

City of Mississauga
Corporate Report



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| <p>Date: March 10, 2023</p> <p>To: Mayor and Members of Council</p> | <p>Originator's files:</p> |
| <p>From: Shari Lichterman, CPA, CMA, Acting City Manager and Chief Administrative Officer</p> | <p>Meeting date: March 22, 2023</p> |

Subject

Transfer Payment Agreement for Phase 4 Safe Restart Funding

Recommendation

That the report entitled "Transfer Payment Agreement for Phase 4 Safe Restart Funding" dated March 10, 2023, from the Acting City Manager and Chief Administrative Officer be received for information.

Executive Summary

- Through the Safe Restart Agreement (SRA), the Government of Canada and the Government of Ontario are delivering up to \$4 billion to help Ontario municipalities to relieve financial pressures created by COVID-19 and to keep transit systems running.
- Under Phase 1, Phase 2 and Phase 3 of the SRA, the City of Mississauga received \$85,237,926 in Transit Relief Stream funding.
- On December 7, 2022 the Province announced that the City of Mississauga is allocated up to \$18,236,888 through Phase 4 of the Safe Restart Agreement funding to be applied from February 1, 2022 to December 31, 2022 to address COVID-19 Transit related financial pressures.
- On February 24, 2023 the Province provided a Transfer Payment Agreement to the City of Mississauga that provides net payment of \$12,127,828 for Phase 4 based on staff submission of Transit costs and losses eligible under this program.

Background

In July 2020, the Government of Canada and the Government of Ontario entered into the Safe Restart Agreement (SRA) to safely restart the economy and make Ontario and Canada more resilient to future waves of COVID-19.

SRA Phase 4 funding builds upon approximately \$2.15 billion that was delivered to municipalities through the SRA to support Ontario municipal transit systems with COVID-19 pandemic-related financial pressures. The Transit Relief Stream now consists of four phases:

- **Phase 1:** \$700 million, including needs-based top-ups, for COVID-19 related financial impacts between April 1, 2020 and September 30, 2020;
- **Phase 2:** \$800 million for COVID-19 related financial impacts between October 1, 2020 and March 31, 2021; and
- **Phase 3:** \$650 million for COVID-19 related financial impacts and costs related to transit initiatives, including fare and service integration, on-demand micro-transit, and governance, between April 1, 2021 and December 31, 2021.
- **Phase 4:** \$505 million for COVID-19 related financial impacts between February 1, 2022 and December 31, 2022.

Comments

Under the SRA program, the City of Mississauga was allocated and received \$85,237,926 under Phases 1, 2 and 3. These contributions assisted in offsetting COVID-19 Transit related losses.

The City continued to experience COVID-19 Transit-related cost pressures and revenue shortfalls in 2022. With the assistance of Federal and Provincial Governments, the Phase 4 SRA announcement will provide the City with an expected payment of \$12,127,828 as per Transfer Payment Agreement to relieve the City of these pressures.

Financial Impact

The City will be able to offset 2022 COVID-19 Transit related pressures by \$12,127,828.

Conclusion

The City of Mississauga are appreciative of this SRA Phase 4 relief funding from both the Federal and Provincial Governments.

Funding received under the SRA will help to further address the City's Transit financial pressures related to COVID-19 and ensure that the City can continue to deliver important services to the community.



Shari Lichterman, CPA, CMA, Acting City Manager and Chief Administrative Officer

Prepared by: Luigi Vernace, Manager, Strategic Financial Initiatives