

CITY OF MISSISSAUGA

**Ontario 2016 Budget:
Pre-Budget Submission**

Ministry of Finance, Government of Ontario



MISSISSAUGA

Introduction

The City of Mississauga supports the provincial government in programs that grow the local economy and help create jobs. **We are requesting support for our top priorities from the upcoming Ontario 2016 Budget.**

To stimulate the local economy, we need:

Strategic Transit Investments
Sustainable Infrastructure Funding
Legislative Changes
Job Creation and Partnerships

The City of Mississauga recognizes the funding it is currently receiving from the Province, including the continuation of the provincial gas tax revenue, the recently announced light rail transit funding and support for youth entrepreneurship.

I. Strategic Transit Investments

Background:

- The City of Mississauga desires a safe, reliable, efficient inter-regional transit system
- Our priorities include the Hurontario LRT, Mississauga Transitway and Regional Express Rail
- Mississauga encourages the establishment of a bypass rail line adjacent to Hwy 407 (the “missing link”)

The Hurontario LRT Project remains the City of Mississauga’s top priority, and we very much appreciate the Province’s announcement of funding for the light rail transit line.

Recognizing that rapid transit needs to play a key role in supporting future growth in Mississauga and within the Greater Toronto and Hamilton Area, we continue to plan and look for opportunities to expand the regional transportation network within Mississauga. In order to ensure that an expanded regional transportation network becomes a reality, ongoing, dedicated provincial funding is required.

Currently, the City of Mississauga is looking for provincial investment in the following higher-order transit initiatives:

Downtown Mississauga Transitway

A Council-adopted November 2014 report identified our next priority as the further funding and completion of the Downtown Mississauga Transitway segment. This is to provide for a continuous system and to maximize the potential benefits and success of previous investments.

This investment would support continued growth and intensification in our downtown core, and provide links to key destinations such as Toronto Pearson International Airport and the adjacent employment lands. Elements of this work could be advanced in conjunction with LRT work to ensure maximum coordination and integration. Other Transitway segments completed or still under construction have been supported by federal funding contributions.

[MORE INFO](#)



The vital link in our downtown core remains unfunded at this time.

Regional Express Rail (RER)

Regional Express Rail (RER) will provide all-day, two-way GO Train service every 15 minutes with reduced travel times. The plan applies to all lines and corridors in the GO Transit network.

Our City has three GO Train rail corridors:

- Lakeshore West Line: currently has all-day, two-way 30-minute service
- Milton Line: operates peak period, single direction train service
- Kitchener Line: operates peak period, single direction train service

Providing the Milton and Kitchener Lines with two-way, all-day service will:

- get commuters out of their cars and reduce gridlock
- allow our regional mobility hubs to operate and flourish
- provide connections to major economic centres in all directions - Downtown Toronto, Hamilton, Burlington, Niagara Region, Kitchener-Waterloo Region, etc.

[METROLINX INFO](#)

[CITY OF MISSISSAUGA CORPORATE REPORT](#)

RER will provide commuters with effective, reliable transit to help them get to work and to access services.

Building the “Missing Link”

The City of Mississauga - together with Toronto, Milton and Cambridge - encourages the relocation of heavy rail freight traffic from the Milton and Kitchener GO Rail lines, to a proposed bypass rail line adjacent to Highway 407 (the “missing link”).

This proposed bypass rail line would link the CN bypass line at Bramalea with the CP line through-route near the Milton-Mississauga border. The bypass would have three major benefits:

- provide an alternative to the challenge of widening the Milton and Kitchener GO Rail corridors
- remove heavy freight from the Milton and Kitchener GO Rail corridors and
- free up inner parts of the Milton and Kitchener GO rail corridors for RER service

[MORE INFO](#)

The “missing link” would have far-reaching benefits at the local, national and international levels.

We very much appreciate the Province’s announcement of funding for the light rail transit line. We are looking for provincial investment in all of our higher-order transit initiatives.

II. Sustainable Infrastructure Funding

Background:

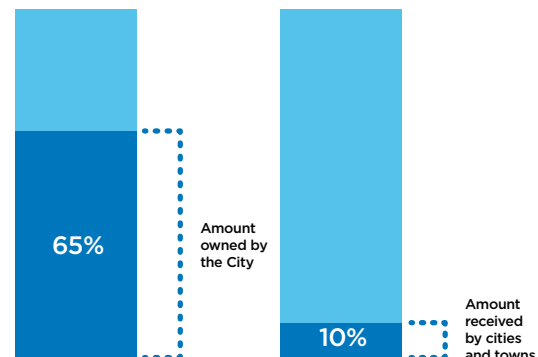
- Cities and towns own the majority of infrastructure (65%) but receive the smallest share of tax dollars (10%)
- The City looks forward to starting new construction projects when the provincial and federal governments finalize the New Building Canada Fund

Sustainable infrastructure funding remains a top priority

Mississauga owns \$8.3 billion worth of infrastructure assets. We cannot support our infrastructure on the local tax bill.

[MORE INFO](#)

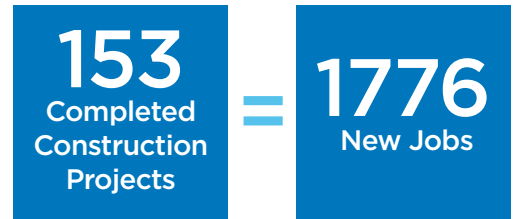
The City owns the majority of infrastructure within its boundaries (65%), but local governments receive the smallest share (10%) of all tax dollars collected



The City needs a sustainable infrastructure funding strategy involving the provincial and federal governments.

New Building Canada Fund

Through funding programs like the Infrastructure Stimulus Fund (ISF) and Recreational Infrastructure Canada (RIInC), municipalities were important to the provincial and federal governments' recovery efforts after the 2008 economic downturn. We proved ourselves by getting 153 construction projects completed on time and budget, which created an estimated 1776 jobs.



In 2014, the federal government launched the New Building Canada Fund - a \$14 billion, ten-year program that will support projects that promote economic growth, job creation and productivity.

We eagerly anticipate the finalization of the New Building Canada Fund agreement and program details by the provincial and federal governments.

Inspiration Lakeview Master Plan

Funding to develop the 'innovation corridor phase' of the Inspiration Lakeview Master Plan will ensure construction begins. This large mixed-use development will support future growth.

[MORE INFO](#)

To date, the City has spent \$1.1 million to advance this project.



Ontario Power Generation is the landowner, but the City of Mississauga is engaged, ready and willing to complete these next steps.

Port Credit Harbour Marina

Protecting for the future of this former federal harbour marina at the confluence of the Credit River and Lake Ontario is an economic, recreational and cultural heritage imperative. This marina and its deep-water basin generate jobs for the marine industry, with significant and unique economic spinoffs. The marina functionally supports one of the largest salmon fishing derbies in Canada, provides an important supply of recreational boat slips for the city and region, and is a cultural heritage link to the Great Lakes.

This marina basin requires infrastructure reinvestment as the breakwaters are at the end of their lifecycle. If this reinvestment does not occur, this valuable asset unique to the north shore of Lake Ontario could be lost.

[MORE INFO](#)



We need to reinvest in our harbour to maintain this valuable asset.

III. Legislative Changes

Background:

- Legislative changes will assist all municipalities to collect outstanding (and new) revenues
- There is no cost incurred by the Province of Ontario in making these legislative changes

Joint and Several Liability

Joint and several liability is an important legislation change needed by all cities. In 2014, Members of Provincial Parliament (MPPs) supported a motion calling on the government to reform joint and several liability; no reform has followed.

There has been a steady rise in municipal insurance costs and deductibles; Mississauga's deductible is \$1 million so we are essentially self-insured.

Local governments are seen to have 'deep pockets'. We do not.

We ask the provincial government to renew its review of this legislation and establish reasonable and equitable liability laws regarding joint and several liability for municipalities.

Development Charges

The Province has reviewed the Development Charges Act and enacted new legislation. Some common municipal views were not incorporated into the new Act:

- elimination of discounting for all municipal services
- retaining the ability to enter into voluntary agreements
- the removal of ineligible services

Municipalities are experiencing a rapidly changing environment.

It is vitally important that the Ministry of Municipal Affairs and Housing adjust regulations in a timely manner to address this changing environment.

Municipal Act Review

The Province is conducting a review of the *Municipal Act*. Municipalities rely heavily on property taxes as a source of income.

The City of Toronto Act, 2006 extended new authority to that city to implement fees and charges not available to other municipalities, as well as expanded investment powers.

The expanded authorities given to Toronto should be available to other municipalities.

Public Libraries Act

Public libraries and their municipalities require sustainable operating funding in order to keep pace with the increasing demand for electronic and traditional services and resources.

The Household Operating Grant for the Mississauga Library System has been at the same level since 1995, and should be increased.

Highway Traffic Statute Law Amendment Act

In March 2013, the Province introduced legislation to assist municipalities in collecting unpaid fines. These amendments were enacted in 2015 through the Transportation Statute Law Amendment Act, 2015. However, the majority of amendments will not come into effect until a date yet to be proclaimed.

It is estimated that almost 70 per cent of unpaid fines are related to Highway Traffic Act offences. As of November 2015, it is estimated that the unpaid balance of Mississauga Provincial Offences Administration (POA) fines totalled \$50 million (total value of all unpaid fines in default).

Enacting these amendments will help make our collection efforts more successful.

Construction Lien Act Review

The Province has undertaken a review of the Construction Lien Act. We are concerned with some of the implications:

- Prompt payment to contractors and subcontractors is important, but different types of construction may require different payment schemes
- Mandatory bonding requirements may not be applicable in all construction projects
- Removing the right of owners to exclude bidders for prior poor performance, ongoing litigation or other bona fide reasons are a clear erosion of an owner's rights to freedom of contract

These changes will have significant cost implications for municipalities and should be considered very carefully.

GTAA Payments in Lieu of Taxes (PILT)

Under the Federal Payment in Lieu of Taxes (PILT) Act, the Toronto Pearson International Airport provides a payment to the City of Mississauga. The Province is involved in setting the exact amount paid. Since 2001, the amount has not changed.



**Home of Canada's
largest airport**

No progress has been made on the following three concerns:

- The PILT is based on passenger traffic and does not consider cargo, which impacts municipal services
- The PILT is capped at 5 per cent increase annually; there is no limit on decreases. The cap for commercial and industrial properties has mostly been phased out in Mississauga, yet remains at the airport
- The PILT rate has remained the same, while municipal tax rates have increased

We ask the provincial government to increase the per-passenger rate for the GTAA PILT from \$0.94 to \$1.74 to reflect the increase in the municipal levy since 2001. The cap on the PILT should also be eliminated.

Heads and Beds PILT

Universities, colleges, hospitals and correctional institutions make an annual payment in lieu of taxes at a rate of \$75 per student, bed or resident.

- This amount hasn't changed since 1987
- These payments haven't kept pace with the cost of providing services to these institutions

[MORE INFO](#)

We ask the provincial government to increase the Heads and Beds PILT rate by the rate of inflation from 1987, to \$180 beginning in 2016, with annual increases thereafter.

IV. Job Creation and Partnerships

Background:

- All orders of government in the GTA must work together on regional business attraction
- Provincial governments are working to help businesses and provide jobs
- The federal government must be included in our strategies to stimulate the economy

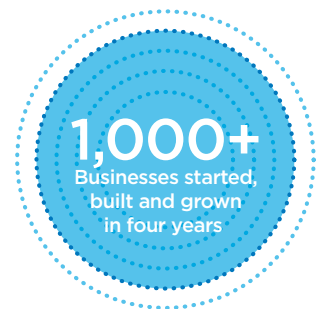
Support for new GTA Regional Foreign Direct Investment (FDI) Attraction Agency “NewCo”

City Council has endorsed the funding of a new GTA FDI attraction agency. This will help make the GTA a destination choice for foreign direct investment. The Province has provided transitional funding to help establish this agency.

Ongoing multi-year funding from the provincial and federal governments and GTA partners will help the GTA be more competitive.

Small Business Enterprise Centre (SBEC)

The SBEC network has been very successful over the years. The Mississauga Business Enterprise Centre (MBEC) has proven valuable in offering many resources to small businesses and entrepreneurs.



We support enhanced funding for this important program to increase service capabilities for mentoring and for experiential and creative spaces for entrepreneurs.

Partnerships with the Federal Government

The City of Mississauga is a partner with both the provincial and federal governments. We are willing to add our support directly and through the Federation of Canadian Municipalities (FCM) to foster stronger partnerships between all three levels of government.

We support lobbying the federal government for:

- a National Housing Strategy
- a Sustainable Infrastructure Funding Strategy
- a National Transit Strategy

We also look forward to working collaboratively with our federal and provincial partners to fight the impact of climate change.

We believe that these collective strategies will bring better discussion, long-range planning and sustainable funding tools to implement the core municipal services that help grow and strengthen our urban economies.