

2019 Provincial Pre-Budget Submission

City of Mississauga Priorities for the 2019 Provincial Budget

City of Mississauga
January, 2019



Executive Summary

The City of Mississauga faces many challenges as the sixth largest city in Canada. In addition to day-to-day pressures, we are faced with new and growing challenges in areas such as transit, aging infrastructure and affordable housing, among others, while ensuring tax rates remain affordable for our residents and businesses. Our ability to generate revenues to meet these challenges alone is limited.

The city continues to seek partnerships and support from other levels of government. We gratefully acknowledge contributions from the Provincial Government including the Provincial Gas Tax, funding through the Cleanwater and Wastewater Fund (CWWF), the Public Transit Infrastructure Fund, and the funding provided to Metrolinx for the Hurontario Light Rail Transit system. We look forward to partnering together on the Investing in Canada Infrastructure Plan (ICIP). The new four per cent Municipal Accommodation Tax (MAT) will help us support and grow local tourism and the economy.

Sustainable funding is key for successful long-range planning. One-time incremental funding is appreciated but presents its own challenges, as it requires that projects be “new” or “unplanned.” It can be difficult for higher-priority projects to access new funding because they typically have been planned for some time and the City has already earmarked funding sources.

We are seeking on-going support from the Province in the following areas:

- Strategic Transit Investments
- Sustainable Infrastructure Funding
- Affordable Housing
- Legislative Changes
- City-Building Initiatives
- Other Partnerships

Strong, long-term partnerships with the governments of Canada and Ontario are essential to ensuring that Mississauga continues to provide the high quality of life residents have come to expect. We look forward to our continued relationship and future opportunities for collaboration.

City of Mississauga Recommendations

- 1. Funding to assist with the planning, detailed design, and construction of Mississauga's priority transit projects:
 - The Downtown Mississauga Terminal and Transitway Connection;
 - The Dundas Bus Rapid Transit Corridor; and
 - Higher-order transit on the Lakeshore Corridor*
- 2. Moving forward with full Regional Express Rail on the Milton GO Corridor including the construction of the "Missing Link"*
- 3. Implementation of Regional Express Rail Service on the Lakeshore West and Kitchener GO Corridors*
- 4. Sustainable funding for infrastructure renewal projects*
- 5. New powers and revenue sources targeted for affordable housing and housing supply*
- 6. Greater autonomy or new frameworks for revenue tools other than property tax*
- 7. More timely reaction with legislative and regulatory amendments to address changing environments and municipality requirements*
- 8. Inflationary increases to PILTs, specifically raising the GTAA PILT to \$1.90 per passenger rate*
- 9. An increase to the Household Operating Grant for the Mississauga Library*
- 10. Targeted funding for major City-building projects*
- 11. Predictable and sustainable funding for emerging priorities such as climate change and culture and heritage infrastructure*

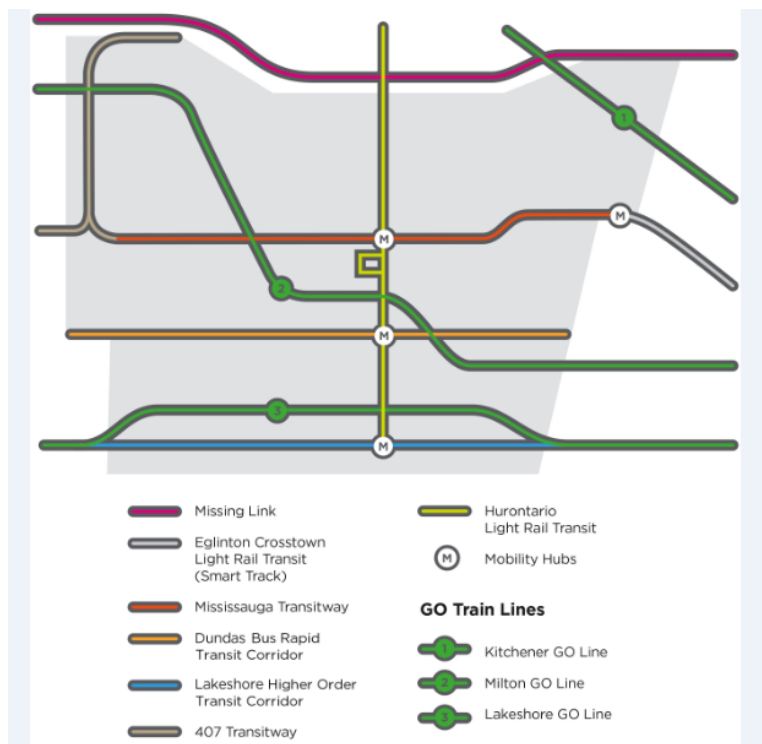
I. Strategic Transit Investments

Key Points:

- ✓ *The City of Mississauga desires a safe, reliable, efficient inter-regional transit system*
- ✓ *Our priorities include the Hurontario LRT, the Downtown Mississauga Terminal and Transitway Connection, the Dundas Bus Rapid Transit Corridor and higher order transit on the Lakeshore Corridor.*
- ✓ *Mississauga supports the introduction of Regional Express Rail on the Lakeshore, Kitchener, and Milton GO corridors. This includes encouraging the establishment of a bypass rail line adjacent to Highway 407 (the “Missing Link”) to facilitate providing full Regional Express Rail service on the Milton GO Corridor.*

The City of Mississauga continues to invest in transit, and desires a safe, reliable and efficient inter-regional transit system. The Hurontario LRT Project remains the City of Mississauga’s top priority and we very much appreciate the Province’s commitment of funding for the light rail transit line.

Building Transit in Mississauga



<http://www.mississauga.ca/portal/residents/building-transportation>

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, on-going, dedicated Provincial funding is required for new projects.

The Hurontario LRT (HuLRT) remains the City's most critical spine to a growing rapid transit network that connects our downtown to the broader GTHA region and internationally with linkages to Pearson International Airport. The 20-kilometre route from the Port Credit GO Station in Mississauga to the Brampton Gateway Terminal also loops through the downtown connecting our City Centre Transit Terminal, where the second busiest terminal in the GO bus network serves more than 20,000 commuters per day. In all, the HuLRT has 22 stops serving two urban growth centres, four mobility hubs, two GO Transit rail lines, Brampton Züm and Mississauga Transitway.

The HuLRT will support 10,000+ boardings in the peak hour and approximately 31.9M boardings annually by 2031. The City has been planning for much of its growth to occur along this corridor, as a number of residential and commercial developments continue to transform Mississauga.

The project is funded by a \$1.4B capital commitment that was made by the provincial government in 2014. City Council has also approved financial commitments to enhance the public realm and to upgrade municipal infrastructure of this corridor.

The procurement phase of the project began in 2017. Hurontario LRT is expected to reach financial close with a winning proponent in 2019. Preparatory construction to move utilities began in late 2017 and continues. Major construction is expected to last approximately four years.

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

Downtown Mississauga Terminal and Transitway Connection

The 18-km Mississauga Transitway became fully operational in 2017, with 12 stations beginning at Winston Churchill Boulevard in the west and ending at Renforth Drive in the east. The Transitway has made it faster and easier for commuters to travel to, from and through Mississauga and across the region.

The west and east portions of the Transitway have access to dedicated lanes, but the Downtown portion experiences delays because it relies on accessing local City streets. The completion of the Downtown segment of the Mississauga Transitway, with a dedicated transit corridor and new bus terminal, would provide for a continuous Transitway that would maximize the benefits and success of previous investments. Optimally, elements of this work would be advanced in conjunction with Hurontario LRT work to ensure maximum coordination and integration. The new bus terminal will be a combined terminal servicing both Mississauga MIWay and GO Transit buses while also providing a seamless connection to the Hurontario LRT. The new terminal will be a critical transit hub servicing Mississauga and the western GTHA and providing a vital connection to Pearson International Airport.

MORE INFO ON THE MISSISSAUGA TRANSITWAY

Specifically, the Master Plan recommends a Bus Rapid Transit (BRT) facility for the entire length of Dundas Street. The next steps in advancing this transit initiative are the completion of a Transit Project Assessment Process, detailed engineering and design. Provincial funding for this work would ensure that growth and redevelopment along Dundas will follow, and implementation of transit may occur sooner.



[MORE INFO ON DUNDAS CONNECTS](#)

The next steps in advancing this transit initiative are the completion of the Environmental Assessment (EA) or TPAP (Transit Project Assessment Process) study, detailed engineering, and design.

MORE INFO ON LAKESHORE CONNECTING COMMUNITIES

Regional Express Rail

The City of Mississauga continues to eagerly await the development of Regional Express Rail (RER), which will provide effective, reliable transit through 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. The Lakeshore West Line currently has all-day, two-way 30-minute service. The Milton and Kitchener lines operate peak period, single-direction train service only. 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

Through its agency Metrolinx, the province has secured an agreement-in-principle with CN that will allow GO Regional Express Rail to be built along the Kitchener GO corridor with an expected completion date of 2025. Furthermore, increased service on the Milton corridor is in the 2041 Regional Transportation Plan; however, these improvements are not proposed until after 2025 and are subject to physical constraints and negotiations with freight operators.

[MORE INFO ON REGIONAL EXPRESS RAIL](#)

Building the “Missing Link”

The City of Mississauga – together with Toronto, Milton, Kitchener, Cambridge, and Waterloo – continues to encourage 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 Missing Link

The Solution for All-Day, Two-Way
GO Train Service in Mississauga

The “missing link” would have far-reaching benefits at the local, national and international levels, with 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 ON THE MISSING LINK](#)

City of Mississauga Recommendations

1. *Funding to assist with the planning, detailed design, and construction of Mississauga's priority transit projects:*
 - *The Downtown Mississauga Terminal and Transitway Connection;*
 - *The Dundas Bus Rapid Transit Corridor; and*
 - *Higher-order transit on the Lakeshore Corridor*
2. *Moving forward with full Regional Express Rail on the Milton GO Corridor including the construction of the "Missing Link"*
3. *Implementation of Regional Express Rail Service on the Lakeshore West and Kitchener GO Corridors*

II. Sustainable Infrastructure Funding

Key Points

- ✓ *Mississauga owns \$9.2 billion worth of infrastructure assets. Like other Ontario municipalities, we cannot maintain or grow our infrastructure on the local tax bill. Sustainable infrastructure funding remains a top priority.*

Mississauga's infrastructure is currently valued at \$9.2 billion, with an annual estimated replacement cost of \$356 million (excluding stormwater assets). In 2019, we are only able to invest \$98 million for replacement of our infrastructure, leaving an infrastructure gap of \$258 million. This infrastructure gap remains a substantial, persistent challenge.

One-time incremental funding (such as the PTIF and CWWF grant programs) is appreciated, and assists in temporarily reducing the infrastructure gap, but presents its own challenges. These funding models require that projects be “new” or “unplanned,” to ensure funding is not replacing City-generated funds. This is not in keeping with sound City building, and results in unplanned, lower-priority projects moving to the front of the line. Higher-priority projects cannot access the new funding because the City has already earmarked funding sources.

A stable and on-going funding model for infrastructure renewal projects, similar to the Federal gas tax model, would ensure there is sufficient time and resources in place to apply best practices to the management of these projects.

[MORE INFO ON THE CITY'S INFRASTRUCTURE](#)

City of Mississauga Recommendations

4. Sustainable funding for infrastructure renewal projects



III. Affordable Housing

Key Points

- ✓ *New municipal powers and revenue tools are required to support housing that is affordable to middle-income households in Mississauga*
- ✓ *All levels of government in the GTA must work together*

Partnering with all levels of government is necessary to ensure that the City of Mississauga's residents and businesses can be more productive and competitive. Issues such as affordable housing and climate change can only be addressed by working collaboratively with both the Provincial and Federal governments.

Affordable Middle-Class Housing

Increasing the affordable housing supply is a key issue in Mississauga and the wider GTA. One-in-three households are spending more than 30% of their income on housing. The cost of housing is increasing; rental vacancy rates are low. The supply of vacant land is dwindling and rising in price.

In 2017, Mississauga took the lead by developing a made-in-Mississauga plan ("Making Room for the Middle") to address issues of housing affordability in our City. The goal of "Making Room for the Middle" is to ensure 35% of Mississauga's housing stock is affordable for middle-income earners. These are ordinary households who struggle to find affordable and suitable market housing but make too much to qualify for subsidized housing (e.g. teachers, nurses, clerical and service workers). "Making Room for the Middle" is a bold, innovative and practical plan that includes four goals and 40 actions developed with the assistance of a group of experts from all levels of government and the private and non-profit sectors.

Mississauga is doing what it can to protect existing affordable housing supply and remove current regulatory and administrative barriers to the development of housing for middle-income households. However, municipalities lack the financial tools and means to close the gap between what the market will produce and what households can afford. Six of the housing strategy's 40 recommendations specifically require Provincial support or legislative changes to provide the City with more authority and the ability to achieve our objective of incentivising the building of affordable middle-class housing. New powers and revenue sources are required to incent housing affordable to middle income earners. Proactive intervention by all levels of government is imperative to ensure that our communities continue to thrive.

[MORE INFO ON MISSISSAUGA'S HOUSING STRATEGY](#)

The Province is currently conferring with municipalities, developers and consultants on the subject of “Increasing Housing Supply in Ontario,” with a specific focus on the level of Development Charges (DCs). The City of Mississauga has provided its responses through the consultation process. DCs paid by developers are used to fund infrastructure growth throughout the City. It would be beneficial to separate DC policy and legislation from housing supply and affordable housing programs and plans.

City of Mississauga Recommendations

5. New powers and revenue sources targeted for affordable housing and housing supply

IV. Legislative Changes

Key Points

- ✓ *Property tax alone will not build the cities our residents demand. The City needs greater autonomy to raise revenues from other sources.*
- ✓ *Legislative changes will assist all municipalities at no cost to the Provincial government.*

A number of pieces of provincial legislation and payment formulas impact the City's revenue streams. Through simple changes and with little or no impact on the Province, the Province could greatly assist municipalities with the financial pressures they currently face.

Revenue Tools

Steadily increasing operating costs and higher standards of service expected by our residents contribute to on-going pressures. The City of Mississauga, like all municipalities in Ontario, is heavily reliant on property taxes as a source of revenue.

Municipalities need more diverse and growing revenue sources in order to deliver quality services while keeping property taxes affordable. *Bill 68, Modernizing Ontario's Legislation Act, 2016*, includes welcome changes such as providing municipalities with "prudent investor status," which increases investment income. The City acknowledges the benefits from *Bill 127, Stronger, Healthier Ontario Act (Budget Measures) 2017*, which provided the authority to levy a transient accommodations tax.

The City, like all other municipalities, needs greater autonomy to raise revenues from other sources. In keeping with the Association of Municipalities of Ontario (AMO) "What's Next Ontario" resolution, all municipalities would benefit from additional predictable and sustainable revenues.

Construction Lien Act

The newly enacted *Construction Act (Bill 142)* will establish a hybrid system for Ontario that includes prompt payment, mandatory adjudication, change in the lien preservation and perfection periods, mandatory payment of holdback, mandatory bonds, and more. While existing projects will be grandfathered, the changes are significant. Prompt payment may be a good concept; however, the timelines for prompt payment are tight and cause concern. The timing (14 days to pay) does not allow for certification of the work being done before payment has to be made. We must be accountable to the public for the money we spend and this does not allow us to conduct proper due diligence before making payment. Mandatory adjudication will also add an additional financial burden. Furthermore, projects will be delayed due to the new dispute processes. Accordingly, fewer projects will be constructed as more money will have to be built into project budgets for legal fees leaving less for actual project costs.

GTAA Payments in Lieu of Taxes (PILT)

The formula for calculating PILTs has not changed since it was set in 2001. More specifically for the Toronto Pearson 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, with a lag in reporting time
- 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 Greater Toronto Airport Authority PILT from \$0.94 to \$1.90 to reflect the increase in the municipal levy since 2001, and to remove the cap on the PILT completely, as has been done for commercial and industrial taxes.

Public Libraries Act

Libraries provide physical space where people can gather, attend programs and access the Library's collections. Thousands of free programs a year for all demographics are provided by City libraries. Three permanent and one mobile Makerspaces are equipped with technology that encourages people to create. A website and online catalogue provides thousands of e-resources that can be accessed remotely.

Investment in technology modernization including virtual branch enhancement, increasing mobile presence, enhancing access to a modern online catalogue and other technological advances will enhance library programs and facilities. As municipalities face more funding challenges, support from senior levels of government will assist in keeping library community engagement active. The Household Operating Grant for the Mississauga Library System has been at the same level since 1995, and should be increased.

City of Mississauga Recommendations

6. *Greater autonomy or new frameworks for revenue tools other than property tax*
7. *More timely reaction with legislative and regulatory amendments to address changing environments and municipality requirements*
8. *Inflationary increases to PILTs, specifically raising the GTAA PILT to \$1.90 per passenger rate*
9. *An increase to the Household Operating Grant for the Mississauga Library*

V. City-Building Initiatives

Key Points

- ✓ *Many City-building initiatives are being identified as priorities but cannot be fully funded solely by the City*

Waterfront Development Projects

The City has received \$4 million from senior levels of government since 1990 to help enhance its 22-km waterfront. This is in sharp contrast to the level of funding received by the City of Toronto, who has received \$1.8 billion to revitalize much of its 43-km lakefront. The City of Mississauga is seeking enhanced funding in order to proceed with the development of a sustainable and creative community along its waterfront. The City is currently focussing on three projects: Inspiration Port Credit, the Port Credit Harbour Marina, and Inspiration Lakeview.

Inspiration Port Credit



The City's Inspiration Port Credit Team collaborated with community stakeholders and landowners to create a future vision through a Master Planning Framework for the 70 Mississauga Road South location formerly owned by Imperial Oil. This property is located to the west of the Credit River and is one of the City's key waterfront sites. The 72-acre brownfield site was home to a brick manufacturing facility until 1933 and more recently an oil refinery. After three years of study and community consultation, a Master Planning Framework was endorsed by Council on December 2015.

In March 2017, a consortium of developers named Port Credit West Village Partners Inc. purchased the lands from Imperial Oil. The Port Credit West Village Partners submitted revised development applications to the City in March 2018. The vision for the site is a combination of residential, commercial, retail and campus uses, with parks, trails and open spaces.

The revitalization of this site will help deliver on the City's Strategic Plan action of creating a model sustainable creative community on the waterfront, contributing to a complete and walkable Port Credit community.

[MORE INFO ON INSPIRATION PORT CREDIT](#)

Port Credit Harbour Marina

The Port Credit Harbour Marina lies to the east of where Credit River meets Lake Ontario. Protecting the future of this harbour is an economic, recreational and cultural heritage imperative. Built by the Federal government in the 1950s and home to the Canada Steamship Lines prior to its evolution into a recreational marina in 1974, this marina with its deep-water basin generates jobs, with significant and unique economic spinoffs. The marina supports one of the largest salmon-fishing derbies in Canada, provides an important supply of recreational boat slips for the City and the region, and is a cultural heritage link to the Great Lakes. The “Ridgetown,” one hundred years old and a former Great Lakes freighter, forms one of the integral harbour breakwaters. Unfortunately, the marina is currently in poor condition.

The City has entered into an agreement with Canada Lands for the redevelopment of the existing marina, and is currently considering options that would provide additional parkland, develop a sustainable public marina, and address erosion issues related to the breakwater, contingent on available funding.

Inspiration Lakeview



Inspiration Lakeview is the City’s vision for its eastern waterfront. This large mixed-use development will support future growth. This site will connect the former Ontario Power Generation (OPG) lands to the waterfront trail system and will create a new 1,300m waterfront trail adjacent to Lakefront Promenade. The waterfront trail expansion is intended as a public waterfront destination – a place for people to walk, cycle, interact and celebrate – and is an important component for the revitalization of the OPG site.

In 2018, the land was sold to developers. As part of the conditions of this sale, 67 acres of land will be remediated and transferred to the City of Mississauga for parkland, institutional and cultural uses, consistent with the Inspiration Lakeview Master Plan. The City of Mississauga is engaged, ready, and willing to complete these next steps.

[MORE INFO ON INSPIRATION LAKEVIEW](#)

These three sites present both significant opportunities and financial challenges for Mississauga. Any Provincial assistance for these projects would help create an iconic and vibrant waterfront for the enjoyment of all Mississauga residents as well as those of surrounding communities.

Building a City that Supports Walking, Cycling and Transit

Encouraging active transportation has several benefits, including:

- Providing residents with the opportunity to be physically active on a regular basis, key to combatting child and adult obesity
- Reducing greenhouse gas emissions and road congestion
- Increasing the use of transit by making cycling and walking a comfortable “first mile, last mile” option



Mississauga's 2018 Cycling Master Plan recognizes that in order to encourage more residents to cycle more often we need to construct safe, connected, convenient and comfortable cycling facilities. At the City's current funding level it will take 27 years to fully build out our cycling network. This timeframe could be greatly improved upon with the assistance of Provincial funding.

Parkland, trails, and sports facilities continue to play an important role in the lives of our residents. We are continuing work to acquire and reclaim lands that protect natural areas, connect the waterfront, complete a continuous trail system and support a growing and diverse population. We are also working to enhance and protect the Urban Forest while maintaining and growing Mississauga's urban tree canopy. We need to build more great outdoor places in Mississauga, including additional downtown parkland, off-road trail systems, playgrounds, and additional outdoor sports facilities to meet increased demand.

[MORE INFO ON CYCLING MASTER PLAN](#)

City of Mississauga Recommendations

10. Targeted funding for major City-building projects

VI. Other Partnerships

Climate Change

Climate change is an important issue facing the City. In recent years, Mississauga has experienced a number of extreme weather events, from the ice storm in 2013 to the heavy rains and record high temperatures in early 2018. It is expected that the number and intensity of these events will increase in the coming years.

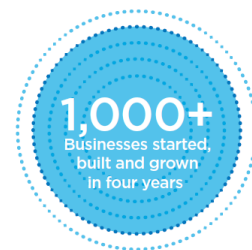
The Province has released its “Preserving and Protecting our Environment for Future Generations: A Made-in-Ontario Environment Plan.” Mississauga is also taking action on climate change. The City will have its first Climate Change Action Plan completed in 2019 with a focus on community and corporate actions that decrease greenhouse gas (GHG) emissions and help the City become more resilient to changing climate conditions. These include actions to:

- Decrease GHG emissions from our buildings, transport sectors and city vehicles;
- Build our resilience to the expected impacts of climate change; and
- Accelerate discovery and drive innovation in regards to climate action to create jobs.

Mississauga is seeking committed funding from the Province and other levels of government to help advance transformative climate action projects.

Small Business Enterprise Centre (SBEC)

The SBEC network provides a valuable and dedicated support for small business and entrepreneurs across the Province, providing small business information, consultation, seminars and training programs to a wide demographic profile with ongoing and growing business needs. The City of Mississauga provides SBEC programming through the Mississauga Business Enterprise Centre, and supports enhanced funding for this important program to develop and grow small business, innovation and entrepreneurship in Ontario.



Additional funding for this program would enable SBEC centres to increase service capabilities in areas such as mentoring, creative spaces for entrepreneurs, and business start-up and growth programming, through the expansion of the Summer Company and Starter Company youth programs, and new programming to support older adults and newcomer entrepreneurs. The SBEC centres are a key partner in the Ontario Network of Entrepreneurs (ONE Network) and continued funding and support of SBECs and the ONE Network will build on an innovation eco-system supporting innovation and entrepreneurship in our community.

Culture and Heritage Infrastructure

The development and maintenance of culture and heritage infrastructure is critical to achieving complete, vibrant and economically successful cities. The Ontario Culture Strategy identifies that the province will “work with the Ministry of Infrastructure and other ministries to inform the development of a long-term infrastructure plan for Ontario to better understand and work toward addressing the needs of the culture sector.” It is imperative that municipalities be included in these discussions and that the province move quickly to articulate a long-term and sustainable funding strategy in support of this goal.

Similarly the Federal government’s Creative Cultural Policy Framework outlines a \$130M-per-year, ten-year commitment to culture infrastructure funding through the Culture Spaces Fund. However, the grant-based, matching funds requirement of this program fails to meet the need for sustainable and reliable cultural infrastructure funding that is imperative to the success of Canadian municipalities like Mississauga. Bill 73 and the restrictions placed on municipalities against imposing additional requirements on development like public art, make the funding challenge for culture more difficult for municipalities.

City of Mississauga Recommendations

- 11. Predictable and sustainable funding for emerging priorities such as climate change and culture and heritage infrastructure*