

February 2022

The Honourable Peter Bethlenfalvy
Minister of Finance
c/o Budget Secretariat
Frost Building North, 3rd Floor
95 Grosvenor Street
Toronto ON M7A 1Z1

Re: Budget Consultation Submission

Dear Minister Bethlenfalvy,

I am writing on behalf of Ontario's Big City Mayors (OBCM), representing 70 per cent of Ontario's population, to submit recommendations for your consideration as part of the budget consultation process.

Ontario's municipalities have been on the frontlines of the pandemic response from the beginning. Municipal efforts have been critical in supporting public health responses, stabilizing small businesses, and maintaining essential service levels. OBCM is grateful for the support of the province thus far, continued collaboration is vital to the success of our recovery efforts moving forward.

OBCM asks that the province considers these important priorities in 2022:

1. Pandemic Recovery

Municipal services are key to strong and stable economic growth. With the emergence of the Omicron variant, municipalities continue to grapple with maintaining service levels while facing significant drops in revenues. Transit revenues have plummeted as more residents stay home but it remains a vital service for essential workers travelling to and from work. OBCM is thankful for the province's \$120 million boost to cities' gas tax funding, however it is imperative that municipalities continue to receive financial support to operate and improve local transit in the years ahead.

Municipalities have been at the forefront of supporting local communities throughout the pandemic. This has been especially true when it comes to our most vulnerable residents. To protect the delivery of vital local services such as shelters, food banks, and the emergency services that keep our communities safe, we are asking that the province continue invest into the Social Services Relief Fund, allowing municipalities to sufficiently maintain current service levels.

The long-term effects of the pandemic on small businesses are becoming clearer. Workplaces are moving to a more flexible working from home model while commercial retail is moving away from brick and mortar and towards online platforms. The support provided to small businesses and municipalities helped protect the municipal property tax base and municipal budgets that would have otherwise faced drastic cuts from reduced transit and recreation revenues. OBCM urges for the continuation of small business relief programs to help our hardest hit industries get back on their feet.

OBCM welcomes the opportunity to work with the provincial government to develop both short-term and long-term solutions to ensure our communities continue to receive the fiscal support they need.

2. Safe and Continued Re-Opening Plan

OBCM recognizes the extensive work in provincial leadership in reducing the virus count, increasing booster vaccinations, and supporting access to testing. Ontario's municipalities remain eager to support the province in its vaccination program for children ages 5-11. To target vaccine-hesitant groups and individuals, OBCM is asking that the province allocate more funding into public education and awareness campaigns.

Along with promoting and encouraging vaccinations, OBCM urges the province to continue to make the investments to allow for a safe and continued re-opening. A safe re-start should be met with significant provincial funding for servicing in schools, community centers and in health care.

3. Housing

Ontario is in the midst of a housing crisis; housing prices are rising rapidly across the province, supply is falling greatly behind the demand created by our growing economy, our growing population, and the demand for a variety of housing options, ranging from single family homes to condo units. OBCM would like to thank the Province for the collaborative approach you are taking to find solutions to address housing supply and affordability, and to continue addressing the housing crisis, OBCM urges the province to commit to the following core principles in 2022:

- Ensure that every level of government is part of addressing the solution;
- Improve the way we collect and analyze data, so we have the tools to define problems, set goals and track progress on implementing solutions;
- Reduce the time for approvals by applying digital tools and streamlining the process;
- Invest in training to ensure we have the skilled trades needed to build new homes;
- Develop a suite of tools to address housing costs and supply shortages;
- Ensure local flexibility in building the right mix of housing; and
- Share in communicating to residents the need for growth to help overcome NIMBY opposition.

Along with these core principles, OBCM encourages the province to consider implementing the policy and program suggestions Ontario's Mayors have made throughout the consultation process, including implementing a housing strategy for College and University students that also considers the unique needs of international students.

Climate

As Ontario is a leader in emission reductions, the province and municipalities are well placed to transition to net-zero. With an increasing federal carbon tax, OBCM encourages the province to champion the transition to net-zero by supporting zero-emission transit.

Since 2010, municipalities have cited the need to move towards all electric zero emissions vehicles (battery electric and fuel cell electric vehicles) as part of their internal and municipal sustainability programs. The province should support municipal policies that aim to reduce emissions in the transport sector, this includes shifting away from single-rider car use towards public transit, auto-share, and active transportation, supporting significantly increasing the market share of zero-emission vehicles sold and reducing the emissions intensity of the existing fleet of vehicles in Canada, including light and heavy freight.

4. Mental Health

In June 2021, OBCM developed a [policy paper](#) encouraging the province to fund the implementation of its Roadmap to Wellness plan. As the plan remains largely unfunded, OBCM encourages the province to make significant investments in the upcoming year for its implementation. Without a comprehensive mental health regime, Ontario municipalities will continue to face increased emergency service costs that put pressure on first responders and other front line community services. OBCM is also seeking provincial support in its efforts to encourage the federal government to decriminalize the possession of illicit drugs. The criminalization of mental health and addictions exacerbates the challenges our communities face.

Thank you for the opportunity to provide this feedback. I welcome the opportunity to discuss any of the above priorities in more detail should you have any questions.

Sincerely,



Jeff Lehman
Mayor of the City of Barrie
OBCM Chair