

Business Case | April 2019

Mississauga's Position on the Future of Regional Government

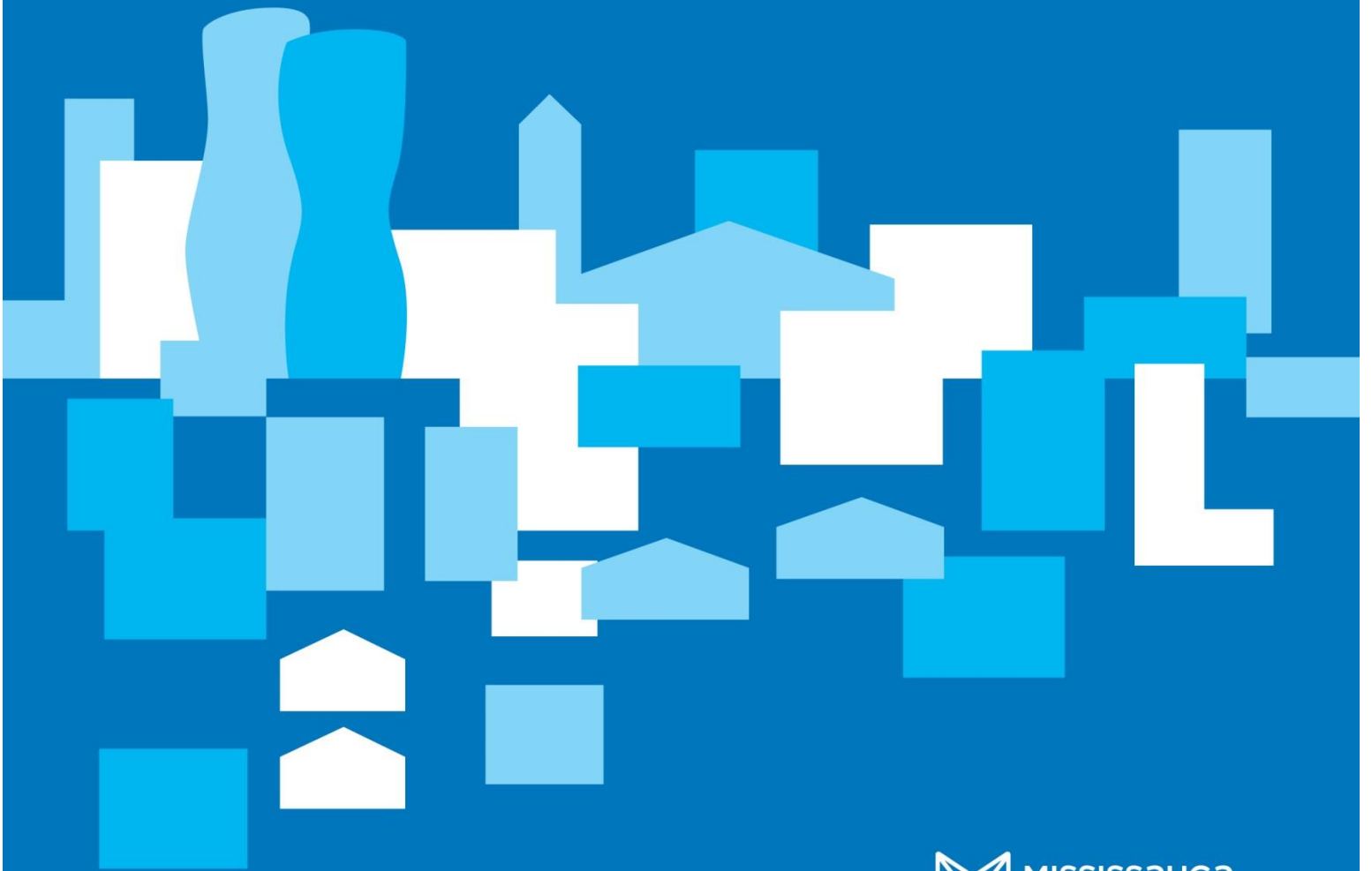


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Mississauga's Position

The City of Mississauga has long held the position that Regional government does not work well for our City, our residents or our businesses. We welcome the Ontario Government's review of regional government, and believe an assessment of regional governance in Peel Region is overdue. In principle, the position of Mississauga Council is as follows:

The Government of Ontario pass legislation to make the City of Mississauga a single-tier municipality, independent of the Region of Peel, maintaining the current municipal borders of the City of Mississauga.

Top 10 Reasons Mississauga Should be Independent from Peel Region

Overall, there are many benefits to residents and businesses of Mississauga becoming an independent city. These include:

1. **One City, One Voice:** Mississauga would have the ability to speak as one city, fully in control of its future, with a distinct identity.
2. **Eliminate an entire layer of government:** This would lead to a more efficient and effective government, focused squarely on Mississauga's needs and priorities as a growing City.
3. **Better value for taxpayers' dollars:** In fairness, Mississauga businesses and residents should not be subsidizing Brampton and Caledon in the amount of **\$85 million** per year (and climbing). **Mississauga tax dollars should stay in Mississauga.**
4. **Better decision-making:** Council and staff would have the ability to make decisions in the best interests of Mississauga residents and businesses. Vital decisions about Mississauga should not be left up to Brampton and Caledon.
5. **Increased accountability and transparency:** A single-city council would be fully responsible for all decisions made on all matters. Accountability is simple and clear.
6. **Improved customer service:** Residents would have a single point of contact for municipal services.
7. **One set of rules, procedures and by-laws**
8. **One set of fees and charges**
9. **Greater access to funding:** An independent Mississauga would have greater access to federal and provincial, as well as third-party funds.
10. **Respect:** Mississauga will be treated with the respect and authority it deserves as the 3rd largest city in Ontario and 6th largest in Canada, independent of another level of government.

The Case for an Independent Mississauga

The governance model of the Region of Peel no longer works in the best interests of the residents and businesses of the City of Mississauga. It is time for a change that allows Mississauga to control its own affairs and future growth as a city. We are planning for the next 30 years and beyond.

Mississauga Has a Unique Identity

- Mississauga is a mature city with close to 800,000 residents, home to over 91,000 businesses. As the 3rd largest City in Ontario and 6th in Canada, we have a distinct identity and sense of civic pride.
- Mississauga is working. We are financially and administratively well-run. We have maintained an 'AAA-Stable' credit rating for 15 straight years and continue to win awards for financial management. We are a model for good municipal governance in Ontario.

Other Cities are Doing It

- Many other municipalities are already single tier, including Toronto, Hamilton, Ottawa, Windsor, London, Guelph, Kingston, Thunder Bay, and even Dryden. Mississauga is the largest city to be included in a regional government model.
- In relation to other global cities, Mississauga is larger than the cities of Seattle, WA; Boston, MA; Denver, CO; Portland, OR; and Charlotte, NC to name a few.
- As we are a maturing big city, Mississauga is becoming more urban. As a result, we are facing many of the same challenges as other urban cities. We need the ability, and independence to address these challenges head-on.
- We simply ask to be treated fairly, and to be provided with the same ability to make our own decisions as other big (and small) cities.

Top 10 Single-Tier Populations *		Top 10 Lower Tier Populations *	
Toronto	2,731,571	Mississauga	721,599
Ottawa	934,243	Brampton	593,938
Hamilton	536,917	Markham	328,966
London	383,822	Vaughan	306,233
Windsor	217,188	Kitchener	233,222
Sudbury	161,531	Richmond Hill	195,022
Guelph	131,400	Oakville	193,022
Kingston	123,400	Burlington	183,314
Thunder Bay	107,909	Oshawa	159,458
Chatham-Kent	101,647	St. Catharines	133,113
* Dryden	7,749		

**Dryden, Ontario, with a population of 7,749 people, is a single-tier city with more independence and decision-making powers than Mississauga.*

The People Support Us

- Mississauga residents consistently support how and where Council spends their taxpayer dollars:
 - 89% rate the quality of life in Mississauga as excellent or good
 - 84% say they are 'Proud to say they are from Mississauga'
 - 76% agree that Mississauga is moving in the right direction
 - 71% continue to be satisfied with the City's municipal government
- In 2004, 70% of those surveyed also supported an independent Mississauga

Why the Regional Model in Peel is Broken

While the Region of Peel delivers quality services, the current model is not ideal – it is unbalanced. There are many systemic inefficiencies that cannot be overcome. Mississauga has simply outgrown the regional government model and is now being held back from realizing our full potential as a city.

Mississauga is Paying Too Much

- Mississauga taxpayers should not be forced to subsidize other municipalities. **Our money should stay in our city to pay for our priorities.**
- Financial analysis shows Mississauga over-contributes to the Region of Peel in the amount of **\$85 million per year**. Mississauga taxpayers currently subsidize the City of Brampton and the Town of Caledon. This number has grown from \$32 million in 2004 to \$85 million in 2019. The current model is not balanced. The math does not add up for Mississauga.

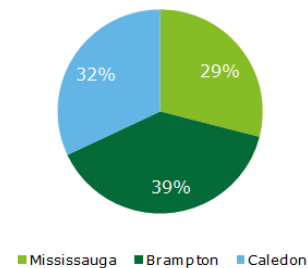
2019 Operating Cost Analysis: Region of Peel

Program	Projected Subsidy/(Cost) 000's		
	Mississauga	Brampton	Caledon
Roads & Transportation	20,090	(3,783)	(16,308)
Accessible Transportation	1,627	(1,923)	295
Waste Management	0	0	0
Land Use Planning	232	(274)	42
Adult Day	152	(179)	28
Child Care	570	(673)	103
Employment Support	241	(284)	44
Homelessness Support	917	(1,083)	166
Housing Support	8,048	(9,508)	1,461
Income Support	1,682	(1,988)	305
Chronic Disease Prevention	846	(999)	153
Early Growth and Development	1,029	(1,216)	187
Heritage Arts and Culture	411	(485)	75
Infectious Disease Prevention	674	(796)	122
Community Investment	573	(678)	104
Long Term Care	2,386	(2,819)	433
Paramedic Services	3,627	(4,285)	658
Executive Office (CAO Office, Council & Chair)	254	(301)	46
Service Innovation, Information Technology	1,176	(1,389)	213
Corporate Services	1,300	(1,536)	236
Finance	558	(659)	101
Non-Program, Capital Allocation	2,262	(2,673)	411
OPP	0	0	0
Peel Regional Police	32,926	(32,926)	0
Conservation Authorities	1,771	(2,092)	321
MPAC	1,329	(1,570)	241
Total	84,680	(74,120)	(10,560)

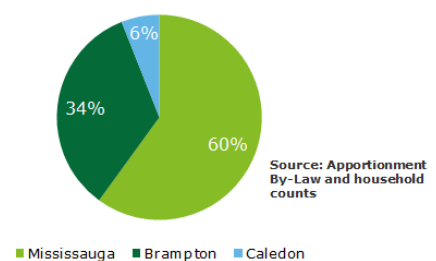
This chart represents by how much and where the City of Mississauga is over-contributing to the Region of Peel to subsidize the other two municipalities. In 2019 it is \$85 million.

Example: Regional Roads

Regional roads breakdown



Regional funding



Mississauga has 29% of the Region's Roads, but pays 60% of the tax levy. Caledon has 32% of the Region's roads, but pays only 6%.

Only Mississauga Has Paid for Mississauga's Growth

- Mississauga has always paid its fair share – and more.
- Despite inaccurate claims to the contrary, Mississauga paid for our growth at the Region over the past 45 years, through Development Charges and lot levies, just like Brampton and Caledon did for theirs. The assertion that the other two municipalities have paid for Mississauga's growth is simply not true or possible.
- Between 1974 to 1995, Mississauga consistently paid more than 70 per cent of the Regional tax levy. Today we pay 60 per cent. There is no way Brampton or Caledon could have funded Mississauga's growth and **there is no basis for these cities to claim any compensation.**

All Pay and No Say

- Mississauga represents **52 per cent of the population** of the Region of Peel and contributes **60 per cent of the funding**. Yet, we only have 50 per cent of the vote at Regional Council. We do not have the final decision-making authority or percentage of votes we deserve.
- Representation by population is fundamental to democracy. It is not working in the Region of Peel. The vote of a Caledon Councillor is worth more than 4 times as much as the vote of a Mississauga Councillor. Our voice is weakened.

	2016 Census	% of Peel	Seats	Vote Share	Pop per Ward	Voter Value
Peel	1,420,428	100%	24	100%	59,184	1.00
Mississauga	741,804	52%	12	50%	61,817	0.96
Brampton	610,260	43%	7	29%	87,180	0.68
Caledon	68,364	5%	5	21%	13,673	4.33

Too Many Approvers

- Between Regional Council and staff, there are too many layers of approval at the Region of Peel that slows down or impedes decision-making and implementation of vital programs.

***Example #1 (Housing):** Mississauga wants to build more affordable housing for the middle class. Financial incentives from the city and regional levels could help builders do this. However, the Region has responsibility for social housing, controls funding decisions, and has different priorities. Mississauga needs the authority to deliver affordable, middle-income housing that responds to this urgent problem.*

***Example #2 (Affordable Housing in Malton):** The City wants to revitalize and redevelop portions of the Malton community to build more affordable housing and attract investment. The City began its planning work in 2015 and finished in 2017, but had to wait almost 2 years while the Region completed their work. Then, after many more months of legal negotiations between the City and the Region, the City was finally able to move forward with its plan. The delay added almost 3 years.*

***Example #3 (Ninth Line Lands):** The City of Mississauga is developing the Ninth Line lands into a new community, but we cannot make decisions without the Region's input and approval. The Region and the City do not agree where growth should go, which undermines the City's ability to be nimble and strategic in planning our long term growth. Mississauga has strong planning support for our proposals. With the Region involved, we have experienced delays of over 2.5 years. Prime development lands and new housing supply on the Ninth Line are being delayed unnecessarily because both the Region of Peel and the City of Mississauga are involved in planning.*

Too Much Duplication and Waste

- There is great deal of duplication between departments at the City of Mississauga and the Region of Peel. The departments of Planning and Building, Policy Planning, Clerks and Legal, Communications, Roads and Engineering, and Human Resources and Information Technology exist at both levels.
- As an example, there are currently 117 legal agreements just on real estate matters between the Region and the City. On average, each requires 40 hours of staff time to develop, which totals 4,680 hours of staff time, or 668 working days. Legal staff also spends 320 hours, or 45 working days per year drafting and negotiating agreements with the Region.
- Residents are often confused about which level of government delivers which service. Over the past 5 years, staff of Mississauga's 3-1-1 call line have transferred over 30,000 calls to the Region of Peel.

***Example #4 (Roads):** Drivers in Mississauga can't tell a Regional road from a City road. When they have a concern, they call 311 at the City. We transfer thousands of calls a year on this matter to the Region. Clearly ownership of roads at both the regional and local level is inefficient and affects how we service the roads. Planning approvals for residents and businesses when developing land along Regional roads takes longer because two approvals are needed. Further, Mississauga cannot put in place safety systems such as red light cameras without the approval of the Region in many locations where it would improve safety.*

***Example #5 (Planning):** Local policy planning, site plan approval and development applications require a review at the regional level. Both levels of government are required to prepare and approve Official Plans. The City must wait for the Region to update its planning documents before it can make the necessary updates to our City plans, which creates even more delays. When agreement is not reached, the City and the Region both send legal and planning staff to the Local Planning Assessment Tribunal (LPAT) hearings, which is costly and inefficient.*

Mississauga Cannot Control Our Own Future

- Under the current regional government model, the City of Mississauga cannot control our future growth and direction as a City. We are trying to build a 21st Century city. The Region is focused on suburban growth in Brampton and Caledon. **We need the power to build a great city.**
- We are subject to the priorities of the Region of Peel, Brampton and Caledon. Too often the Region of Peel's priorities outweigh those of Mississauga.

***Example #6 (CIP):** The Region's lack of support of the downtown Community Improvement Plan (CIP) approved by Mississauga Council prevents us from maximizing the incentives that can be used to attract office development. Developers have shown that without the Region's participation, the business case for office in downtown Mississauga does not work. This means we cannot grow our downtown core the way we want to, create jobs and grow our economy.*

Why Amalgamation is Not an Option

Amalgamating the municipalities of the Region of Peel **will not** result in better service delivery or greater efficiencies. Amalgamation in Peel Region would not work for the following reasons:

Amalgamations Are Inefficient

- Every study that has been done on municipal amalgamation has shown they do not produce greater efficiency or savings. One study found that after amalgamation, property taxes increased **50 per cent**, employee pay rose **52 per cent**, and long-term debt rose **111 per cent** after amalgamation because services and wages "levelled up" to the highest standard.¹
- Suddenly combining our cities would be difficult, if not impossible. Mississauga and Brampton are the 3rd and 4th largest cities in Ontario. Each city has a unique corporate culture and conducts its operations differently. Amalgamation would likely increase labour, debt, and operational costs.

Loss of Our Civic Identity

- Residents of Mississauga, just like residents of Brampton and Caledon, do not want amalgamation. Mississauga, Brampton and Caledon each have a distinct identity and an independent history.
- Over the past 20 years, the path to government in Ontario has run through Mississauga. The residents of Mississauga consistently send MPPs of the governing party to Queen's Park. The same residents also support Mississauga Council who is unanimous in its support for an independent Mississauga.

Less Representation and Accountability for Residents

- Studies of amalgamations show that smaller government units provide greater access to public officials. Mississauga residents know and trust their members of Council. It has also been shown that amalgamations reduce the ability of residents to monitor and the behaviour of their local decision-makers.

¹ "Municipal Amalgamation in Ontario," Miljan and Spicer (2015), *Fraser Institute* 6

Mississauga Has a Plan for Independence

- The City of Mississauga is ready to begin the work of separating from the Region of Peel. We have thought about how best to provide the services currently delivered by the Region. Transition would require the cooperation of the Ontario government, the Region of Peel, and the other member municipalities.
 - **Water and Wastewater:** Both could be delivered through a utility model, similar to electricity, as it is currently rate-based.
 - **Police Services:** The Peel Police Services are governed by an independent board and legislation. Brampton and Mississauga could share the cost of policing, although Mississauga must pay only its fair share, which is currently not the case.
 - **Other Services:** Most regional services like planning, roads, and Transhelp, could be absorbed into Mississauga with no disruption to service levels.
 - **Social Services:** Social and health services (i.e. child care, Ontario Works, Office of the Medical Officer of Health) must be delivered in compliance with applicable legislation and funding arrangements from the Province. We would want those services to be delivered locally.
 - **Social Housing:** It is administered under a separate Board. We would need to review that model.
 - **Environment:** Mississauga works well with the Credit Valley Conservation Authority. It would be easier to deal with the CVC alone, than with the Region of Peel as well.

Conclusion and Next Steps

- Mississauga believes we have a compelling case for independence, as well as a plan of action to get there.
- Mississauga is prepared to work in good faith with the Region of Peel, the City of Brampton, the Town of Caledon, and the Province, to transition to independent status.
- This Executive Summary will be submitted to the Minister of Municipal Affairs and Housing, the Special Advisors on Regional Government, Michael Fenn and Ken Seiling, the Premier of Ontario, and our local MPPs.

