

The Honourable Doug Ford
Premier of Ontario
Legislative Building
Queen's Park
Toronto, ON M7A 1A1

March 21st, 2025

RE: PROTECT ONTARIO THROUGH A LOCAL INVESTMENT STRATEGY

Dear Premier Ford,

We are writing to express our support for your government's commitment to economic growth, job creation, and local investment in Ontario. We want to bring forward constructive policy solutions that will help advance this shared agenda.

We appreciate your effort to protect our major industries and Main Streets in Ontario in the face of the tariff war. We recognize the pressing challenge ahead of us and we see a great opportunity to build Ontario's economy through local investment in resilient business, jobs, affordable housing, and community infrastructure.

Collectively, there is \$8 billion invested in private locally-focused investment funds, bonds and other tools that are based in Ontario held in over 156 investment products. When we narrow to Ontario-based investment funds, bonds and other intermediaries that invest exclusively in Ontario, there are over 40 investment products representing \$314 million in assets.

This figure does not include credit unions, community futures organizations, or Indigenous Financial Institutions (IFIs), and it also does not include funds, bonds, and other products that invest across Canada including Ontario.

Ontario has a significant amount of capital - from both institutions and individuals - that we believe could be invested in local enterprises, organizations and projects through existing and emerging place-based investment funds and intermediaries in urban centres and rural regions across Ontario.

When put to work, the deployment of new local capital will further strengthen your government's objectives and programs to boost Ontario's economy and enhance the quality of life for all residents.

Community development financial institutions (CDFIs) are at work across Ontario providing debt and equity financing for a range of enterprises from leading local entrepreneurs creating good jobs to affordable housing projects providing roofs over our heads to local farms feeding Ontarians.

Collectively, they hold hundreds of millions of dollars in assets from individuals, families, foundations, faith-based organizations, and corporations across the province. In communities from Thunder Bay to London to Toronto to Prince Edward County and beyond, they are **bridging the investment gap where it matters most in our cities, towns and rural communities**. These organizations have tremendous potential to scale up to meet the pressing needs of Ontario for economic resilience, adaptation, and growth.

We have identified four policy solutions to drive a local community Engagement:

- 1 Introduce a regulatory requirement for Ontario-based pension funds to make and disclose investments in the province's real economy.**
- 2 Create a provincial fund to support local investment intermediaries, particularly community development financial institutions (CDFIs).**
- 3 Create a provincial tax credit for local investments, including eligible debt and equity investments in local intermediaries.**
- 4 Develop a registry of community development financial institutions (CDFI) to qualify tax credit and fund eligibility.**

These policy solutions could be an important part of the long-term economic strategy for Ontario. They would also dovetail with existing initiatives including The Invest Ontario Fund, First Nations Opportunity Financing Program, The Trade-Impacted Communities Program, Building Ontario Fund, Ontario Together Trade Fund, Venture Ontario, Northern Ontario Heritage Fund and Rural Ontario Development Program.

Further, these solutions would have widespread benefits for Ontarians and our province as they can:

- **Mobilize hundreds of millions or even billions in new capital in Ontario to support local businesses, organizations and projects;**
- **Provide capital for relief, adaptation, and growth for Ontarians;**
- **Protect Ontario jobs, create and maintain Ontario businesses, and build affordable homes in Ontario; and**
- **Keep Ontario's economy competitive and protect what makes Ontario a beautiful place to live.**

Actioning this strategy would generate significant economic, social and environmental returns for a modest investment of \$55 - 70 million, while also providing a matched return at minimum for the provincial government over the next four years. A more detailed policy brief is enclosed with this letter to help articulate the case and solutions above.

Further, these priorities align with our government's commitment to putting people first, making life more affordable, and ensuring economic prosperity for future generations. By working collaboratively with municipalities, businesses, and local organizations, we can build a stronger Ontario that benefits everyone.

Your leadership alongside community investment will continue to progress in these key areas. We look forward to an opportunity to meet with you directly to review these recommendations. Thank you for your dedication to the people of Ontario.

Sincerely,

Jo Reynolds and Geraldine Cahill
Co-Managers, Catalyst Community Finance Initiative
Stewardship Group

Adam Spence, CEO, SVX

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Keshiv Kaushal, Executive Director, Propel Impact

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Keith Taylor, DUCA Impact Lab

Sister Margo Ritchie, Congregation of Sisters of St. Joseph

Meliane Thompson, Vice-President Community Foundations of Canada

Lina Bowden, Co-Founder VERGE Capital

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