





AMO Policy Update – New Advocacy on Development Charges, Buy-Canadian & Buy-Ontario Initiatives, and Codes of Conduct

Municipal & Development Sector Collaboration on Development Charges Reform

Ontario's housing crisis persists, with housing starts continuing to lag. All partners in Ontario's housing system – including municipalities and developers – must do their part and find new ways to increase housing supply.

AMO's evolving approach to this important issue is informed by:

- Ontario's persistent housing supply shortage, exacerbating affordability challenges. Tariffs and trade measures could continue to impact housing starts, creating additional urgency.
- Municipal development charges (DCs) and planning approvals continue to be unfairly blamed for the crisis. Both federal and provincial governments have committed to reducing DCs.
- A shifting approach to development sector advocacy. In January, the Ontario Home Builders Association (OHBA)/BILD released <u>a study</u> that recognized DCs as essential for growth, and advocated for targeted DC modernization as opposed to blanket reductions.

To build momentum for constructive and informed progress, AMO and OHBA have partnered to call for DC reform that is mutually agreeable. AMO and OHBA <u>wrote to the Minister of Municipal Affairs and Housing</u> to identify preliminary areas for reform to be considered collaboratively by homebuilding, provincial, and municipal partners. A cross-sector expert working group could recommend targeted and measured DC reform aimed at reducing housing production barriers and increasing clarity and predictability around DCs.

AMO consulted municipal finance experts to identify potential areas for reform. While the letter initiates the desired discussion, much work remains to be done. AMO has invited the Municipal Finance Officers Association (MFOA) and their DC expert table to support discussion. Their participation will be key in assessing impacts on municipal property taxes and user fees, informing recommendations that promote affordability by considering the total cost of homeownership.

Results of AMO Survey on Municipal Procurement from US

To help inform policy discussions around banning US suppliers from participating in government procurement, AMO has conducted a survey of municipalities regarding non-construction procurement and is releasing a summary of the survey results. Municipalities reported that over 98% of their procurement is from companies with Canadian addresses, but many of those businesses are integrated with the US market. US procurement was primarily for goods and services without Canadian alternatives, and needed to deliver essential services including:

- IT and communications products
- Emergency services equipment and medical supplies
- Heavy machinery and vehicles
- Health and safety including chemicals and equipment for water treatment.

AMO will continue to provide guidance to the province on how municipalities can support provincial buy-Canadian and buy-Ontario initiatives without impacting essential service delivery.

AMO Advocacy on Code of Conduct Legislation

<u>AMO wrote to Minister Flack</u> urging the government to reintroduce code of conduct legislation with two recommended amendments:

- Removal of office vote requirement should be adjusted from unanimous to a supermajority (2/3 vote). A vote to remove an elected municipal official from office is different than a regular council vote and should have a higher threshold, but given the other checks and balances built into the process a unanimous vote is too high a threshold.
- The legislation should include a progressive range of discipline options for integrity commissioners. The province should use the penalty framework established under the Education Act in 2023, including censure of a member, barring attendance at meetings, barring a member from sitting on committees, and barring a member from being chair or vice chair of committees