

City of Mississauga
Additional Agenda



Council

Date

December 13, 2017

Time

9:00 a.m.

Location

Council Chamber, 2nd Floor Civic Centre
300 City Centre Drive, Mississauga, ON L5B3C1

14. **CORRESPONDENCE**

14.1. *Information Items*

14.1.4. Correspondence dated December 11, 2017, addressed to Councillor Parrish, from Siobhan Desroches, Manager of Government Affairs and Stakeholder Relations, Greater Toronto Airports Authority (GTAA) with respect to a follow-up to the deputation by the GTAA to General Committee on October 18, 2017.

Recommend Receipt

21. **CLOSED SESSION**

21.4. The security of the property of the municipality or local board: **Hershey Centre Naming.**

From: Carolyn Parrish
To: [Karen Morden](#)
Subject: RE: GTAA presentation follow-up meeting
Date: 2017/12/11 3:00:00 PM

From: Desroches, Siobhan [<mailto:Siobhan.Desroches@gtaa.com>]
Sent: 2017/12/11 10:08 AM
To: Carolyn Parrish
Subject: GTAA presentation follow-up meeting

Dear Councillor Parrish,

Recently, you may have received a copy of a letter we sent Mayor Crombie to follow up on our presentation delivered to General Committee on October 18. This letter is attached.

In the letter, we reinforce our commitment to work collaboratively with the City of Mississauga as we continue to grow together. Collectively, we will create more jobs, opportunity and prosperity in Mississauga, making it a more attractive place to work, live, invest and study.

In first quarter 2018, the GTAA and the City of Mississauga will begin discussions on the development of an MOU, covering various matters that will strengthen our relationship and document the mutual benefits.

The GTAA would appreciate the opportunity to meet with you to discuss the issues to be covered in the MOU and to get your input and ideas.

We will work with your office to find some time to meet with you to discuss these matters on the coming weeks.

Best regards,



Siobhan Desroches, Manager, Gov. Affairs & Stakeholder Relations
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Greater Toronto Airports Authority

Howard Eng

President and Chief Executive Officer

December 1, 2017

Mayor Bonnie Crombie
300 City Centre Drive
Mississauga, ON L5B 3C1

Dear Mayor Crombie,

I am writing to follow up on the presentation that members of my management team, and Board Member Hazel McCallion provided to your Council on October 18, 2017.

My team was very pleased to be able to share with Council our vision for Toronto Pearson and the update to our 20-year Master Plan. As you saw, we have an ambitious plan to develop Toronto Pearson to meet the growing aviation demand in Southern Ontario, including the development of a Regional Transit Centre.

Better transit in and around the western Greater Toronto Area, and in Mississauga in particular, would provide many benefits to your residents and businesses. It will also serve to attract future businesses like Amazon, which clearly expressed its desire to locate in close proximity to an international airport, making Mississauga an attractive location in which to locate. The Amazon bid for the Toronto Region reinforced the need for transit investment, touting the commitment by the GTAA to invest up to \$500 million to "build a regional transit centre at Toronto Pearson by 2027, which will integrate a number of proposed transit lines across various municipal systems that will serve to further improve the flow of people and goods throughout the region."

The benefits of enhanced transit connectivity for Mississauga residents and businesses are clear. The RTC would be another hub for MiWay providing direct service into Toronto Pearson, bring to life the Renforth Gateway and better connect Mississauga to Toronto by way of the Eglinton West LRT extension. For businesses in the Airport Corporate Centre, which is entirely located within the City of Mississauga, better transit has the potential to increase the development potential of these lands, attract new investment, add jobs and increase property tax revenues.



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Mayor Crombie, I'd like to personally thank you for your leadership to advance investments in transit and for your vocal support of the Regional Transit Centre. By working together, I am confident that better transit is on our collective horizon. For example, just last week I wrote to Mayor John Tory and his Executive Committee to express my support for the Eglinton Crosstown LRT West extension to the Airport and offered to begin discussions with the City of Toronto about the investment required to bring this line to the Airport.

We also have worked with the City and Mississauga-based organizations to have a positive impact by investing in social good and community-building initiatives through our community investment program, the Propeller Project. Investments such as the partnership with the MLSE Foundation and the City for a no-cost skating program for youth at risk, the Danville Park development for which we donated \$300,000 to the City, Scientists in the School, and Visions of Science Network for Learning – Community Science Club are all examples of investments that are making positive impacts in your City.

As the Airport continues to grow, we recognize that we also need to work together on many other areas of mutual interest. During the presentation to Council, you asked about the status of a Memorandum of Understanding that would cover various planning matters between the City and the Greater Toronto Airports Authority (GTAA). In keeping with our Ground Lease with the Government of Canada, I understand there have been a number of attempts by the GTAA over the past 20 years to enter in to an agreement with the City. Although an agreement has not been achieved, the GTAA believes it has approached development on the airport in a manner that respects the City's process and staff has engaged routinely with City staff in an open and transparent manner.

It's my intention to continue to work in a collaborative manner. Our senior teams, led by Hillary Marshall for the GTAA and Janice Baker for the City, have agreed to begin discussion in earnest in early 2018. To help begin the discussion and show our commitment to the process, attached is a brief synopsis of items that we may wish to include, and a brief explanation on the status of each item, which may serve to help educate staff and council. I would recommend our teams begin by reviewing these issues, and others that the City may wish to include, and come to a common understanding of the facts.

I recognize that there's a great deal of history surrounding such an agreement. You have my commitment to collaboratively address the many issues outstanding. I look forward to your ongoing support and cooperation to a positive outcome.

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As the airport continues to grow in step with your City, providing jobs and helping to attract business into our community, I am confident that we will continue to foster a positive working relationship based on mutual interests.

Yours very truly,

A handwritten signature in black ink, appearing to read "Howard Eng". The signature is fluid and cursive, with a large loop at the end.

Howard Eng
President and Chief Executive Officer
Greater Toronto Airports Authority

cc: Janice Baker, City Manager and Chief Administrative Officer
Councillor Jim Tovey, Ward 1
Councillor Karen Ras, Ward 2
Councillor Chris Fonseca, Ward 3
Councillor John Kovac, Ward 4
Councillor Carolyn Parrish, Ward 5
Councillor Ron Starr, Ward 6
Councillor Nando Iannicca, Ward 7
Councillor Matt Mahoney, Ward 8
Councillor Pat Saito, Ward 9
Councillor Sue McFadden, Ward 10
Councillor George Carlson, Ward 11

Mississauga/GTAA MOU – Background

December 5, 2017

Payment in Lieu of Taxes paid by the GTAA

In accordance with Provincial regulations, the GTAA paid the City of Mississauga \$32,967,000 in PILT in 2016. The GTAA paid \$188 thousand to the City of Toronto. (2016)

Municipal taxes paid by tenants

Any lands leased by the GTAA (e.g. to airlines, retailers, hotel, etc.) is directly subjected to municipal property taxes and is assessed by MPAC. GTAA's tenants paid approximately \$21 million in property taxes directly to the City of Mississauga. (2016)

The GTAA has worked with the City of Mississauga and MPAC to ensure payments by airport tenants are received in a timely manner, reducing the outstanding property taxes owing from GTAA tenants from \$4 million to \$500 thousand.

PIL-DCs paid by the GTAA

Public Works and Government Services Canada paid Mississauga and Peel Region about \$800,000 DCs relating to the development undertaken by the GTAA up to 2004 (GTAA subsequently reimbursed PWGS for this amount).

PIL-DCs paid by third parties

In 2007, a voluntary process was developed by the GTAA, and is required of GTAA third party developers on airport lands, so that the City of Mississauga and Region of Peel receive DCs and other development fees expeditiously and are not required to follow the more unpredictable route, which would have the City apply for a Payments-in-Lieu of Development Charge ("PIL-DC") through Public Works Canada, a slow and cumbersome process.

One Time Payments, which will generate future Tax Revenues (2017)

| | |
|--|---------------------|
| Third Party Municipal Levies and DCs previously paid | \$10 million |
| Anticipated Future Third Party Municipal Levies | \$3,500,000 |
| TOTAL: | \$13,500,000 |

Stormwater Levy

The City has calculated the GTAA's stormwater levy to be \$3 million, potentially reduced to \$1.5 million after credits. The GTAA has calculated a levy of \$300 thousand, reduced to \$150 thousand after credits.

The GTAA does not object to the City charging a levy to cover stormwater services, it has objected to the method used to calculate the levy. The GTAA is holding funds in a proxy account until such time as this matter is resolved.

The City sued the GTAA for non-payment in February 2017. The GTAA filed a statement of defense in March 2017.

The GTAA has invested more than \$120 million in state of the art stormwater management at the airport, which helps local municipalities in managing their responsibilities in this area.

Cost to provide our own municipal services

Unlike most local businesses, the GTAA does not receive any services from the City. In 2014, it was estimated that the annual cost to the GTAA to provide its own services (e.g. fire, emergency response, garbage pickup, snow removal, etc.) typically provided by the municipality was \$70 million.

GTAA Acquisition of Lands

The GTAA has recently acquired lands adjacent to the airport. Although purchased by the GTAA, these lands were not transferred to the federal Crown, as a result, they continue to fall within the City's jurisdiction for planning purposes and taxation.