

# Motion Memorandum

SUBJECT: New Provincial-Municipal Fiscal Framework

TO: Mayor and Members of Council

**FROM:** Mayor Marianne Meed Ward

Date to Committee: N/A

Date to Council: January 16, 2024

#### **Motion for Council to Consider:**

Whereas current provincial-municipal fiscal arrangements are undermining Ontario's economic prosperity and quality of life; and

Whereas nearly a third of municipal spending in Ontario is for services in areas of provincial responsibility and expenditures are outpacing provincial contributions by nearly \$4 billion a year; and

Whereas municipal revenues, such as property taxes, do not grow with the economy or inflation; and

Whereas unprecedented population and housing growth will require significant investments in municipal infrastructure; and

Whereas municipalities are being asked to take on complex health and social challenges – like homelessness, supporting asylum seekers and addressing the mental health and addictions crises; and

Whereas inflation, rising interest rates, and provincial policy decisions are sharply constraining municipal fiscal capacity; and

Whereas property taxpayers – including people on fixed incomes and small businesses – can't afford to subsidize income re-distribution programs for those most in need; and

Whereas the province can, and should, invest more in the prosperity of communities; and

Whereas municipalities and the provincial government have a strong history of collaboration; and

Whereas on December 13, 2023 Halton Regional Council approved a resolution, <u>A New Deal for Halton Region</u>, requesting a New Deal for Halton Region to address the

funding shortfall for cost-shared health and social services programming, the shortfall in development charges revenues and ensure critical water and wastewater infrastructure is adequately funded to keep pace with growth; and

Therefore, be it resolved that the City of Burlington calls on the Province of Ontario to commit to undertaking, with the Association of Municipalities of Ontario, a comprehensive social and economic prosperity review to promote the stability and sustainability of municipal finances across Ontario.

And further that a copy of this motion is sent to the Premier of Ontario, Doug Ford; the Minister of Municipal Affairs and Housing, Paul Calandra; the Minister of Finance, Peter Bethlenfalvy; Minister of Red Tape Reduction, Parm Gill; Natalie Pierre, MPP Burlington; and Effie Triantafilopoulos, MPP Oakville North-Burlington; Halton Region; the Association of Municipalities of Ontario; and the Ontario's Big City Mayors Caucus.

#### Reason:

In late 2022, the Province committed to "ensuring municipalities are kept whole for any impact to their ability to fund housing enabling infrastructure because of Bill 23". To date, no further information has been provided. Without this funding, it is inevitable that growth related projects will be delayed, and it will become necessary to use tax supported funds to ensure growth-related infrastructure is provided for complete communities.

### **Outcome Sought:**

The Province of Ontario commits to working together with the Association of Municipalities of Ontario to complete a comprehensive social and economic prosperity review to promote the stability and sustainability of municipal finances across Ontario

### **Vision to Focus Alignment:**

(check those that apply)
☑ Increase economic prosperity and community responsive city growth
☐ Improve integrated city mobility
☐ Support sustainable infrastructure and a resilient environment
☐ Building more citizen engagement, community health and culture
$\hfill\square$ Deliver customer centric services with a focus on efficiency and technology
transformation

## This motion is Seconded by Councillor Rory Nisan

Approved as per form by the City Clerk,

Reviewed by the City Manager - In accordance with the Code of Good Governance, Council-Staff Relations Policy and an assessment of the internal capacity within the City to complete the work based on a specific target date (quarter/year).

### **Comments:**

City Clerk: Approved

City Manager: Approved