

**Ministry of Infrastructure**

Office of the Minister

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**MAR 03 2020**

Mr. Nando Iannicca  
Regional Chair and CEO  
Regional Municipality of Peel  
Nando.iannicca@peelregion.ca

Dear Mr. *Nando* Iannicca:

Thank you for your email regarding the program development of the Investing in Canada Infrastructure Program (ICIP). Additionally, I would like to thank you for attending the 2020 Ontario Good Roads Association Annual Conference in Toronto recently.

As we discussed, the Ontario government has launched the initial intake for the Green stream under the ICIP. This intake will provide up to \$200 million in combined federal and provincial funding and will focus on projects that rehabilitate or replace water, wastewater or stormwater infrastructure assets to improve critical health and safety issues in small communities.

To target funding where it is needed the most, municipalities and First Nations communities with populations under 100,000 along with Local Services Boards, Conservation Authorities and other not-for-profit entities who own eligible infrastructure assets were eligible to apply for project funding up to a maximum of \$3 million in total eligible costs.

The first intake of the Green stream closed on January 22, 2020 and focused on critical health and safety issues with water, wastewater, and stormwater infrastructure. Ministry staff will be working across government to ensure a timely assessment of applications.

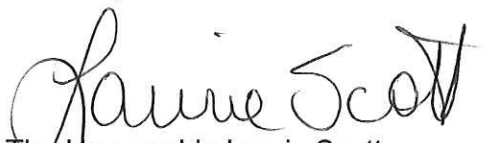
A future intake of the Green stream could focus on other emerging priorities for water, wastewater and stormwater projects and/or climate change and disaster mitigation. Subject to program design, it may be open to municipalities with populations over 100,000. For more information about the Green stream, please contact [ICIPGreen@ontario.ca](mailto:ICIPGreen@ontario.ca).

I appreciate your reaching out to me on this issue, as it is important to develop projects that support small communities and help to build critical water, wastewater and stormwater infrastructure in order to drive economic growth.

REFERRAL TO \_\_\_\_\_  
RECOMMENDED \_\_\_\_\_  
DIRECTION REQUIRED \_\_\_\_\_  
RECEIPT RECOMMENDED ☒ \_\_\_\_\_

Thank you again for writing and please accept my best wishes.

Sincerely,

A handwritten signature in black ink that reads "Laurie Scott". The signature is fluid and cursive, with the first name "Laurie" written in a larger, more prominent script than the last name "Scott".

The Honourable Laurie Scott  
Minister of Infrastructure

PAUL D. W. 11/10

**Nando Iannicca**  
Regional Chair & CEO

10 Peel Centre Dr.  
Suite A, 5th Floor  
Brampton, ON L6T 4B9  
905-791-7800 ext. 4310

January 14, 2020

The Honourable Laurie Scott  
Minister of Infrastructure  
Hearst Block, 8th Floor  
900 Bay Street  
Toronto, ON M7A 2E1

Dear Minister Scott:

On behalf of the Region of Peel, I am following up on the letter sent to you in August, 2019 regarding how the Region can work together with you to ensure infrastructure needs are met across Ontario. Specifically, we have identified opportunities to improve the design of infrastructure funding programs leading up to the release of the Phase II funding under the Green Infrastructure Stream as part of the Investing in Canada Infrastructure Plan (ICIP).

The Region would first like to acknowledge the steps the Province has already taken to address our concerns with ICIP. These include:

- making the Public Transit stream funding intake predictable and allocation-based;
- extending the Phase II project implementation periods;
- dropping the language of 'incrementality' from phase II program guidelines and adding a requirement that projects be informed by an applicant's asset management plan; and
- including both mitigation and climate change resiliency considerations in the made-in-Ontario Environment Plan, which was recommended by the Region's submission to the Province on the Plan.

While these measures are positive steps forward, the Region would like to identify further opportunities to improve the design of infrastructure funding programs. The Region recommends the following:

**1. Funding application assessments should be transparent**

Transparency around project funding criteria allows the Region to begin the process of identifying and planning for these potential projects early, managing challenges, such as elevated per unit costs and the availability of contractors that directly impact the cost of projects, and achieving a more seamless integration with long-term plans.

The Region seeks transparency regarding how submitted projects are assessed by the Province before being forwarded to the federal government for their consideration.

**Nando Iannicca**  
Regional Chair & CEO

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## **2. Funding should be predictable and allocation-based**

The Region appreciates that the Phase II Public Transit stream is already allocation-based and requests that future funding streams adopt this model. There are issues and challenges involved in application-based funding, including:

- the competitive nature of the process, which suggests that similar projects in different municipalities are more or less worthy of funding;
- the burden on municipal staff to assemble applications, which places daily work on hold;
- the long review process, which includes significant back and forth between the different orders of government; and
- the questionable basis of how funds are allocated, given needs, for example in social housing and transit, that are heavily concentrated in particular cities.

An allocation-based approach to funding is strongly favoured, as it is more predictable. Under this model, funding can be invested in priority projects that are consistent with each municipality's asset management plan, and the price spikes and contractor shortages associated with the application-based funding can be avoided.

## **3. There should be alignment between federal and provincial climate Lens criteria;**

The Region urges the Province to ensure that its climate change considerations meet the climate change criteria set out by the federal government to ensure the transfer of the much-needed funding for municipal infrastructure. Forfeiting these infrastructure dollars would place the Region of Peel at risk of not being able to build and maintain key infrastructure that is vital to meeting the needs of the growing community.

At this stage, further information about the criteria attached to second stream, Phase II Green Infrastructure funding is requested.

The Region appreciates your willingness to work with stakeholders to find ways to improve the design of infrastructure funding programs. The Region looks forward to working with you on future projects and collectively addressing the challenges we face in advancing critical infrastructure needed in our communities.

We are always eager to engage our provincial partners in discussions about how to provide the best value for taxpayers' dollars in the Region of Peel and across Ontario. I would be pleased to discuss these recommendations with you and your staff further at your convenience. Please feel free to contact me at 905-791-7800 x4310. It would be a pleasure to hear from you.

Kindest personal regards,



**Nando Iannicca**  
Regional Chair & CEO

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Regional Chair & Chief Executive Officer  
Region of Peel

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