

Education Session on Regional Roads

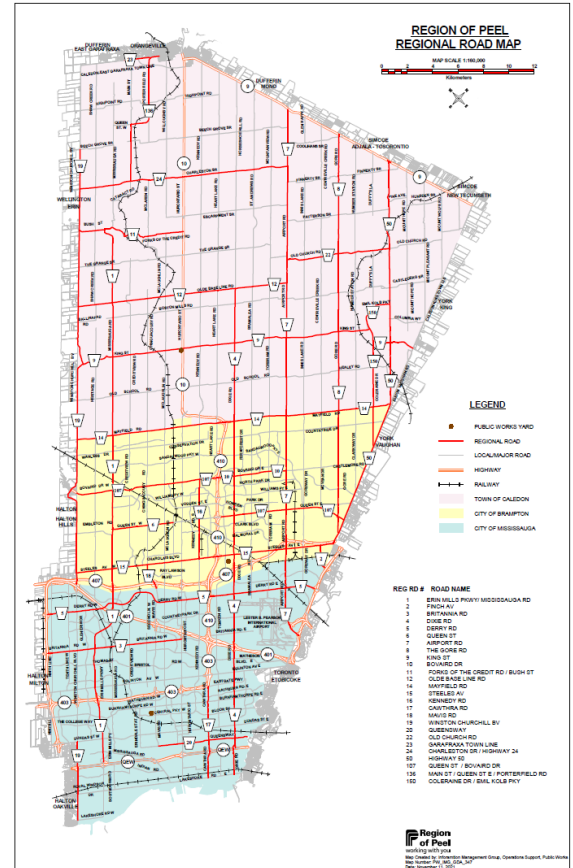
Mississauga Council

April 2, 2025



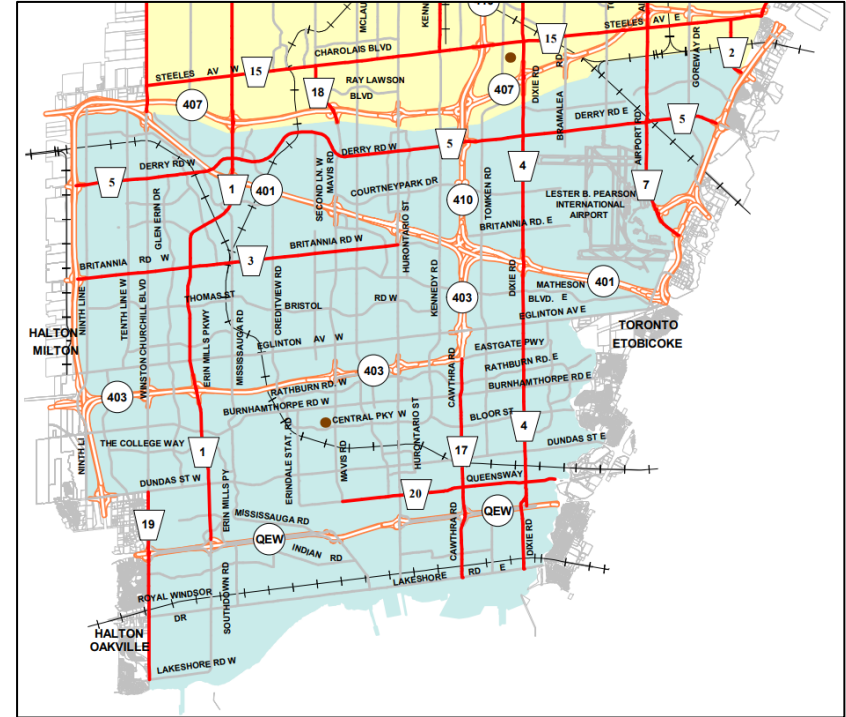
Regional Roads

- Approximately 1,700 lane-km of Regional Roads in Peel
- 30% of Regional Roads are in Caledon
- 41% of Regional Roads are in Brampton
- 29% of Regional Roads are in Mississauga



Regional Roads in Mississauga

- 1 - Erin Mills Parkway
- 2 - Finch Avenue
- 3 - Britannia Road
- 4 - Dixie Road
- 5 - Derry Road
- 7 - Airport Road
- 17 - Cawthra Road
- 19 - Winston Churchill Blvd
- 20 - Queensway



Regional Roads Lane Kilometer Transfer

	Current Lane-km maintained by municipality	Regional Lane-km to be transferred	% Regional Lane-km to be transferred	Increase in Lane-kms from current Lane-kms
Caledon	1,620	506	30.1%	31%
Brampton	3,819	692	41.1%	18%
Mississauga	5,641	485	28.8%	9%
Total	11,080	1,682	100%	

Transfer of Road Assets

- Assuming a 28.8% share, around **\$433 million in road assets** to be transferred to Mississauga.

Region of Peel	Net Book Value
Roads	\$1.34 billion
Bridges and Culverts	\$50.82 million
Other	\$111.41 million
Total	\$1.5 Billion

- Not included above: Fleet vehicles, the two work yards in Brampton and Caledon

Roads - Current Subsidy to Brampton & Caledon

A) Cost Based on Total General Levy (MPAC %)		2023 Actuals	2024 Budget	2025 Budget
Mississauga	57.8%	56,334,915	59,142,829	61,871,006
Brampton	35.4%	34,558,321	36,280,819	37,962,945
Caledon	6.8%	6,589,112	6,917,535	7,349,689
Total	100.00%	97,482,349	102,341,183	107,183,641

B) Cost Based on Actual Lane Kilometer Split %		2023 Actuals	2024 Budget	2025 Budget
Mississauga	28.8%	28,092,061	29,492,260	31,083,256
Brampton	41.1%	40,081,869	42,079,678	43,945,293
Caledon	30.1%	29,308,419	30,769,244	32,155,092
Total	100.00%	97,482,349	102,341,183	107,183,641

A minus B = (Savings) / Cost		2023 Actuals	2024 Budget	2025 Budget
Mississauga	(29.0%)	(28,242,854)	(29,650,569)	(30,787,750)
Brampton	5.7%	5,523,548	5,798,859	5,982,348
Caledon	23.3%	22,719,306	23,851,710	24,805,403

Roads – Summary Comments

- Mississauga has 29% of Regional Roads but pays 58% of the tax levy
- If lane-km is used as a measure of projected costs instead of MPAC values, savings to Mississauga is expected to be at least \$30 million
- In other words, Mississauga is paying a \$24 million subsidy to Caledon and a \$6 million subsidy to Brampton (based on 2024 budget)
- As the Region's operating cost increases each year, Mississauga's subsidy to Brampton and Caledon will likely continue to grow
- Better economies of scale for Mississauga as its road network and maintenance programs are already mature

Savings to Mississauga residents can be achieved through the downloading of Regional roads.

Factors that Impact Savings for Mississauga

- Post transition service level changes and staff complement
- If and how much the Region will reduce their roads budget, FTEs and other chargebacks
- Grant funding distribution (whether federal grants to the Region will flow to locals e.g. CCBF)
- Changes to Regional roads capital projects after transition
- One-time costs relating to transition
- Other operating impacts e.g windrow/sidewalk clearing for regional roads
- Assumption is Peel will manage existing Road-related debt. Locals will transfer DC revenues to the Region to repay their respective portions of debt

Pre vs Post Transition Cost per Lane-km

Due to the scale of Mississauga's existing road network, the post-transition incremental costs will be relatively low, in addition to anticipated operational efficiencies.

Pre-Transition	A) 2023 Actual Roads Direct costs* (Labour + operating \$)	B) Current Lane-km	Current Cost per Lane-km A / B
Region of Peel	\$29,236,641	1,682 km's	\$17,198
Mississauga	\$79,546,549	5,641 km's	\$14,101

* Preliminary estimates of annual costs based on 2023 numbers and a 10% estimated budget cost increase:

Post-Transition	C) Estimated Annual Direct Costs	D) Current Lane-km	Estimated Direct Cost per Lane-km C / D
Mississauga	\$87,291,330 (\$79,546,549 with around 10% in incremental costs)	6,126 km's (5,641 km's + 485 km's Regional roads)	\$14,249

Roads Development Charges

- A new DC Background study is necessary before the service transfer to determine the new Roads DC rates by municipality, and to determine total DC financial impact
- The DC background study (for roads only) would take around 6 months
- Capital plans may be revised by each local municipality post-transition
- The Region of Peel has planned and approved \$455 million in DC funded road capital projects and \$60 million in non-DC funded capital projects as of December 31, 2023
- The Region has a negative DC regional roads reserve balance (-\$399.6M as of Dec 2023) as revenues are typically collected from developers after commencement of the projects

Questions?

