



Report of the Commissioner of Finance

Revision to the Low Dollar Value Thresholds in Response to Tariffs

1. Recommendation

1. Council approve an increase to the [Procurement Bylaw \(2021-103\)](#) low dollar value deliverables purchases (LDVP) Maximum from \$100,000 to \$133,800 to align with the Ontario-Quebec Trade Cooperation Agreement (OQTCA) and increase the thresholds for LDVP authorized under the Bylaw as described in Table 1.
2. Council approve increases to the limits in Section 7 (Non-Standard Protocols Procurement Review Committee Determination Limit), Section 13 (Low Dollar Value Deliverable Purchases), Section 17 (Emergency Purchase Limit), and Section 24 (Unsolicited Bid Limit) of the Procurement Bylaw to align with the LDVP Maximum of \$133,800.
3. Council authorize the Regional Treasurer to request the Regional Solicitor to prepare and submit a Procurement Bylaw amendment to Council to increase the LDVP threshold (including the maximum amount) to align with the OQTCA without a further Council report until the enactment of an updated Procurement Bylaw.
4. York Region advocate for the removal of all inter-provincial trade barriers including province specific inter provincial trade agreements that are more restrictive like the OQTCA
5. The Regional Solicitor prepare the necessary bylaw.

2. Purpose

This report is to formalize the increase in LDVP threshold that was referred to in the Overview of Potential Economic and Fiscal Impacts of Tariffs report at [Committee of the Whole on March 6, 2025](#). This report also seeks Council approval to amend other purchasing authorities in the Procurement Bylaw to align with the LDVP Maximum amount of \$133,800 (LDVP Maximum) and enable the Region to more efficiently align its LDVP threshold to the trade treaties thresholds.

Key Points:

- On March 6, 2025, the Potential Economic and Fiscal Impacts of U.S. Tariffs [report](#) highlighted that York Region is exploring different procurement strategies as a response to U.S. tariffs
- The Region's procurements are governed by the Ontario-Quebec Trade Cooperation Agreement (OQTCA), Canada Free Trade Agreement (CFTA), and Comprehensive Economic and Trade Agreement (CETA) (Applicable Trade Treaties), which set thresholds prohibiting favouring local suppliers and discrimination against suppliers from other provinces, regions, and countries
- When the Procurement Bylaw was passed, the LDVP Maximum amount was \$100,000 to align with most of the initial thresholds established by the Applicable Trade Treaties which are updated periodically for inflation; currently, the OQTCA has the lowest threshold at \$133,800
- An increase to the LDVP thresholds is recommended to align with the OQTCA and establish a new LDVP Maximum of \$133,800
- Increases to the emergency purchasing, unsolicited bid and procedural determinations regarding non-standard procurement limits in the Procurement Bylaw are recommended to align with the LDVP Maximum
- To enable the Region to maintain alignment with LDVP thresholds in the OQTCA, Council authorization to efficiently submit Procurement Bylaw amendments is recommended

3. Background

A report was brought forward to Committee of the Whole on March 6, 2025, on the potential economic and fiscal impacts of U.S. tariffs

The [report](#) provided a high-level overview of potential impacts of U.S. tariffs on York Region and outlined initiatives underway to assess and mitigate these impacts, including a recommendation to increase authority for the Chief Administrative Officer to approve cost increases incurred as a result of implementation of tariffs.

This report seeks Council approval to increase the maximum amount for LDVP to \$133,800 and to increase the associated LDVP thresholds under the maximum amount of \$133,800.

The threshold used in this report is based on the OQTCA which has the lowest threshold of all trade treaties that we must comply with as a municipality. This ensured that we comply with all trade treaties without any violations.

4. Analysis

Increasing the LDVP Maximum to \$133,800 aligns with the OQTCA threshold and requires a change to signing authority

Table 1 outlines the recommended LDVP Maximum of \$133,800 and LDVP threshold changes, and shows the signing authority change resulting from the change to the LDVP Maximum.

Table 1
Low Dollar Value Procurement (LDVP) Threshold Changes

Quotes Required	Current Threshold	Proposed Threshold	Effect on Signing Authority
1	\$25,000	\$35,000	None
2	\$50,000	\$70,000	None
3	\$100,000	\$133,800	Commissioner up to \$133,800

Increasing the LDVP threshold supports the Region’s response to tariffs, as most LDVPs are purchased from Canadian suppliers. The approach ensures compliance with trade treaty requirements while providing staff with greater flexibility.

To be consistent with the changes to the LDVP Maximum, this report recommends amending the Procurement Bylaw as follows:

- Increasing the threshold for determining when the Procurement Review Committee is required to make determinations under the Non-Standard Procurements Protocol to align with the LDVP maximum amount of \$133,800 (Section 7)
- Increasing the Commissioner and Chief Administrative Officer’s authority to authorize emergency purchases to align with the LDVP maximum amount of \$133,800 (Section 17)
- Increasing the authority to authorize contract awards for unsolicited bids to align with the LDVP maximum amount of \$133,800 (Section 24)

York Region could advocate for the removal of specific inter-provincial trade agreements which will remove the dependency on the OQTCA and allow us to align with higher thresholds set in the Canadian Free Trade Agreement (CFTA).

Authority to efficiently amend the Procurement Bylaw will enable continued alignment with OQTCA LDVP thresholds

The OQTCA thresholds increase periodically. This report seeks approval for the Regional Treasurer to request that the Regional Solicitor prepare and submit an amendment to the Procurement Bylaw

to change the LDVP Maximum to align with an increase to the LDVP thresholds in the OQTCA without a further report to Council.

The authorization would remain in place and carry forward with the enactment of an updated Procurement Bylaw.

5. Financial Considerations

This report identifies potential financial implications beyond the current budget year, including resources that may be requested through subsequent reports or future budget processes.

The financial impact and potential resource requirements will be assessed as decisions are made by the U.S. government and retaliatory measures are taken by the Canadian government. Future reports will be brought to Council, where appropriate, and financial implications will be addressed through the budget process.

6. Local Impact

The introduction of tariffs and heightened economic uncertainty impacts all local municipalities.

7. Conclusion and Next Steps

The Region continues to monitor announcements related to U.S. tariffs and retaliatory measures from Canada, and assess potential implications for residents, businesses, and the Region's fiscal plan. Proposed changes to procurement authority would provide additional flexibility to respond to tariff-related cost increases.

For more information on this report, please contact Fadi Samara, Director, Procurement Office at 1-877-464-9675 ext. 71650. Accessible formats or communication supports are available upon request.



Recommended by:

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Approved for Submission:

Erin Mahoney
Chief Administrative Officer

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