesting their support.

CARRIED

Thank you for your consideration.

Sincerely,



Jennifer Astrologo, Director of Corporate Services/Clerk
Corporate Services Department

jastrologo@kingsville.ca

/sjk

CC: Taras Natyshak, MPP (tnatyshak-qp@ndp.on.ca)

CC: All Ontario Municipalities

July 10, 2020

Dear Municipal Stakeholder,

I am pleased to announce that as of **July 1, 2020** the province expanded the types of off-road vehicles permitted on-road to two new additional types: off-road motorcycles commonly known as dirt bikes; and, extreme terrain vehicles, which are semi-amphibious vehicles with six or more wheels. This updated regulation can be found at <https://www.ontario.ca/laws/regulation/030316>.

It is important to note that the same on-road access rules for existing off-road vehicles continue to apply for these new vehicles on provincial roadways (Please see Schedule B of *Ontario Regulation 316/03: Operation of Off-Road Vehicles on Highways*). Similarly to the previously permitted vehicle types, municipalities may permit the use of off-road motorcycles and extreme terrain vehicles in their local jurisdiction through by-law. However, municipalities with existing by-laws permitting off-road vehicles will need to amend their by-law after July 1, 2020 if they want to allow these the new types of vehicles on their local roads. By-laws created before July 1, 2020 apply only to those classes of off-road vehicle which were permitted to operate on-road at the time: all-terrain vehicles, two-up all-terrain vehicles, and side by sides (utility terrain-vehicles, recreational off highway vehicles).

To support municipalities with these changes, the ministry has developed guidance documents to help municipalities decide whether to permit these new vehicles on their local roadways. These documents also provide guidance for proposed, yet to be proclaimed, changes for municipalities listed in Ontario Regulation 8/03 which will amend the way off-road vehicles are permitted on-road access to municipal roads. In municipalities listed in Ontario Regulation 8/03, off-road vehicles will automatically be allowed on municipal roads unless the municipality creates a by-law to prohibit or restrict their use. These new provisions have a target implementation date of January 1, 2021 and will replace the current requirement that those municipalities listed in Ontario Regulation 8/03 must enact a by-law to permit off-road vehicles to operate on identified municipal roads. If you have any questions regarding these future changes, please contact the general inquiry line for the Safety and Information Management office of the Operations Division at 905-704-2960.

For reference, the guidance documents are attached.

I would ask that you please forward this notice and enclosed guidance material to the attention of municipal staff in charge of traffic safety and those responsible for enforcing off-road vehicle laws in your area. If there are any questions regarding these amendments, please do not hesitate to contact the Acting Manager at the Safety Program Development Office Erik Thomsen at (647)-638-5210 or erik.thomsen@ontario.ca.

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Thank you for your assistance in communicating this change.

Sincerely,

A handwritten signature in black ink, appearing to read "Angela Litrenta". The signature is written in a cursive, flowing style.







Angela Litrenta
A/Director
Safety Program Development Branch
Ministry of Transportation

Attachment – Municipal Guidance Materials

Provincial Requirements

Additional Off-road Vehicles Allowed On-road

Effective July 1, 2020, the Ministry of Transportation (MTO) is making changes to add off-road motorcycles (ORM) and extreme terrain vehicles (XTV) to the existing list of off-road vehicles (ORV) permitted on-road. These two new ORV types will be in addition to the currently permitted 4 wheeled ORV types.

Municipal Considerations	<p>Municipalities will continue to have the authority and make decisions about ORVs by way of by-law to:</p> <ul style="list-style-type: none"> ▶ Permit ORVs ▶ Only allow specific ORVs on road ▶ Only allow ORVs at specific hours of the day ▶ Impose additional speed limits <p>ORV is a general term used to capture several different vehicles designed for off-road, however, only certain off-road vehicles that meet the requirements in Ontario Regulation 316/03 are permitted on-road:</p>
All-Terrain Vehicles	<p>“A “single-rider” all-terrain vehicle (ATV) is designed to travel on four low-pressure tires, having a seat designed to be straddled by the operator, handlebars for steering control and it must be designed by the manufacturer to carry a driver only and no passengers.</p>  <p>A two-up ATV is designed and intended for use by an operator or an operator and a passenger. It is equipped with straddle-style seating and designed to carry only one passenger.</p> 
Side-by-Sides	<p>A recreational off-highway vehicle (ROV) has two abreast seats, typically built with a hood, and uses a steering wheel instead of a motorcycle steering handlebar.</p>  <p>A utility terrain vehicle (UTV) has similar characteristics to an ROV but typically also features a box bed. UTVs are generally designed for utility rather than for recreational purposes.</p> 
New Off-Road Vehicle Types	<p>Extreme Terrain Vehicles (XTVs), commonly referred to as Argos are 6+ wheeled off-road vehicles capable of riding in multiple terrains, including through water. These vehicles sometimes come with tracks, however, tracked versions are not being permitted on road and are restricted to off-road use only.</p>  <p>Off-Road Motorcycles (ORMs) are 2 wheeled off-road vehicles that come in varying configurations such as, but not limited to: Recreational ORM, Trail ORM, Competition ORM, Dual sport ORM.</p> 
July 1, 2020	<p>Vehicles permitted on any municipal road where a by-law is created to enable their use will continue to be permitted.</p> <p>MUNICIPAL BY-LAWS: Effective July 1, 2020, additional types of ORVs can be permitted on municipal roads and provincial roadways where local municipalities create new by-laws to enable their use (existing ORV by-laws granting access will not automatically permit new types; a new by-law will need to be passed after July 1, 2020).</p> <p>LICENCE REQUIREMENT: These new vehicle types will require at least a G2 or M2 licence, the same as other off-road vehicles. These vehicles do not come with lights so they are restricted from operating at night or when the weather is poor unless equipped with proper aftermarket lighting. Also, no passengers are allowed on ORMs.</p>
Proposed for January 1, 2021	<p>Proposed for January 1, 2021, in municipalities listed in Regulation 8/03, all ORV vehicle types, including new vehicle types, will be permitted on municipal roads. Municipalities must create a by-law to restrict or prohibit their use.</p>
More Information	<p>With respect to the enforcement of these laws, the police act independently when carrying out their duties. Any issues with the day-to-day operations of police services and the actions of its officers should be raised with the local chief of police or his/her representative. All set fines can be found on the Ontario Court of Justice website.</p> <p>This document is a guide only. For official purposes, please refer to the <i>Highway Traffic Act</i> and regulations. For more information, please visit Ontario.ca/ATV.</p>

Additional Off-road Vehicles Allowed On-road (continued)



Existing Types permitted:
ATVs, Two-Up ATVs,
ROVs, UTVs

New Types:
ORMs and XTVs



Provincial Requirements

Operator Requirements

- Existing rider safety requirements:
- ▶ Must be at least 16 years old
 - ▶ Must hold at least a valid G2 or M2 licence
 - ▶ Wear an approved motorcycle helmet
 - ▶ Wear a seat belt, where provided
 - ▶ Travel at speeds less than the posted speed limit
 - ▶ Travel only on shoulder, and where unavailable, right most portion of the roadway
 - ▶ Be driven in the same direction as traffic
 - ▶ Carry the ATV/ORV's registration permit

Rider safety requirements:

- ▶ Must hold at least a valid G2 or M2 licence (same as existing ORV types)
- ▶ Must be at least 16 years old
- ▶ Wear an approved motorcycle helmet
- ▶ Wear a seat belt, where provided
- ▶ Travel at speeds less than the posted speed limit
- ▶ Travel only on shoulder, and where unavailable, right most portion of the
- ▶ Be driven in the same direction as traffic
- ▶ Carry the ATV/ORV's registration permit

Passenger Safety Requirements

- Existing passenger safety requirements:
- ▶ If the vehicle was manufactured with seat belts, everyone must buckle up
 - ▶ If the vehicle has passenger foot rests, the passenger must be able to reach these foot rests
 - ▶ The number of occupants is limited to the number of available seating positions
 - ▶ No passengers under the age of 8 are allowed and additional passenger restrictions apply if the driver is a young and novice driver with a minimum G2 or M2 licence
 - ▶ All riders – drivers and passengers – must wear an approved motorcycle helmet

Passenger safety requirements

- ▶ **NEW** No passengers are permitted on ORM's while operating on-road
- ▶ If the vehicle was manufactured with seat belts, everyone must buckle up
- ▶ If the vehicle has passenger foot rests, the passenger must be able to reach these foot rests
- ▶ The number of occupants is limited to the number of available seating positions
- ▶ No passengers under the age of 8 are allowed and additional passenger restrictions apply if the driver is a young and novice driver with a minimum G2 or M2 licence
- ▶ All riders – drivers and passengers – must wear an approved motorcycle helmet







Vehicle Requirements

- ▶ Be registered and plated
- ▶ Be insured
- ▶ Must have wheels in contact with the ground
- ▶ Be compliant with one of the ANSI/COHV standards listed in s.10 of Ontario Regulation 316/03 (certification label commonly found near footrest)
- ▶ Have headlights and taillights on at all times

- ▶ **NEW** Exempted from the standards listed in s.10
- ▶ **NEW** As an alternative to the standards listed in s.10 of Ontario Regulation 316/03 XTVs must comply with sections 7.2, 7.3, 7.4, 7.5 (other than section 7.5.1), 7.6, 7.7, 7.8 and 7.9 of the Society of Automotive Engineers Standard J2258, entitled "Light Utility Vehicles" (braking ability, lighting, rollover protection)
- ▶ **NEW** XTVs that are tracked are not permitted on-road
- ▶ **NEW** Have headlights and taillights on between sunset and sunrise (nighttime riding) or when the weather is unfavourable
- ▶ **NEW** ORM's must have a minimum wheel rim diameter of 250 mm, and has a minimum wheelbase of 1 016 mm (to prevent pocket bikes)
- ▶ **NEW** ORM's may meet federal definition for Restricted Use Motorcycles, and would need to meet federal standards, or may be Competition Vehicles, for which no federal standards apply
- ▶ Be registered and plated
- ▶ Be insured
- ▶ Must have wheels in contact with the ground


Off-Road Vehicles

During 2019, the Ministry of Transportation made two legislative amendments to the *Highway Traffic Act* to improve the experience of off-road vehicle (ORV) riding in the province. These changes, outlined within this infographic, have two effective dates: One set of changes became effective as of July 1, 2020 and the second set of changes are proposed to take effect January 1, 2021.

Common ORV Types	All Terrain Vehicles (ATVs)		Side-by-Sides		New ORV Types	
						
	"single-rider" all-terrain vehicle (ATV)	two-up all-terrain vehicle (two-up ATV)	recreational off-highway vehicle (ROV)	utility terrain vehicle (UTV)	off-road motorcycle (ORM)	extreme terrain vehicle (XTV)


Municipality A
Default speed limit less than 80km/h

Current vehicles permitted on road




Permitted on ANY municipal road where a by-law is created to enable their use

Not permitted on road
Restricted to off road use




Municipality B
Municipalities listed in Regulation 8/03)

Current vehicles permitted on road



Permitted on ANY municipal road where a by-law is created to enable their use

Not permitted on road
Restricted to off road use



Effective July 1, 2020



Where a by-law is/was created to enable their use, these vehicles types or vehicles will continue to be permitted on any municipal road

Additional by-law/amended existing by-law is required to permit new vehicle types




By-laws made before July 1, 2020 will not automatically permit these vehicles

Getting Ontario Moving Act

Better for People, Smarter for Business Act


Proposed for January 1, 2021



No changes

Where a by-law is/was created to enable their use, these vehicles types or vehicles will continue to be permitted on any municipal road

Additional by-law/amended existing by-law is required to permit new vehicle types





No changes

By-laws made before July 1, 2020 will not automatically permit these vehicles

In municipalities listed in Regulation 8/03, all ORV vehicle types, including new vehicle types, will be permitted on municipal roads.

Municipalities must create a by-law to restrict or prohibit their use

OPT - IN   **OPT - OUT**