

## Introduction

Formed in 1974, Mississauga has evolved from a series of twelve separate, hamlets, towns and villages into the sixth largest city in Canada. From a development perspective, change has come quickly. Today, Mississauga offers 704,000 residents and over 53,000 businesses a well-established infrastructure and state-of-the-art facilities. Mississauga is home to waterfront parks located on the north shore of Lake Ontario, the highest concentration of highways in the country and Pearson International Airport. With all these amenities Mississauga has become a significant urban and transportation hub for the Greater Toronto Area (GTA). Rapid change has demanded that Mississauga continually balance the needs of existing residents with the service requirements of growing neighbourhoods and employment areas. As Mississauga evolves, intensification in the form of infill, redevelopment and development of brownfield sites is occurring, requiring the city to address the protection of well established stable neighbourhoods, traffic congestion and an aging infrastructure. This Budget sets the groundwork to start addressing these concerns but Mississauga can not do it alone – assistance from senior levels of government is vital.



Mississauga is greatly affected by events at the provincial and federal levels of government. As of late, the changes evolving from actions in the Provincial and Federal political arenas such as the October 10, 2007 provincial election and the minority government at the federal level provide a constantly changing and dynamic climate in which municipalities must operate. In the most recent economic statement, the Federal Government announced a 1% reduction in the Goods and Service Tax (GST) as well as reductions to personal and business income taxes. With federal surpluses estimated at \$65 billion for the period of 2006 to 2013, the Federal Government made a decision to reduce taxes rather than assist Canada's municipalities with their infrastructure deficits estimated by Federation of Canada Municipalities (FCM) to be between \$60 and \$100 billion dollars. This situation is unacceptable.

When looking at the responsibility for infrastructure maintenance, local area governments own 58% of the infrastructure across Canada. Aging and declining infrastructure, coupled with a heavy reliance on the property tax base to fund health and social services, have combined to result in annual property tax increases across Ontario between 5 to 10 per cent over the last several years – an increase well in excess of normal inflationary pressures.

The 2008 Budget lays the groundwork for dealing with several issues facing Mississauga. Gridlock has become a critical issue in Mississauga. Ongoing development within Mississauga and surrounding municipalities has caused severe traffic



congestion. Transportation concerns are compounded with intensification along already busy corridors. And lastly, Mississauga is dealing with increased competition for qualified staff and contractors in a healthy economic market. As the demand for service providers has outstripped supply, prices are continuing to escalate putting pressures on city budgets that are threatening the affordability of existing service levels.

Mississauga has the reputation for being a leader in municipal government and as such, is taking a leadership role in tackling these issues in spite of the political environment being in a constant state of flux. Mississauga has focused its strategic priorities into four different areas:

- Building a City for the 21<sup>st</sup> Century;
- Building a sustainable business plan;
- Focusing on leadership; and
- Continuing to be an employer of choice.

Mississauga has built a base of high quality services and infrastructure since its inception over 30 years ago. Focus in each area of strategic priority, is on actions which will successfully transition the City into the 21<sup>st</sup> century. Through strong leadership Mississauga is embarking on a plan which will expand access to reliable and convenient transit service, strengthen our neighbourhoods and create a vibrant downtown core. These initiatives must be financed in a way that demonstrates continuation of prudent fiscal management for which Mississauga has become so well known. They also must build a workforce of skilled and forward thinking leaders to ensure that these initiatives are completed in a timely, effective and efficient manner. These priorities form a foundation on which Mississauga will move forward as it faces the future challenges confronting all municipalities.

Infrastructure needs continue to mount and capital budget requirements indicate that funding gap requirements of approximately \$1.5 billion will be required for projects over the next 20 years. Funding shortfalls, identified within the first 10 year period of the capital budget plan are in excess of \$250 million because of the lack of available financial resources.

In response to recent Federal tax cuts, which ignored the need for infrastructure funding, Mississauga launched a Cities NOW! campaign with a goal of bringing the Federal government to the table with more permanent infrastructure funding.

Mississauga's Council is considering levying a special 5% capital infrastructure levy in 2008 to provide some of the funding needed for the replacement or remediation of capital

assets such as roads, bridges and major building components. This 5% additional funding equates to \$12.75 million per year in capital funding or \$127 million over the 10 years. If the additional infrastructure levy is approved by Council, Mississauga's infrastructure deficit for the next ten years will only be reduced by 50% - many capital needs will not be completed. On average, an additional \$75 million per year is needed to address the capital needs over the next 20 years, which speaks to the need for the greater Federal and Provincial funding for cities.

In keeping with the strategic priorities, Mississauga has placed emphasis on alleviating some of the transportation related concerns through increased investment in transit. Most of these capital improvements will take many years to build. These projects would not be possible without funding from senior levels of government through the gas tax or other project specific funding programs. A summary of transit related capital initiatives is as follows:

- Over the next two years, the Central Parkway Transit facility will be renovated and expanded to accommodate storage of an additional 120 buses, as well as the necessary maintenance and operational areas for service expansion at a total capital cost of \$77 million;
- Mississauga will be constructing, in conjunction with GO Transit and the provincial and federal levels of government, a \$259 million Bus Rapid Transit (BRT) corridor along Highway 403 and Eglinton Avenue. The project includes the land acquisition, design and construction of the transitway as well as the purchase of 15 – 60 foot buses. This project will provide a link

from the Mississauga/Oakville border to Renforth Drive in Toronto;

- As the fleet continues to grow, another Transit bus storage and maintenance facility is anticipated to be constructed in 2011. Likely to be located in the northwest area of the city, the budget of \$53 million includes land acquisition, design and construction;
- Mississauga needs to invest in transit infrastructure on its busiest route - the Hurontario Corridor. Mississauga will be investing a total of over \$80 million over the next ten years for transit priority measures and upgraded passenger facilities along this corridor as well as completing a feasibility study for light rail; and
- Bus growth includes 15 additional buses per year. Starting in 2010, the bus plan also assumes that 25% of the replacement buses will be hybrid. The combined cost for growth and replacement buses is \$107 million over the ten years.



In addition to projects initiated by Mississauga, the province has announced a \$17.5 billion rapid transit action plan called Move Ontario. Projects being considered in Mississauga are:

- Light rail transit along Hurontario between Queen Street in Brampton to Lakeshore Road in Mississauga;
- Light rail transit along Dundas Street from Kipling Station to Hurontario Street;
- Expansion of the Lakeshore west GO Transit rail line by adding a third track between Oakville and Port Credit; and
- Capacity expansion of the Milton GO railway line.

These projects will be funded 65% from the Province with the remaining 35% targeted to come from the Federal Government.

Mississauga's landscape is changing. Mississauga's suburban greenfield development is virtually complete and more high density development and intensification through infill opportunities will be the focus. Over the next ten years, the City will spend \$750 million on growth related projects as a result of continued development. While Mississauga's 2008 to 2017 capital forecast accommodates remaining growth, the City is struggling to ensure that its long term capital maintenance and replacement priorities are adequately addressed. The increase in capital funding requirements in the latter years of the ten year forecast are a reflection of a mature urban centre with aging infrastructure.



In addition to the transit projects already mentioned, highlights of the ten year capital plan and forecast are as follows:

- \$386.2 million for major road and related works as well as road rehabilitation;
- \$56.4 million to renovate various community centres and library branches;
- \$77.1 million for storm drainage works;
- \$44.8 million for parkland acquisitions;
- \$39.1 million to accommodate additional office space;
- \$30.2 million for the construction of the Fire Training and Mechanical Centre;
- \$22.4 million for parkland redevelopment and the construction of bicycle/pedestrian trails; and
- \$10.8 million to construct a soccer facility in the west end of the city.