

City of Mississauga  
**Corporate Report**



<p>Date: December 13, 2023</p> <p>To: Chair and Members of General Committee</p>	<p>Originator's files:</p>
<p>From: Shari Lichterman, CPA, CMA, City Manager and Chief Administrative Officer</p>	<p>Meeting date: January 10, 2024</p>

## Subject

### 2024 Federal and Provincial Pre-Budget Submissions

## Recommendation

1. That the corporate report dated December 13, 2023 from City Manager and Chief Administrative Officer entitled "2024 Federal and Provincial Pre-Budget Submissions" be endorsed as the City of Mississauga's priority requests to the federal and provincial governments for the 2024 Federal and Provincial Pre-Budget Submissions.
2. That the completed Pre-Budget Submissions be presented to Council on January 31, 2024 for approval prior to submission.

## Executive Summary

- Mississauga has provided annual written submissions to the Provincial and Federal governments as part of their pre-budget submission process for many years.
- For 2024, it is recommended that Mississauga's Pre-Budget Submissions focus on the following: Compensation for losses due to housing legislation; a new/fair deal for Mississauga; provincial support for key financial priorities; funding for transit projects; and investments that make an impact on climate change.
- These recommendations will be included in the documents that will be submitted to the federal and provincial governments in early February 2024 as part of the pre-budget submission process
- The recommendations in the submissions will form the basis of the City's advocacy priorities for 2024, although not exclusively as priorities will be added throughout the year.
- The final federal and provincial pre-budget submissions will be presented to Council on January 31, 2024 for approval.

## Background

For many years, the City of Mississauga has submitted recommendations to both the federal and provincial governments as part of their respective pre-budget consultation process. These recommendations have become the priorities for the City's advocacy efforts for the year ahead.

The following report seeks Council approval to proceed with the recommendations as outlined and to develop complete budget submissions. See Appendix 1 for a copy of the 2023 provincial pre-budget submission, submitted on February 8, 2023 as an example of what staff propose to submit in 2024. Staff will bring the final submissions to Council on January 31, 2024 for approval. The deadline for the 2024 Provincial and Federal pre-budget submissions is anticipated to be early February 2024.

## Comments

The following are Mississauga's proposed priorities for the federal and provincial pre-budget submissions. The list prioritizes where the city needs the most support from the federal and provincial governments and aims to keep the list manageable. It also deliberately focuses on Mississauga's immediate financial needs as a corporation.

### Recommended 2024 Federal and Provincial Priorities

#### 1. **Compensate Mississauga for impacts of housing legislation**

- a. The total projected losses from Bill 23 are \$865 million over 10 years, driven in large part by decreases in cash-in-lieu of parkland and development charges. The provincial government promised it will "make municipalities whole" for these costs. However, the recently announced Building Faster Fund (BFF) and the water/waste water funds announced in 2023 are not sufficient to compensate Mississauga for its losses. Moreover, the BFF measures municipalities on housing starts, which is something beyond the control of municipalities. **(Federal/Provincial)**
- b. Amend the Planning Act requirement regarding notices in print newspapers to reflect the realities of the decline of the print news industry in Ontario. Mississauga is still expected to post print notices for statutory public meetings, which is a significant and unnecessary cost to the City. **(Provincial)**.
- c. Increased housing targets necessitate equally increased infrastructure in support. Provincial legislation, housing targets, and Ministerial Zoning Orders (MZOs) have all increased this burden and provincial supports are needed to ensure communities have the necessary infrastructure in place to build. The provincial housing target of 120,000 homes in Mississauga over ten years also puts an undue strain on city resources to build the same amount of homes in 10 years

that would have been built in 30 years. The city requires provincial and federal funding to meet these infrastructure requirements. **(Federal/Provincial)**.

## 2. A New/Fair Deal for Municipalities

- a. Work with municipalities to develop a new funding model that is predictable, sustainable, and takes into account all pressures municipalities face. Municipalities like Mississauga own over 60 per cent of all infrastructure, but receive only nine cents of every tax dollar collected. Mississauga is thankful for funds like the Investing in Canada Infrastructure Program and the Public Transit Investment Fund, but both have been exhausted.

The Building Canada Fund (formerly known as the 'gas tax') is a good model, as funds flow directly to municipalities to be allocated to local priorities. Cities need predictable, long-term funding to meet the growing demands of not only building new infrastructure and investing in transit, but also to maintain existing stock. The federal and provincial governments need to work with municipalities to develop long-term, consistent infrastructure and transit funding. **(Federal/Provincial)**.

- b. The City of Toronto was recently awarded a "new deal" by the provincial government, which included, among other actions, the uploading of the maintenance costs of two highways and the operating costs of the Eglinton Crosstown and Finch LRTs. Mississauga faces many of the same pressures as the City of Toronto. Therefore, Mississauga is seeking the same support from the provincial government, in particular for the operating costs of the Hurontario LRT, which will be a significant cost for the City. The federal and provincial governments should both be part of a new funding model for Mississauga. **(Federal/Provincial)**

## 3. Provincial Support for Key Financial Priorities

- a. Need for more Justices of the Peace: The Mississauga Provincial Offences Act (POA) Court still faces a backlog of 140,000 cases. In 2022, the courts were closed for 85 days. Without greater judicial resources we face significant losses and will not be able to ensure timely and effective justice in Mississauga. It is also a significant financial gap for us to fill as revenues have fallen from \$11 million in 2019, to just \$6 million in 2022. A request for more judicial resources has been raised to the provincial government over the last three years, but action has not yet been taken. **(Provincial)**
- b. Mississauga is grateful to the provincial government for lifting the 5 per cent cap on the Greater Toronto Airports Authority (GTAA) payment in lieu of taxes (PILT). As the City and GTAA are still recovering from the pandemic, it is important that this cap not be reinstated. Moreover, Mississauga requests that before any

decisions are made about the PILT cap, that the city be consulted about the formula. **(Provincial)**

#### 4. Provide Funding for Key Mississauga Transit Projects

- a. Mississauga is underserved by rapid transit compared to other GTA municipalities. Key transit projects are needed to support sustainable communities with the housing targets we have been given by the province. Our transit priorities include:

1. The Downtown Hurontario LRT Loop
2. All-Day Two-Way GO Service on the Milton Line
3. Eglinton Crosstown West Extension Light Rail Transit to the Airport
4. Downtown Mississauga Terminal and Transitway Connection
5. Dundas Bus Rapid Transit Corridor – Mississauga West

These priority transit projects are essential to manage our growth, reach our housing target of 120,000 homes over 10 years, reduce congestion and gridlock on our roads, and reach our climate change targets. Mississauga asks that the federal and provincial governments come to the table to fund these important projects. **(Federal/Provincial)**

#### 5. Investments that Make an Impact on Climate Change

- a. Along with investments in rapid transit, federal and provincial government support is needed to realize the City's climate change goals. Mississauga requests support for:

1. New Bus Storage Facility, capable of accommodating green bus fleets
2. Continued support to purchase electric vs diesel buses
3. Low carbon fueling infrastructure (EV Charger or Hydrogen Refuelling)
4. Creation of Hydrogen Innovation Fund for transportation
5. Low carbon district energy strategy and supports and low carbon/renewable energy incentives

To reach our climate change goals, Mississauga requires the support and investment of the federal and provincial governments. **(Federal/Provincial)**

## Financial Impact

There is no financial impact associated with the production of these submissions.

## Conclusion

Through the federal and provincial pre-budget process, the City of Mississauga has an opportunity to showcase the City's top priorities for 2024. All of the recommendations outlined in

this report are of importance to the City and would have a positive impact on funding vital infrastructure, supporting a climate change and helping Mississauga grow.

## **Attachments**

Appendix 1: 2023 Provincial Pre-Budget Submission



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

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