

April 23, 2020

AMO COVID-19 Update: Municipal Fiscal Issues and other items of municipal interest

COVID-19 Municipal Fiscal Issues

One of the first issues AMO raised with provincial government upon the declaration of the COVID-19 emergency was the impact on municipal finances, both added operational costs and lost revenues.

It continues to be the focus of our active advocacy and discussion with our members and with the Government of Ontario. In March, the province provided an important \$200 million [down payment](#) to help with added human services costs and to fund added emergency benefits through Ontario Works. The approach was much needed and notably flexible.

The province followed up in its March [Fiscal and Economic Statement](#) with authority to delay education tax remittances, and other measures, to support municipal cashflow. One of the most important messages at that time from the Minister of Finance was that it was just a “first step”, recognizing more would be needed. Finance Minister Phillips has repeated that message on a number of occasions.

AMO has continued these discussions with the province and the Government of Ontario is eager to better understand the short- and long-term financial impacts, the best way to assist municipal governments, and the potential opportunities to support recovery and economic stimulus.

As well, FCM has just released its [request to the Government of Canada](#). AMO supports the FCM request because it will, if implemented by the federal government, benefit municipalities in every part of Ontario with immediate and flexible financial assistance, help with massive losses in transit revenue, and potentially support infrastructure investment.

FCM is seeking \$10 billion in federal funds for municipal relief. It is advocating for a hybrid allocation-based model based on additional gas tax funding of \$7.6 billion and an additional \$2.4 billion based on public transit ridership.

The FCM proposal is based on municipal allocations of \$35 per capita, per month, for six months. Public transit funding is based on the Canadian Urban Transit Association's estimated need of \$400 million per month for six months (to match 2019 ridership and revenues). The proposal suggests that the provinces should assume responsibility for vulnerable individuals support, backstopping property tax deferrals and revenues, and additional grants.

Financial assistance from the federal and provincial government will be essential to the management of the current emergency and the recovery afterwards. Both Canada and Ontario have the fiscal capacity to backstop municipal operations through this crisis and to help underwrite the longer-term financial sustainability of Ontario's diverse communities.

AMO will continue to work with its members and with government to advocate for measures that address the impacts of the COVID-19 emergency, support the underlying financial sustainability of municipalities, and recognize the indispensable role of municipal government in the economic recovery of Ontario and Canada.

Ontario Extends Emergency Orders

Today the province [announced](#) it would extend all emergency orders until May 6, 2020.

The orders mandate the continued closure of public places, social gatherings, and non-essential workplaces.

MPAC Offers Municipalities a Quarterly Payment Deferral

The Municipal Property Assessment Corporation (MPAC) wrote to all municipalities advising that it is offering a one-time deferral of its quarterly invoice. This measure supports municipal property tax deferrals. Nicole McNeill, MPAC's President announced this news in an April 21st letter to CAOs, municipal finance staff, and Heads of Council.

AGCO to Resume Limited Cannabis Store Licensing

The Alcohol and Gaming Commission of Ontario (AGCO) [announced](#) it has been authorized by the Ontario government to resume licensing of cannabis retail stores in certain circumstances. [Previously](#), when the updated closure order was released, cannabis retail stores were closed to customers and then authorized for curbside pick up and delivery only. At the time, retail authorizations were expected to halt. Several retailers had moved far in the process of readying their stores to open, with construction completed and permits issued when that announcement was made.

As a result, AMO understands that retail stores meeting those criteria will be issued authorizations to open for curbside pick up and delivery only. Retailers issued

authorizations in this period must comply with all regulatory requirements, emergency orders and legislation. Authorizations for stores in Toronto, Kingston, St. Thomas and Stratford have been granted licenses in the current round.

Guidance Posted on Suspension of Land Use Planning Timelines

[Guidance](#) on how to implement the new [Sec. 70.11](#) of the *Planning Act* and [O.Reg. 149/20](#) has now been posted on the ERO. The regulation implementing *Planning Act* Section 70.11 effectively suspends a number of timelines including those that, once exceeded, allow proponents to appeal non-decisions on specified applications. A list is provided in the guidance. The regulation also effectively suspends a number of processing / administrative timelines in the *Planning Act* and these are also listed in the guidance.

Municipal governments can choose to suspend planning activities while staff focus on emergency related activities or they can continue to process planning applications. Municipalities that choose to carry on with planning activities will need to organize means to address the public participation requirements of the Act. The guidance offers a number of suggestions on how this might be accomplished.

Government Extending Covid-19 Response Services to Low-Income Seniors and Disabled Persons

Working with the [Ontario Community Support Association](#) (OCSA), the province has launched a new Ontario Community Support Program to expand existing Meals on Wheels services to reach low-income seniors and people with disabilities and chronic medical conditions across Ontario. The program will also develop the capacity of community organizations and others to help deliver medication and other essentials.

People in the community can request access to service through the [OCSA website](#). Local 2-1-1 services will provide information and referral to the program for community residents. For more information on government initiatives to serve vulnerable residents, see the [Ontario Newsroom](#).

Electronic Meetings Resource

In partnership, AMCTO, MISA, OMAA and AMO have developed [a resource](#) to provide the legislative context and practical considerations for the task of undertaking electronic council meetings.

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.
