

Ministry of Infrastructure

Office of the Minister

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Ministère de l'Infrastructure

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April 19, 2018

Dear Mayor/Head of Council:

I am pleased to inform you that on March 14, 2018, the Ontario government signed an Integrated Bilateral Agreement (IBA) to partner with the Government of Canada to deliver up to \$11.8 billion in federal funding and \$10 billion in provincial funding for infrastructure projects under the Investing in Canada Infrastructure Program, over the next ten years.

Under this new program, the federal government will pay up to 40 per cent for most projects, with the province contributing up to 33 per cent and municipalities contributing the remaining 27 per cent. Through this agreement, contributions by all three levels of government are expected to result in an overall infrastructure investment of at least \$30 billion. The Ministry of Infrastructure has begun work on finalizing programs and administrative processes to implement the funding under the four federal funding streams: public transit; green infrastructure; community, culture and recreation; and rural and northern infrastructure.

Under the agreement the federal and provincial governments will together be providing up to \$15.1 billion in funding for public transit. The federal government has decided that the funding will be allocated to municipalities with existing transit systems using the 2015 transit ridership statistics. Within the next few weeks, the 98 municipalities with transit authorities can expect to receive another letter from me with confirmation of and additional detail on how to access their federally determined ridership-based allocation over the next ten years.

For the green; community, culture and recreation; and rural and northern streams, funding will be delivered through a mix of allocation and application-based programs similar to the current Clean Water Wastewater Fund and Small Communities Fund, and will include municipal, not-for-profit, and Indigenous recipients. The intake for these programs will not begin before the Ontario election begins in May 2018.

As part of this work, my ministry will engage partners as intake processes are developed. This is just the first step in the roll out of a long-term program that will support infrastructure investments across the province. Following the launch of these programs, my ministry will assess and nominate projects to the federal government. Programs are expected to begin launching toward the end of this year in order to best align with municipal election cycles and allow municipalities adequate time to determine their priorities.

I encourage you to work with your officials to ensure that local priority projects align with federal eligibility criteria, as outlined in the IBA, which can be accessed at www.infrastructure.gc.ca/prog/agreements-ententes/2018/2018-on-eng.html.

Since the launch of the Ontario's Municipal Infrastructure Strategy in 2012, provincial funding programs for municipal infrastructure have required communities to demonstrate a growing commitment to asset management planning. In developing your priorities, I would encourage you to ensure they align with these principles and build on our work to date in promoting sound infrastructure planning and fiscal sustainability.

Together, we have a responsibility to maintain a strong economy and high standards of living by building the critical public infrastructure needed in communities across Ontario. It has been a journey since negotiations for the new federal funding program started in spring 2017. I would like to thank the municipal sector—including the Association of Municipalities of Ontario (AMO)—who supported the Ministry of Infrastructure as it worked to improve the federal terms and conditions of this agreement.

Thank you again for your support and I look forward to continue working with you as we deliver the next phase of transformative federal-provincial infrastructure investments. If you have any questions, please contact Julia Danos, Director of the Intergovernmental Policy Branch, at Julia.Danos@ontario.ca.

Sincerely,

A handwritten signature in grey ink, appearing to read 'Bob', with a stylized flourish at the end.

Bob Chiarelli
Minister