

FINANCE AND ADMINISTRATION COMMITTEE – FEBRUARY 14, 2011

FEDERAL BUDGET PRE-BUDGET CONSULTATION

Recommendation

The City Manager in consultation with the Senior Management Team recommend that the priorities as set out in the following report serve as a basis for the Federal Pre-Budget consultation with MP Julian Fantino.

Contribution to Sustainability

Predictable and sustainable funding from the Federal Government will contribute to the City's overall sustainability.

Economic Impact

There is no economic impact associated with this report, however the positive economic impact of successfully acquiring federal funding for higher order transit and a commitment to long term infrastructure funding would be significant, not only for the City of Vaughan, but for York Region as a whole.

Communications Plan

Following the pre-budget consultation session, the City will provide a record of its input in a letter to the Minister.

Purpose

City's are the economic engines of the country and reliable infrastructure is critical to support that economy. The purpose of this report is to identify the opportunities for the Federal Government to support the local economy and raise these opportunities at the upcoming Federal pre-budget consultation session.

Background - Analysis and Options

MP Julian Fantino has invited Members of Council to a consultation session on the upcoming Federal Budget. The meeting is tentatively scheduled for February 18, 2011.

There are many opportunities for the Federal Government to support the City of Vaughan in achieving the City's objectives. To assist Members of Council and to provide a focus for the pre-budget consultation, staff recommend the following:

1. Long Term Commitment of Infrastructure Funding to Municipalities

The Federal Gas Tax program began in 2005 for 5 years, and then was extended to 2014. The City of Vaughan will receive \$7.3M annually until it ends in 2014. The Federal Gas Tax Fund provides municipalities with long-term funding for infrastructure investments that promote cleaner water, cleaner air, and reduced greenhouse gas emissions, right across Canada. There have been indications that the Federal Gas Tax program would be made permanent, but to date there has been no confirmation from the Federal Government. In order to allow municipalities, including the City of Vaughan, to plan effectively for the future with predictable and sustainable federal funding, the Federal Gas Tax program should be made permanent.

In addition to the Federal Gas Tax program, municipalities were advised in early 2010 that there would be an Infrastructure Stimulus Program (ISF) and the projects were to be completed by 2011. Although the funding was very much appreciated and had the desired

effect of creating jobs, municipalities can not develop long term plans based on this type of funding.

2. Federal funding for higher order transit

The City of Vaughan is committed to the development of a transit oriented community, with the Yonge Street Subway extension now being a priority. On May 11, 2010, the City of Vaughan communicated to the Prime Minister of Canada the urgency of moving forward on the development of the Yonge Street Subway without delay. In addition, federal funding and support for other forms of transit including additional Go Train lines in the west end of the City are necessary to mitigate increasing congestion on the City's roads.

3. Federal Office In Vaughan to Create A Presence In York Region

There is a need and an opportunity to provide federal services in Vaughan and at the same time create a federal presence in York Region. For example, the City of Vaughan is a very diverse and growing community with a population of approximately 300,000. The residents of Vaughan represent a variety of cultures from around the world. The City of Vaughan continues to be a destination for many of the new immigrants to York Region, yet there is no passport office in the City or in the Region of York which has a population of approximately 1.1 million.

These priorities are subject to comment and discussion with the members of the Finance & Administration Committee.

Relationship to Vaughan Vision 2020/Strategic Plan

This report is consistent with the priorities set forth in Vaughan Vision 2010, particularly "Plan and Manage Growth and Economic Vitality" – Work with other levels of government to continue to support the expansion of the GO System and public/rapid transit"

Regional Implications

Federal funding for higher order transit in the City of Vaughan will have a positive impact on York Region as a whole.

Conclusion

The City appreciates the opportunity to provide input into the Federal Governments budget deliberations. The comments and priorities indentified by Vaughan represent a need that is common across the municipal sector for a long term commitment to municipal infrastructure funding and a commitment to funding higher order transit, such as subways.

Attachments

N/A

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Respectfully submitted,

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