

Nando Iannicca
Regional Chair & CEO

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905-791-7800 ext. 4310

September 3, 2020

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

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September 3, 2020

REGION OF PEEL
OFFICE OF THE REGIONAL CLERK

Dear Minister Scott:

On behalf of Region of Peel Council, thank you for meeting with our delegation at the recent 2020 AMO Conference. We appreciated the discussion about the need to work together across all levels of government to build critical infrastructure that contributes to safe, effective and resilient communities and stimulates economic recovery.

As mentioned in the meeting, the Region and the Province have a successful track record on constructing several infrastructure projects together that have had significant social, economic and environmental benefits to Peel's residents and businesses. This includes the development of affordable housing at the Brampton Bramalea Christian Fellowship (BBCF) Residences and partnering on the QEW/Credit River Improvement Project in Mississauga. We are confident we can continue building on this success as Ontario begins to rebuild.

Investing in infrastructure is good for the economy and is critical to our economic recovery following COVID-19. According to the report *Benefits and Risks of Growth: Region of Peel Costs* from the Canadian Centre for Economic Analysis, for every dollar increase of GDP in Peel, provincial GDP increases by \$1.63. For every dollar of municipal revenue in Peel due to growth, provincial revenues increase by \$5.70.

Municipalities however, face challenges in building such infrastructure and need the support of the Province and federal government, which includes increased, predictable and sustainable infrastructure funding. Investments in infrastructure will also help the Region to meet the anticipated growth and the long-term needs of Peel's residents and businesses.

We were pleased to learn from our discussion that you are interested in hearing more about how the design of infrastructure programs can be improved. The Region continues advocating for reforms to the current federal and provincial application-based funding programs, and instead adopting an allocation-based model. The Ontario Regional Single Tier Treasurers (ORSTT) and the Regional Public Works Commissioners of Ontario (RPWCO) collaborated on feedback to the Ministry of Infrastructure on the design of federal-provincial infrastructure funding program design as part of Phase I of the ICIP program. In the attached letter, ORSTT and RPWCO conclude that the Canada-Ontario infrastructure funding program, as currently designed, and in its previous incarnations, have a distorting effect on municipal capital plans and result in lower value for money. The design of the program also fails to achieve the Federal Government's two primary desired outcomes; job growth and sustainable economic growth.

REFERRAL TO _____
RECOMMENDED _____
DIRECTION REQUIRED _____
RECEIPT RECOMMENDED ☒ _____

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Moving to an allocation-based funding model will also help accelerate funding to municipalities for key projects needed to stimulate and support Ontario's economic recovery efforts. We will continue to engage with you, and Ministry staff, on solutions to help improve the design of infrastructure programs.

In addition, the Region will continue advocacy efforts to secure additional federal infrastructure funding. This includes working with your government on approaching the federal government for increased and ongoing support for infrastructure.

We are looking forward to providing you and your staff with more information and insights on these matters. Regional staff will be reaching out to your office about how we can move forward with these discussions. In the meantime, please do not hesitate to reach out to me for any information or assistance related to the Region's infrastructure funding challenges and needs. 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 & Chief Executive Officer
Region of Peel

Attachment:

Letter from RPWCO and ORSTT advice on Bilateral Provincial Infrastructure Funding program
Design