

Dear Member of the Legislature,

In October 2023, the Association of Municipalities of Ontario (AMO) called on the Premier to agree to an update of the provincial-municipal partnership by conducting a social and economic prosperity review: a joint review of revenues, costs and financial risks and a detailed analysis of Ontario's infrastructure investment and service delivery needs.

As you know, Ontario's municipal governments provide critical services that residents rely on most every day. The ability to provide these services depends on a fiscal framework that enables municipalities to balance revenues and expenditures responsibly and fairly, reflecting local circumstances and priorities.

Municipalities across Ontario are also facing increasingly complex challenges, such as tackling homelessness and climate change, without the financial tools to solve them. In 2022, municipal expenditures outpaced provincial contributions by nearly \$4 billion in areas of provincial responsibility including social housing, long-term care, land ambulance, social services, and childcare.

This current arrangement makes it impossible for municipalities to invest in the infrastructure needed to support housing and economic growth, or to prepare for the impacts of climate change. Property taxpayers, including small business owners and seniors on fixed incomes, can't afford to pay for the province's affordability and homelessness crisis.

Taxpayers expect governments to work together to solve problems.

We urge you to engage with your colleagues in the legislature to urge the Government of Ontario to conduct this critical review.

Sincerely,