

December 16, 2020

## **AMO Policy Update – Phase 2 ReStart Agreement Municipal Funding**

This morning, AMO President Graydon Smith joined Mayor John Tory, Member of Parliament Adam Vaughan, and the Honourable Minister Steve Clark for a major announcement on [additional relief funding](#) for Ontario's municipal governments.

The Ontario government is allocating the second phase of the Safe Restart Agreement (SRA) funding to municipal governments in the amount of \$695 million. Minister Clark noted that the government is helping to ensure that every single municipality in Ontario is entering 2021 without an operating deficit from 2020.

This \$695 million in relief funding is broken out into two sections:

- First, \$396 million will be allocated to 48 individual municipalities that have demonstrated the need for additional assistance in covering operating deficits for 2020.
- The remaining \$299 million will be allocated across all 444 municipalities to help provide additional financial relief to help support operating budgets in 2021.
  - AMO understands that 20% (\$59.8 million) of this allocation will be provided to all municipalities on a per household basis (like Phase 1 SRA funding).
  - The remaining 80% (\$239.2 million) is to be allocated through a new methodology that proportionally reflects COVID-19 case counts with data provided by Ontario's 34 Public Health Units. More information on this methodology and the associated allocations will be provided by the Ministry of Municipal Affairs and Housing.

AMO is pleased that the remaining Safe Restart Agreement funding is being provided to municipal governments at this time. *“This funding will ensure municipalities in every part of Ontario are in a better position to maintain vital municipal services in 2021 and to proceed with capital investments essential to Ontario’s economic recovery”*, said AMO President Graydon Smith.

In addition, Minister Clark indicated that the Province is notionally allocating \$1.3 billion for municipal transit systems above and beyond the initial allocation of \$700 million made under Phase 1 of the SRA. More details about this funding will be

available in January 2021.

This financial relief package and, notably, the early support in 2021 follows AMO's direct advice to create greater certainty around the financial needs of municipal governments. This will help ensure municipalities continue to protect our communities and play an essential role in Ontario's economic recovery as we enter the coming year ahead.

For more information: [Phase 2 of SRA Funding - Municipal Allocations](#).

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](mailto:covid19@amo.on.ca).

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