



— **OBCM** —  
Ontario's Big City Mayors

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**2026 Pre-Budget Submission**

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**Contact Information:**

Mayor Meed Ward, Chair  
[chair@obcm.ca](mailto:chair@obcm.ca)

Michelle Baker, Executive Director  
[michelle@obcm.ca](mailto:michelle@obcm.ca)  
647-308-6602



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OBCM serves as the united voice for Ontario's big cities, providing a forum for advocacy, policy development, peer to peer information sharing, and partnerships with the province, federal government, and key stakeholders, with the aim of building strong and effective cities. OBCM Mayors represent more than 70% of Ontario's population and almost 30% of Canada's. On behalf of our citizens, we value the opportunity to share our priorities ahead of the 2026 provincial budget.

We appreciate the relationship we have built with the Minister of Finance and your government as a whole. OBCM is committed to prioritizing and pursuing intergovernmental objectives that recognize the essential role Ontario's largest municipalities play in strengthening communities across the province. In these uncertain times, national and international political and financial change necessitates bold action by all levels of government in Canada. Ontario's big cities are essential partners in building a more resilient and competitive province within a strong, independent Canada.

OBCM's 2026 budget priorities represent targeted actions the Government of Ontario must take to build and safeguard the communities that power Ontario's economy. The priority themes in our submission call on the Province to: continue investing in the infrastructure that supports and facilitates increased housing supply; strengthen and enhance targeted investments in health, mental health, and social services; and, move deliberately to maintain public safety in the face of evolving threats to our cities and communities.

Through regular discussions with the province, we recognize the deeply interconnected nature of these priority areas. Sustained funding into housing-enabling infrastructure creates the condition for public and private investment into new housing stock. The creation of more housing is a key component in solving both the affordability crisis and the health and homelessness crisis impacting municipalities everywhere - particularly with housing supply targets, deeply affordable housing and additional supportive housing. Additionally, increased pressures on local police budgets compound the challenges faced locally to develop real solutions for Ontario's homelessness crisis.

OBCM believes that the solutions to these issues can only be found when municipalities, the province and all parties involved work together. We stand ready to meet these challenges through partnership, dialogue, and bold action.



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## **Priority #1: Continue Sustainable Investment in Housing-Enabling Infrastructure**

Ontario's Big City Mayors have served as trusted partners with the province to build more homes, faster. Cities have streamlined approval processes, reduced duplication, and provided direct subsidies to support and facilitate housing construction. We are seeing the results, and our joint efforts are making a difference in our communities.

As Ontario's big cities move boldly to develop new models and solutions to maintain construction momentum, we need certainty in provincial funding supporting our housing-enabling infrastructure.

The Building Faster Fund (BFF), while extremely welcome, provides an annual funding horizon only. This constrains our medium-term strategic view and limits public and private investment as well, particularly as the BFF is set to sunset later this year. Furthermore, funding to support housing-enabling infrastructure has increasingly come with attached requirements to reduce and/or eliminate our ability to collect Development Charges (DCs). While we embrace the broader objectives of using deliberate measures to increase housing stock, without a guaranteed backstop for waiving these fees, property taxpayers are on the hook to recover costs to provide funding for the roads, bridges, water systems, and energy infrastructure that are essential for new housing supply to come online.

OBCM mayors are partners at the table to deliver the conditions for more housing supply to meet our demographic, economic, and societal needs in the years ahead. But we cannot achieve this alone. Therefore, our recommendations for the 2026 Ontario Budget to achieve this vision are as follows:

***Recommendation #1:*** Move immediately to provide certainty for 2026 by ensuring equitable distribution of the remaining funding within the Building Faster Fund.

***Recommendation #2:*** Criteria Revisions for the 2026 BFF year based on mutual consultation and agreement with municipalities and municipal organizations across the province. This new criteria should look at a redesign to achieve fairness and effective incentivization of actions that are under municipal jurisdiction and include a review of the eligibility criteria so that it may include regional governments while they also hold responsibility for planning and infrastructure development. This way, property taxpayers can receive their fair share of critical funding to support the development of community-enabling and housing-enabling infrastructure. We also ask that any changes



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address barriers to housing development and that these changes remain in effect with any extensions of the BFF beyond beyond the 2026 sunset of the program

**Recommendation #3:** Begin discussions with federal and municipal governments on the design of a new, long-term, and predictable housing-enabling infrastructure fund to work in tandem with, or to eventually replace the BFF. Where conditions of funding inhibit the collection of DCs, cities must have assurances that provincial funding will follow. Provincial housing-enabling infrastructure definitions should also include energy infrastructure, which has proven to be a pain point for bringing new housing development online since the creation of the BFF.

## **Priority #2: Strengthen and Enhance Ontario's Response to the Health and Homelessness Crisis in our Communities**

OBCM deeply appreciates the important and sustained focus Ontario has demonstrated through investments into Homelessness and Addiction Recovery Treatment (HART) hubs across the province. We also welcome additional ongoing measures such as the Homelessness Prevention Program (HPP) which provides direct investment to support the initiatives of Ontario's 47 municipal service managers. These baseline initiatives have helped Ontario to tread water during the ongoing health and homelessness crisis, yet OBCM is urging the Province to recognize that these initiatives are not enough to deliver lasting, systemic solutions.

Earlier this year, the Association of Municipalities of Ontario (AMO) released a landmark study that underscored the ongoing and pervasive challenge of the health and homelessness crisis in our communities. Nearly 85,000 Ontarians experienced homelessness in 2025, representing a 50% increase since 2021. At the same time, municipalities have borne much of these costs and, in 2025 alone, invested approximately \$2 billion into housing and homelessness prevention programs. OBCM is joining AMO and a united municipal sector to call on the province to fully fund health and social services in our cities and communities.

OBCM has been, and will continue to be, a trusted partner to deliver lasting solutions to the health and homelessness crisis. To that end, OBCM mayors have identified tangible priorities for the Government of Ontario to take forward:



**Recommendation #4:** Move swiftly to shine a greater light on the need for whole-of-government solutions to the health and homelessness crisis by declaring a State of Emergency on Homelessness.

**Recommendation #5:** Broaden the eligibility of expanded treatment and recovery services available in Ontario HART hubs in recognition of the diversity of needs amongst Ontario's vulnerable populations.

**Recommendation #6:** Act boldly to establish a whole-of-government interdisciplinary task force designed to develop a provincial action plan on the health and homelessness crisis, guided under the oversight of a single Minister. The task force should move quickly to develop an Ontario Action Plan that delivers adequate funding to fill gaps in health and homelessness programming, community by community.

### **Priority #3: Maintain Public Safety to Respond to New Threats and Pressures**

Policing costs in Ontario's big cities have increased at an unprecedented rate as police services are tasked with tackling ongoing enforcement priorities as well as new and emerging threats in our cities. OBCM welcomed initiatives such as mandated Community Safety and Well-being (CSWB) Plans that demonstrate the critical need for communities and all orders of government to work together to address local priorities.

Recent additional obligations under the Community Safety and Policing Act, 2024 include new measures relating to operations and compliance that carry with them unfunded liabilities for our cities. Recognizing the impacts on communities serviced by the OPP, Ontario provided additional funding to these 330 municipalities. However, the recognition of incremental costs stemming from the new legislation did not carry through to municipalities serviced by local police services. This represents a significant inequity. The absence of a sustainable, needs-based provincial funding model to support public safety in all Ontario communities represents an opportunity for the province to streamline its management of public safety funding.



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Ontario's big cities are at the epicenter of new and emerging threats and require additional support from the province to ensure we can meet these threats in a direct, and financially sustainable manner. Sustained funding to tackle organized crime, including the new challenges arising from illicit drug production and the extortion crisis, must be a priority of Budget 2026. Additionally, Ontario communities are increasingly facing threats with respect to AI-based crimes. OBCM is calling on the province to move immediately to consider investments into innovative technologies that can aid local police forces in responding to these new types of threats, which often target seniors and other vulnerable populations most acutely.

As such, OBCM's 2026 Ontario Budget priorities include the following measures meant to shore up gaps in public safety in our communities:

***Recommendation #7:*** Establish a sustainable, needs-based provincial funding model for all police services across the province to address current and future provincially mandated obligations and ensure equitable access for OPP services and locally serviced communities alike.

***Recommendation #8:*** Move quickly to provide additional funding that meaningfully support police services that are on the front lines confronting concentrated organized crime, including synthetic fentanyl production and the increase in extortion activities..

***Recommendation #9:*** Investigate decisively the ability to fund and utilize emergency technology and tools such as Next Generation 911, which provides quicker and more accessible communication during emergencies, and Artificial Intelligence for law enforcement to ensure that police services are able to investigate or deter AI based crime now, and in the future.

***Recommendation #10:*** Fund the hiring of more Ontario Judges and Justices of the Peace along with an investment into the technology needed by the courts to decrease case loads and case dismissals



## **APPENDIX A: SUMMARY OF RECOMMENDATIONS**

### **Priority #1: Continue Sustainable Investment in Housing-Enabling Infrastructure**

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