

2024

**PROVINCIAL
PRE-BUDGET
SUBMISSION**



MISSISSAUGA



EXECUTIVE SUMMARY

The role of local government is critical in both the daily life of residents and to the long-term success of the communities in which they live. The federal and provincial governments have been strong partners for municipalities to deliver important transit, infrastructure, economic and housing supports. Municipalities are partners that deliver critical services and build communities.

Mississauga is a world-class city that has consistently delivered a high quality of life for residents. In fact, in the 2023 Citizen Satisfaction Survey, 79% of residents rated the quality of life in Mississauga to be good or excellent and 74% are satisfied with the services provided by the City. Mississauga is an economic engine for Ontario and Canada, home to the province's second largest economy. The city is seen as a safe place to invest due to our reputation as responsible stewards of the City finances and tax payer dollars, including being awarded a Triple A credit rating for 19 straight years.

Moving forward we need a fair, new deal from the federal and provincial governments that provides sufficient and sustainable funding to empower us to build a modern, 21st century city. Using 19th century tools to build a 21st century city does not work. The responsibilities of cities continues to grow and the property tax is no longer sufficient. Support and collaboration with our provincial and federal government partners is essential to realizing this and delivering the services, infrastructure and amenities that make our community a great place to live.

Mississauga has thrived for its first 50 years. Together, we can build a strong Mississauga for the future, ready to take on the challenges of the next 50 years and beyond. All politics is local and cities are on the front lines of climate change, public health, infrastructure, housing affordability, immigration, and so much more. It is time for a national conversation about the role cities play in building our provinces and our country, and it is equally important that action be taken to ensure municipalities like Mississauga have the tools and resources they need to meet the challenges of the 21st century.

OUR REQUESTS

Compensate
Mississauga
for the impacts
of housing

A new/fair deal
for municipalities

Provincial
support for
key financial
priorities

Provide funding
for key
Mississauga
Transit projects

Investments
that make an
impact on
climate change

Support for
Mississauga
Tourism

COMPENSATE

MISSISSAUGA FOR THE IMPACTS

OF HOUSING LEGISLATION



Compensate Mississauga for the Impacts of Housing Legislation

In November 2023, the Ontario government passed Bill 23, *More Homes Built Faster Act*. This legislation made sweeping changes to how development and growth is funded in Ontario, including the reduction of two important revenue sources for cities: development charges on “affordable” rental units and “attainable” housing, and cash-in-lieu of parkland. These charges build the pipes in the ground, the roads we drive on, the community amenities people enjoy, and the parks where people access nature – the things that make a community desirable to live and support the building of new units. These are an essential part of new development.

Without these fees collected on development, property tax payers will have to make up the difference. The property tax is not designed to do this. The losses from Bill 23 to the City of Mississauga over the next 10 years are projected at \$865 million. This is not fair or sustainable.

The provincial government promised it would “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. Across Ontario, municipal losses have been estimated at \$5 billion. Moreover, the BFF measures municipalities on housing starts, which is something beyond the control of municipalities.

Request: Work with Mississauga and other municipalities to understand the full cost of the Bill 23 changes and fully compensate cities for the financial losses incurred.



Infrastructure Funding for Housing

Mississauga supports building housing and reaching the province's housing targets. Mississauga has a housing plan called "Growing Mississauga." However, hitting these targets requires increased infrastructure in support. Provincial legislation, housing targets, and Ministerial Zoning Orders (MZO) have all increased and expedited the infrastructure burden for municipalities. Provincial and federal supports are needed to ensure communities have the necessary infrastructure in place to build the housing units required to meet demand.

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. The Lakeview MZO, for instance, will have an especially significant impact as it will double the density on the site and see us welcome 40,000 new residents to our waterfront. This is the equivalent of a municipality the size of Woodstock being transported to the City of Mississauga. It will require us to completely rework our road infrastructure and

transit plans for Lakeshore road, which are insufficient at this time to support this growth.

Property taxes do not provide enough revenue to maintain our current infrastructure and to provide the necessary infrastructure to enable the development necessary to support new housing and build complete communities - parks and open space, trail connections, recreation, library and cultural amenities. We need provincial and federal funding to meet these increased requirements. Without additional funding, the cost will have to be passed on to taxpayers or service levels/ infrastructure programs would have to be reduced, potentially delaying housing starts.

Request: Increase funding for housing infrastructure needed to meet the province's housing targets, and measure municipalities on units approved, not housing starts.



Update Planning Act Printed Notice Requirements

The current statutory requirement in the Planning Act is to give notice in a print newspaper for various planning matters such as official plan amendments, zoning by-law amendments, draft plan of subdivision, and minor variance. With the ceasing of print editions of Metroland's community newspapers and flyers, the last remaining printed publication in the City of Mississauga that meets the notice requirements set out in the Act is no longer available. The City no longer has a reasonable option to meet the notice requirements but is still expected to post print notices for these statutory public meetings, which is a significant cost.

Request: Amend the Planning Act requirement regarding notices in print newspapers to reflect the realities of the decline of the print news industry in Ontario.



A NEW/FAIR DEAL FOR MUNICIPALITIES



A New/Fair Deal for Municipalities

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 ten cents of every tax dollar collected. Mississauga is thankful for funds like the Building Canada Fund and the Rapid Housing Initiative, but both have been exhausted. Cities need predictable, long-term funding to meet the growing demands of not only building new infrastructure and transit, but also maintaining existing stock. The federal and provincial governments need to work with municipalities to develop these funds.

There is only one taxpayer, but the money collected by all three levels of government can be better allocated and spent.

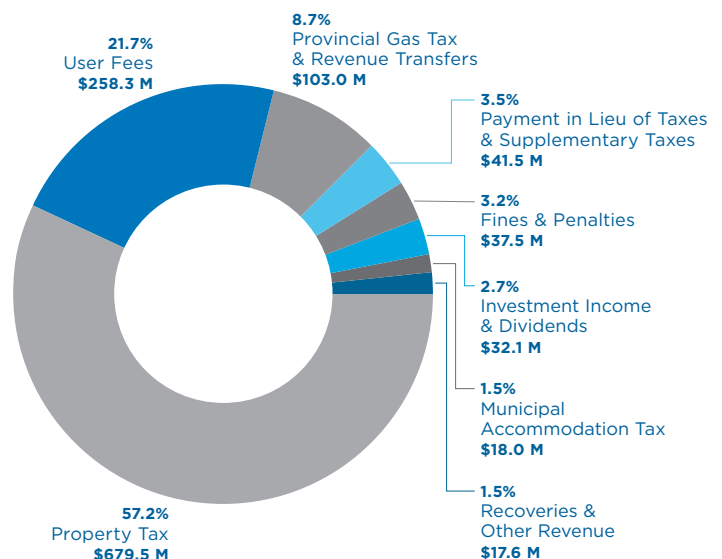
The City of Toronto was recently awarded a “new deal” by the provincial government, which included, among other actions, the uploading of the maintenance costs of two highways and the operating costs of the Eglinton Crosstown and Finch LRTs. Mississauga is seeking the same support from the provincial government for the operation of the Hurontario LRT, a significant operating cost for the City.

The Association of Municipalities of Ontario (AMO) has calculated that even after provincial transfers to cities for infrastructure and transit, municipalities, including Mississauga, are still subsidizing the province \$4 billion annually. In other words, due to provincial downloading of services and other costs, municipalities are covering \$4 billion of provincial responsibilities. Cities are doing this on the property tax and user fees, the only two tools at our disposal.

With the cuts to development charges and cash-in-lieu of parkland in Bill 23, the situation has become much worse.

The math does not add up for cities.

2024 Budgeted Revenue by Category (\$1.19 Billion)



Request: A new funding formula that fairly supports the building of twenty-first century cities.

Request: Upload to the province the costs of operating the Hazel McCallion Hurontario LRT.

PROVINCIAL SUPPORT FOR KEY FINANCIAL PRIORITIES



Need for Justices of the Peace

The Mississauga Provincial Offences Act (POA) Court still faces a backlog of 117,000 cases. Prior to 2020 the Mississauga POA court was resourced with 5 Justices of the Peace running 4 courtrooms with a Justice of the Peace schedule to do the intake matters. Since the pandemic and returning back to normal we are resourced with 3 Justices of the Peace. The total number of charges that were

withdrawn in 2023 was 22,082 with a revenue loss of \$3.5 million. Without greater judicial resources we face significant losses and will not be able to ensure timely and effective justice in Mississauga. It's also a significant revenue gap for us to fill. 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.

Request: Expedite the hiring of Justices of the Peace to support Mississauga's POA Court.



Maintain the Suspension of the 5% GTAA PILT Cap

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) in 2020. As the City and GTAA are still recovering from the pandemic, it's 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.

The previous 5% cap was arbitrary and resulted in significant losses for the City of Mississauga. The GTAA does not pay taxes, but rather a payment in lieu of (instead of) taxes, based on the number of passengers that use the airport. The previous formula was calculated in 2001 and never updated. Pre-pandemic, Toronto Pearson consistently grew passenger volumes above 5%, meaning Mississauga lost revenue needed to fund the infrastructure to support the airport.

Request: Before the government makes any decisions on the GTAA PILT formula, that they consult with the City of Mississauga to create a fair and equitable agreement that treats Mississauga's resident and business taxpayers with respect.



PROVIDE FUNDING FOR KEY MISSISSAUGA TRANSIT PROJECTS

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:

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



The Downtown Hurontario LRT Loop

We want to thank the provincial government for the recent news directing Metrolinx to bring forward a plan to build the downtown Mississauga Loop. The Loop is a key transit project that will connect over 72,000 residents to the high order transit network of the City of Mississauga by the year 2051. Without it the highest growth area of the City is cut off from the Hurontario LRT. For Mississauga to fully realize becoming a transit oriented city, The Loop is critical.

Currently, thousands of jobs, businesses and housing units are located along the Hurontario corridor and Canada's largest development by Oxford Properties will be built in Mississauga's downtown Square One district.

Moving forward with the HuLRT project inclusive of the downtown loop represents major steps towards transformational transit improvements that our residents and businesses within the downtown and along the Hurontario corridor are depending on.

The loop is critical to supporting the growth of the City's downtown core which will grow by 50,000 people in the years to come. The Loop will allow people to live without a car and help the City achieve its vision of a liveable, walkable downtown core.

Mississauga is thankful about reports that the Downtown Loop will be reinstated and hope this work can be completed soon.

Request: Move forward to expedite the reintroduction of a fully funded Downtown Loop to connect downtown Mississauga to the Hazel McCallion LRT, helping Mississauga to be a truly transit oriented city and reach the province's housing targets.

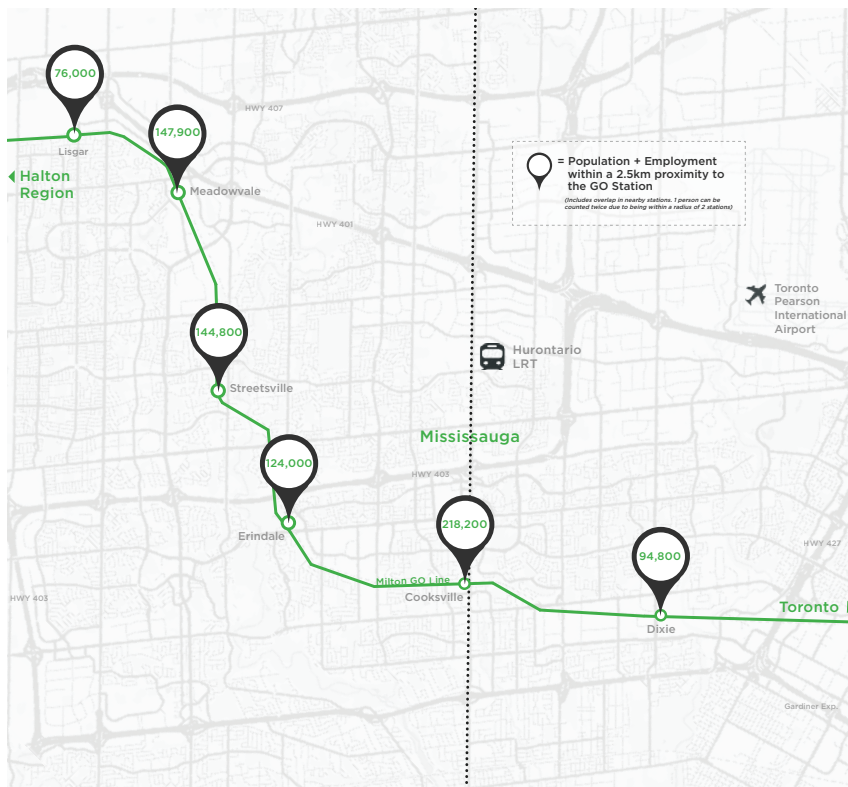


All-Day Two-Way GO Service on the Milton Line

The Milton GO Rail corridor is a key local and regional rapid transit corridor that, with increased two-way all-day service, will help respond to the growing traffic congestion, meet the demand for inter-regional transit service and support economic development. Mississauga is a net importer of jobs, but right now the trains on the Milton Line run the wrong way - west to east in the morning, and east to west at night. The introduction of two-way all-day service will also allow for improved transit travel within Mississauga given the six GO Rail stations located in the City. The City was advised discussions

on increased passenger service were occurring with Canadian Pacific Railway (CP) who own the rail corridor and use it for freight purposes. In addition, in 2021, the federal government announced \$500M in support for increased service on the Milton Line.

These are positive steps towards realizing increased service on this critical rail line, both for Mississauga and the GTHA. The City encourages the Government of Ontario to continue these discussions and develop a plan for implementing increased passenger service on the Milton GO line as soon as possible.



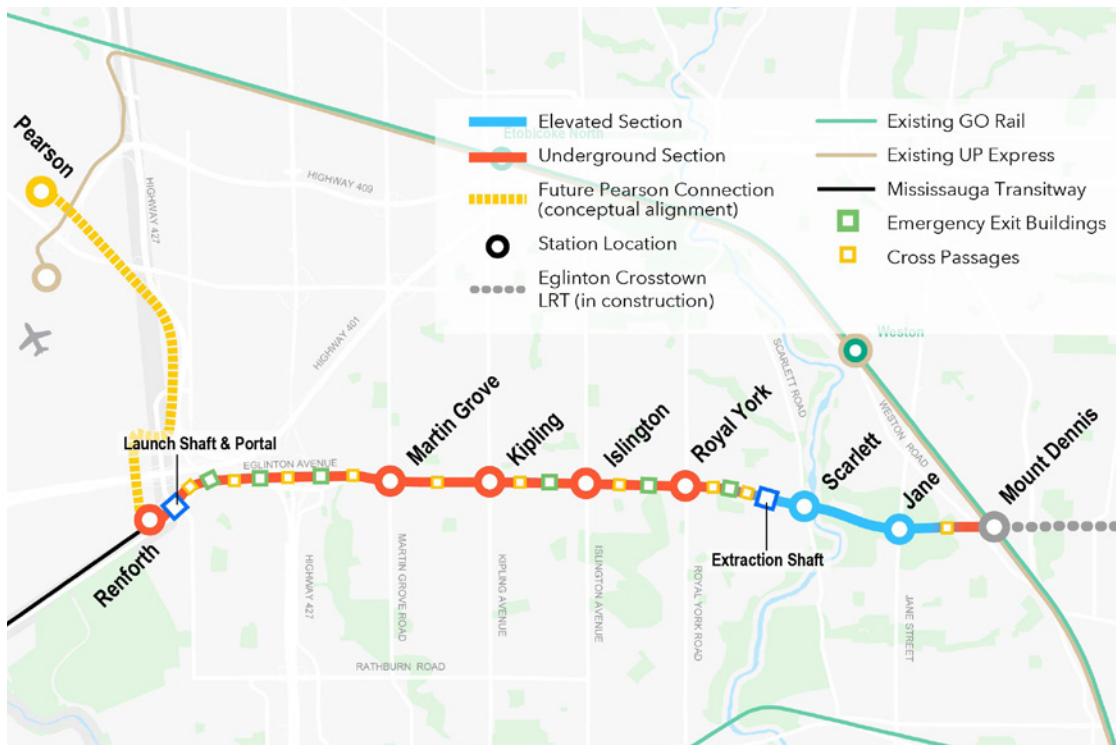
Request: The provincial government match the funding of the federal government and bring all-day two-way service to the Milton GO line.

Eglinton Crosstown West Extension Light Rail Transit to the Airport

The Eglinton Crosstown West Extension (ECWE) Light Rail Transit (LRT) will extend from the Mount Dennis station in Toronto to the Renforth Station in Mississauga. Mississauga is a net importer of jobs and this key connection to the Mississauga Transitway will provide higher order transit options for Toronto residents working in Mississauga. This segment is currently under construction. The Eglinton West LRT is also proposed to extend to the Regional Passenger and Transit Centre (RPTC) at Pearson Airport.

This connection would run through the Airport Corporate Centre and provide access to the Airport Megazone employment area, Canada’s second largest employment zone outside of Downtown Toronto. The City supports the addition of an LRT station in the Airport Corporate Centre to provide a direct transit link to jobs in this area.

Request: That the government fund the detailed design for the Pearson Airport connection to facilitate planning, design and construction efficiencies with the current ECWE LRT project.



All alignments and stations are conceptual and subject to change.
Image Credit: Metrolinx

Downtown Mobility Hub and Transitway Connection

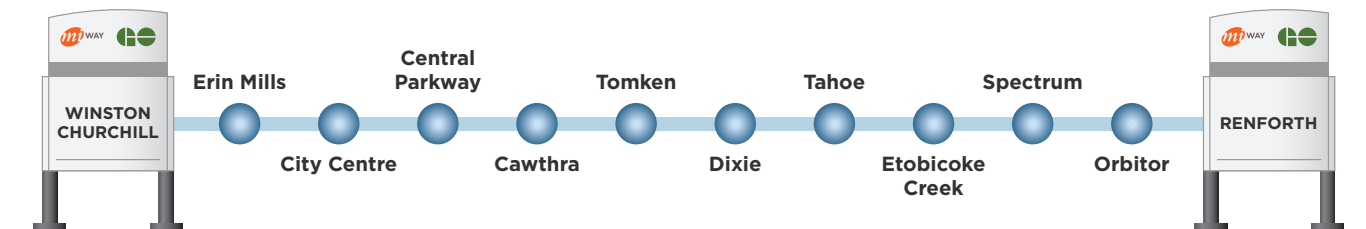
Mississauga’s 18 km, 12-station Transitway has made it faster and easier for commuters to travel to, from and through Mississauga and across the region. While the west and east portions of the transitway have access to dedicated lanes, the downtown portion experiences delays because it relies on accessing 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.

This new terminal will support the Hazel McCallion Line, future growth in Downtown Mississauga and the urban context that is expected to be achieved in a city the size of Mississauga.

An Initial Business Case, jointly led by the City and Metrolinx, was developed by 2020. The next phase of study is the preparation of a Transit Project Assessment Process. Once completed, this would lay out the plan to implement the continued development of Mississauga’s downtown as well as transit connections to the western GTHA and Toronto Pearson International Airport.

Request: The government fund the implementation of Downtown Mobility Hub and Transitway Connection.

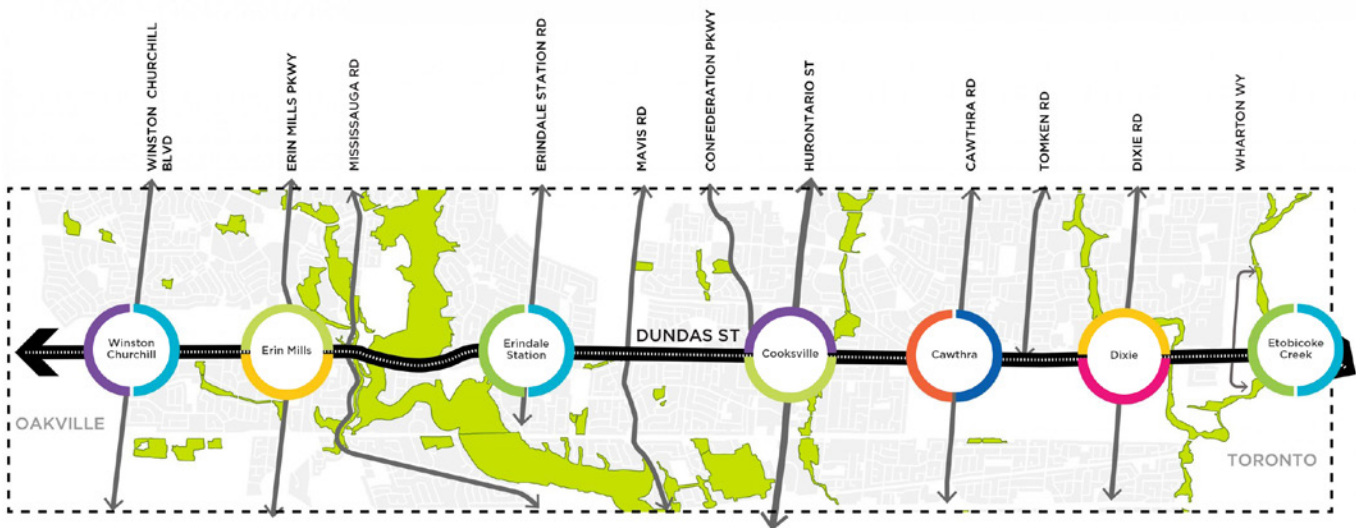


Dundas Bus Rapid Transit Corridor – Mississauga West

The City’s Dundas Connects project produced a Master Plan for the Dundas Corridor, which makes recommendations on land-use intensification and rapid transit for Dundas Street. Specifically, the Master Plan recommends a Bus Rapid Transit facility for the entire length of Dundas Street. This supports major improvements to transportation, land use and the public realm along the Dundas Street Corridor.

The next steps in advancing this transit initiative are the completion of a Transit Project Assessment Process leading to detailed design and construction. Federal and provincial funding for this work, such as through ICIP - for which the City has applied, would ensure that rapid transit would be available to support the growth and redevelopment along Dundas.

Request: The provincial government fund the Transit Project Assessment Process to plan for the next phase of the project westward.



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.

INVESTMENTS THAT MAKE AN IMPACT ON CLIMATE CHANGE

Along with investments in rapid transit, federal and provincial government support is needed to realize our climate change goals. We request support in particular for:

- New Zero Emission Bus Storage and Maintenance Facility
- Continued Support to Purchase Zero-Emission vs Diesel Buses
- Low Carbon Fueling Infrastructure (EV Charger or Hydrogen Refuelling)
- Creation of Hydrogen Innovation Fund for Transportation
- Low Carbon District Energy Strategy/Supports and Low-Carbon/Renewable Energy Incentives



New Zero Emission Bus Storage and Maintenance Facility

To meet the City's Climate Change Action Plan emission reduction targets, MiWay will need to change the existing diesel and hybrid diesel-electric fleet to a fully zero-emission transit fleet (with both Battery-Electric and Hydrogen Fuel Cell technology). Given existing garage constraints and the need to maintain service levels at MiWay's two existing facilities (Central Parkway and Malton), there is currently no opportunity to undertake the necessary

fleet conversion at these sites. As a result, MiWay requires a third transit garage which will be located at 7300 West Credit in the northwest end of the City. This facility has an estimated capital cost of \$500 Million. MiWay will be initiating the necessary environmental assessment and functional design studies in 2024 to have this project shovel ready for implementation pending funding availability.

Request: Support to fund the construction of a zero-emission transit garage estimated at \$500M.

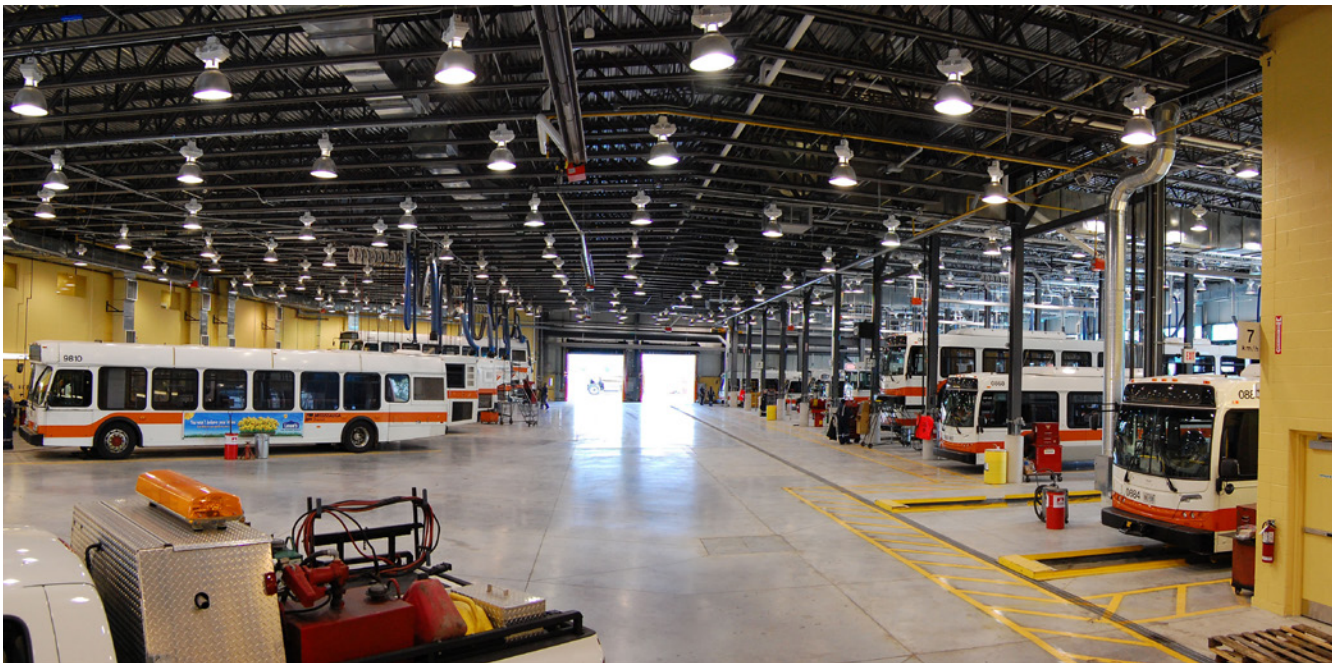


Continued Support to Purchase Zero-Emission vs Diesel Buses

Mississauga Transit ('MiWay') is committed to reducing overall GHG emissions significantly over the next decade. As of 2023, roughly 70 per cent of the City's corporate GHG emissions stem from public transit buses alone and MiWay must decrease emissions by 40 per cent by 2030 and 80 per cent by 2050 to meet the Climate Change Action Plan (CCAP) targets.

In order to do so, MiWay will no longer purchase conventional diesel buses, and will be required to purchase zero-emission buses over the next decade. The price premium to transition to a zero-emission fleet is significant due to the higher cost of buses and associated charging infrastructure. Federal and provincial investments are necessary in order to transition the fleet. Environmentally-friendly, zero-emission buses have many benefits: they produce little to no greenhouse gas emissions; are simpler to maintain; easier to drive; and produce less noise pollution.

Request: Provincial and Federal support to offset the cost premium of zero-emission buses.



Low Carbon Fueling Infrastructure (EV Charger or Hydrogen Refuelling)

Wider adoption of electric vehicles, electrification in facilities, and rapid growth will continue to add further strain on today's clean electricity grid. New hydroelectric, nuclear generation facilities and innovative low-carbon fuels will decarbonize the wider economy but they often take years to develop

and are longer-term investments. Investments in renewable energy like rooftop/canopy solar photovoltaics and battery storage at facility-level are quicker to deploy, and will prepare our facilities for additional demand. It will also create installation and service jobs in the local clean generation market.

Request: Government support for ready-to-deploy fueling infrastructure technologies.



Creation of Hydrogen Innovation Fund for Transportation

The government has invested in several key projects through the Hydrogen Innovation Fund to introduce hydrogen as a source of power into the provincial electricity grid. Like many municipalities, transit is Mississauga's largest source of greenhouse gas (GHG) emissions at 70 per cent. Innovative solutions

are needed to reach the climate goals in our Climate Change Action Plan. The creation of a separate fund to spur new hydrogen technology and innovation in the transit space is needed and would have a significant impact on emissions in Ontario.

Request: Create a separate fund for hydrogen technologies in transportation.



Low Carbon District Energy Strategy/Supports and Low-Carbon/Renewable Energy Incentives

The City of Mississauga is exploring the use of district energy (DE) systems to help us reach the goals in our Climate Change Action Plan. A study has been completed identifying areas that would be suitable for district energy and the downtown area ranked the highest. There are a number of benefits of district energy systems, including more efficient heating and cooling, ability to take advantage of innovative, low-carbon energy sources and technologies at scale (e.g., biomass, waste heat recovery, geoexchange), and increased reliability. Provincial support for this program would be a significant step in advancing Mississauga's emission reduction targets.

Carbon-intensive, natural gas-based equipment provide heating and hot water needs in most facilities, representing up to 90% of operational greenhouse gas emissions. Switching to low carbon technologies like heat pumps, electric boilers, and VRF systems etc. require large incremental capital costs due to a lack of market competitiveness and electrical infrastructure upgrades. Financial incentives on such technologies will not only reduce the costs to implement but signal greater adoption and confidence in the market.

Request: Fund incentives and programs for adoption of district energy and low-carbon technologies for buildings.



Image Credit: FVB Energy Inc.

SUPPORT FOR MISSISSAUGA TOURISM



Support for Mississauga Tourism

Tourism is a vital contributor to both the culture and the economic prosperity of Mississauga. The industry still faces challenges, however, with tourism spending and international visitation unlikely to return to pre-pandemic levels until 2025. As it stands, 45% of Canadian tourism businesses may close within the next three years without government intervention and 51% of businesses now have over \$100,000 in outstanding debt.

Mississauga's Municipal Accommodation Tax (MAT) has been well-received and successful in support of the tourism industry, but faces shortfalls due to the revenues of operators still sitting below pre-pandemic levels. The industry also faces staffing challenges with many businesses unable to find workers to meet their needs.

To ensure the tourism sector thrives in Mississauga, sustainable funding for the Tourism and Cultural industries is required from the federal and provincial governments. Not only will this support drive more people to experience our City but it will also help the local economy through tourism spending. Mississauga needs support to attract international

business and sporting events that contribute to both the City's, province's and Canada's economy. Incentives are also needed to encourage regional cooperation in pursuit of these larger events to increase the chance of successful bids.

Higher level government support is also needed to address the labour shortage within the industry. Programs are needed to increase career awareness and combat misconceptions about careers within the tourism industry. Immigration barriers currently make it extremely difficult to attract and retain international talent. Without policy changes the industry will continue to lag in its recovery.

Example: Illumi Mississauga

Featuring more than 20 million LED lights, Illumi Mississauga welcomes people of all ages to embark on an adventure through a 600,000-square-foot site (complete with) thousands of light structures throughout the nocturnal journey. The festival has attracted 400,000 visitors during its stay so far in Mississauga. Provincial support is needed to ensure the continued success of attractions such as Illumi to our city.

Request: Funding to support the tourism industry's continued recovery and policies and programs to address the ongoing labour shortage.



Illumi Mississauga. Image Credit: Tourism Mississauga

CONCLUSION

Municipalities play a vital role in the delivery of critical services that residents rely on. The City of Mississauga's Council and Leadership Team continue to deliver value for money and exceptional customer service to the residents of Mississauga.

The provincial and federal government are important partners in ensuring the City meets its objectives, realizes its vision, and achieves its city-building priorities, specifically through proper funding mechanisms. As we take on services previously managed by the Region of Peel we will need to strengthen those partnerships and ensure that as Ontario's third-largest city, we remain positioned to deliver a world-class, 21st century city.

Whatever challenges we will face, we are certain we can overcome them if we work together.

For more information visit

mississauga.ca or email us
strategicinitiatives@mississauga.ca

2024

PROVINCIAL

PRE-BUDGET

SUBMISSION