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**Policy**



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## **AMO Policy Update – Bill 100 Regional Governance Changes, Canada-Ontario Partnership to Build Development Charges Reduction Initiative, Building Communities Strong Fund, and Federal Spring Economic Statement**

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### **Top Insights**

- AMO is advancing advocacy calling for changes to Bill 100 to ensure decisions to select the head of council, set council size, and use weighted voting stay local, not in the hands of provincial officials. AMO also reiterates the call for the province to pass code of conduct reform legislation which Minister Flack recently announced would be finalized before the municipal election
  - AMO wrote Minister Flack outlining the sector's concerns and recommendations for the Canada Ontario Partnership to Build Development Charge Reduction Initiative program design
  - The Federal government launched the \$51 Billion Build Communities Strong Fund and is seeking municipal proposals for the \$6 billion direct delivery stream
  - The 2026 Federal Spring Economic Statement included several new programs and extension to existing programs aimed at homelessness, housing construction and affordability, workforce development and community safety
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## Bill 100: AMO Calls for the Province to Protect Democracy and Local Governance

[Yesterday, AMO delivered remarks](#) to a legislative standing committee on Bill 100, *Better Regional Governance Act*, 2026, which if passed would make changes to:

- Allow the Minister of Municipal Affairs and Housing to appoint or remove the heads of councils for regional municipalities and Simcoe County with “strong chair” powers
- Change the composition of Niagara Region and Simcoe County councils to be made up of the mayors of each lower-tier, and require other regional councils to review their compositions following the 2026 election
- Allow the Minister to make regulations that would require the use of weighted voting, set the number of votes for each member, and determine when weighted voting could be used

AMO was clear that Bill 100 cannot be considered in isolation. These proposed changes are the latest in a series of provincial actions in areas of municipal jurisdiction that undermine municipal authority and centralize decision making at the province.

AMO is united with municipalities and the province in wanting all orders of government to work efficiently and effectively in the best interests of their residents. Some targeted governance changes may help further this goal, but only if they are designed with local voice. A successful path forward relies on the province setting clear objectives, providing the right implementation supports, and conducting the local consultation necessary to make changes successful.

In this context, AMO is [advancing four recommendations](#) to help the government meet its goals of strong municipal governance without undermining local democracy:

1. Keep the selection of regional chairs and county wardens local

The combination of provincially appointed heads of council with “strong chair” powers is fundamentally undemocratic. It erodes the ability for local residents to hold their elected officials to account and elect people who care about their priorities.

Instead, we urge the province to require all regional council members – including the chair – be directly elected by their communities, keeping heads of council directly accountable to local voters. If the province moves forward with appointed heads of council, we urge them to allow councils to select their own chair or warden from among their current members. Locally selected chairs and wardens are best positioned to work effectively with peers and advance shared community priorities.

## 2. Empower municipalities to determine their own composition

At a ratio of almost 4,000 residents per councillor, Ontario’s municipal elected officials already represent more residents than councillors in every other province except for British Columbia – triple the national average. Arbitrarily reducing the number of council members without local input or consent only serves to undermine the important work councils are already doing to deliver efficient, effective decision making.

For these reasons, AMO supports a requirement for regional councils to review their composition following an election. This keeps decisions about governance and representation local.

## 3. Structure the proposed weighted voting around representation by population

AMO believes that local councils are best positioned to determine how and when to use weighed voting. In fact, many upper-tier councils already use this mechanism to balance the varied needs and priorities of their lower-tier municipalities. If the province chooses to move forward with a mandatory weighted voting framework, it is essential that open and transparent engagement occur with each community. This will ensure community understanding and buy-in.

## 4. Pass Bill 9 reforming municipal code of conduct legislation

AMO continues to call for the passage of measures included in Bill 9 which was introduced almost a year ago following years of advocacy from municipalities. All Ontarians also expect to work in a safe and respectful environment, including members of council when they agree to take office. The current tools available to municipal councils to ensure ethical behaviour are inadequate and do not meet public expectations. We are encouraged that Minister Flack recently committed to passing this important legislation before October's municipal elections.

### **Canada-Ontario Partnership to Build Development Charges (DC) Reduction Initiative**

AMO [wrote to Minister Flack](#) sharing the sector's concerns and advice to help drive program uptake and mitigate 'social license' risks for the Canada-Ontario Partnership to Build DC reduction initiative. AMO is calling for a program design that's centred on demonstrated benefits to existing residents, fairness and flexibility, fiscal sustainability, simplicity, and certainty.

- **Clear Benefits to Existing Residents:** The program framework needs to have measurable outcomes, such as number of affordable housing unit created, or mechanisms to ensure that DC cost savings are passed on to homebuyers. Additionally, program design needs to keep capital plans intact by avoiding forced trade-offs between housing enabling and non-housing enabling infrastructure projects.
- **Fairness and Flexibility:** Eligibility criteria need to reflect relevant differences across municipalities, such as differences in growth patterns or capital budgeting practices to enable participation from all municipalities.
- **Fiscal Sustainability:** Program design shall not undermine long-term municipal fiscal sustainability for short-term benefits. Unintended fiscal impacts on municipal budgets such as reduced revenues, additional property tax burden, mismatched cash flows and additional debt burden must be considered.
- **Simplicity:** Streamlining administration to enable funds to flow quickly.

- **Certainty:** Provide regulatory certainty by signalling an end to additional DC policy changes.

## **Build Communities Strong Fund Launched**

Prime Minister Carney officially launched the Build Communities Strong Fund (BCSF) after first announcing his government's intention in its fall budget. BCSF provides infrastructure and housing funding through three streams:

- **A provincial and territorial stream:** Of the total \$17.2 billion available, Ontario will receive \$6 billion of federal funding over 10 years, with \$4.4 billion for the Development Charge (DC) reduction initiative as part of the Canada Ontario Partnership to Build. (Advocacy on this program in the next section.) The provincial government will be required to cost-match the \$4.4 billion federal funding for the DC reduction initiative. Out of Ontario's \$6 billion share of the federal funding, \$1.6 billion is for health infrastructure. At least 20% of all funding under this stream must go to rural, northern, and Indigenous communities.
- **A direct delivery stream:** \$6 billion over 10 years nationally for regionally significant projects, such as building retrofits, climate adaptation, and community infrastructure. The first tranche of funded projects were announced on April 7 and a new application window was opened for shovel-ready projects. Projects of regional significance will need to consider private sector investment, including investments from the Canada Infrastructure Bank.
- **A community stream:** \$27.8 billion over 10 years for the construction and rehabilitation of local infrastructure. This is a rebrand of the Canada Community Building Fund with no changes to the existing agreement or allocation model.

AMO has long called for federal and provincial infrastructure investments to support growth, build more homes, and provide economic stimulus. The BCSF does not adequately provide sustainable, predictable and long-term funding streams required by municipalities. Instead, the existing infrastructure funding is mostly repackaged under new titles and frameworks and will be

largely used to offset DC reductions rather than supporting new investment into municipal infrastructure.

## **Federal Spring Economic Statement 2026**

The Canadian economy has shown resilience against the backdrop of rising trade uncertainties, geopolitical tensions in the Middle East and a softening labour market. Real GDP is expected to grow at a marginally slower rate of 1.1%, compared to 1.2% that was projected in Budget 2025. While the Spring Economic Statement re-profiled many programs announced in Budget 2025, including the Build Communities Strong Fund, extended and new measures aimed at homelessness, housing construction and housing affordability were introduced:

- Extension of the Unsheltered Homelessness and Encampments Initiative by one year by providing \$125 million in 2026-27 to Housing, Infrastructure and Communities Canada
- Accelerating more than \$7 billion in loans to speed up the construction of up to 16,500 new rental homes through CMHC's Apartment Construction Loan Program
- Creation of the Canada Rental Protection Fund to preserve existing affordable housing stock. The program, which sits within the Build Canada Homes initiative will launch this spring
- Amending mortgage insurance rules to encourage greater competition and more product choices for borrowers seeking to build "missing middle" housing.
- Extending the 5-year repayment grace period for Home Buyers Plan withdrawals from a Registered Retirement Savings Plan.

Two new programs that may benefit some local communities are:

- **Team Canada Strong:** An initiative to recruit, train, and hire 80,000 to 100,000 new Red Seal skilled trade workers by 2031. The aim of this program is two-fold. First, to encourage more young Canadians to enter the skilled trades and secure paid employment. The second aim is to address a looming skilled labour shortage in the housing, infrastructure, and defence sectors.

- **Canada Community Security Program:** \$75 million over five years for eligible organizations including places of worship, schools and community centres to enhance security measures.
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*An online version of this Policy Update is also available on the [AMO Website](#).*

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