

Type of Decision									
Meeting Date	Tuesday, December 12, 2017				Report Date	Tuesday, December 5, 2017			
Decision Required	X	Yes		No	Priority	X	High		Low
Direction	x	Information Only			Type of Meeting	X	Open		Closed
REPORT TITLE AMO – Funding Municipal Shortfall - Local Share Proposal									
Report #12/12/17/1202									

**Subject:**

Support for the AMO position to fund municipal infrastructure shortfall.

**RECOMMENDATION:**

That Council adopt the following resolution requesting that the province adopt a long term sustainable funding tool by implementing a 1% sales tax increase to be dedicated to municipalities.

**WHEREAS** the United Townships of Head, Clara & Maria through the Association of Municipalities of Ontario (AMO) Local Share Proposal will receive \$125,795 in annual sustainable funding with the County of Renfrew receiving a total of \$26,541,120 which municipalities will be obligated to invest in planned improvement of municipal infrastructure;

**AND WHEREAS** AMO estimates that municipal governments face an annual shortfall of about \$4.9 billion dollars during the next 10 years as they struggle to maintain current services and address their local infrastructure gap;

**AND WHEREAS** local municipal governments cannot try to close the \$4.9 billion gap using property taxes alone as estimates show they would need to double over the next decade having a negative impact on the economy, with seniors and low income residents being hardest hit;

**AND WHEREAS** the Local Share Proposal demonstrates that a dedicated 1% sales tax could generate \$2.5 billion annually for municipal infrastructure and services, helping to bridge the gap while helping municipal governments manage the upward pressure on local property taxes;

**AND WHEREAS** municipal governments own more of Ontario's infrastructure than the federal or provincial governments, with roads, bridges and other assets in need of repair and investment, that has been delayed due to a lack of consistent and sustainable funding;

**AND WHEREAS** municipal governments across the County of Renfrew and the Province of Ontario need and will continue to need a variety of dependable, multi-year and sustainable funding sources to repair, maintain and build strong communities today and into the future;

**AND WHEREAS** the Canadian and Ontario governments are almost wholly dependent upon municipal infrastructure for the generation of economic activity in our communities, economic activity from which they derive tax revenue and are reluctant to consistently and equitably invest in renewing or improving the infrastructure they benefit from;

**AND WEHREAS** the Local Share Proposal will ensure that every user of municipal services – residents, businesses and tourists alike – help to pay for infrastructure and services as they are renewed, expanded or repaired;

**THEREFORE BE IT RESOLVED THAT** the Council of the United Townships of Head, Clara & Maria does hereby strongly support the Local Share Proposal developed by the Association of Municipalities of Ontario and believes it to be crucial to the economic well-being of our community as it will assist in the timely repair, replacement or renewal of municipal infrastructure which is utilized daily to support the local, provincial and national economy;

**AND FURTHER THAT** a copy of this resolution be sent to the Honourable Premier Kathleen Wynne, Mr. John Yakabuski, MPP Renfrew-Nipissing-Pembroke, Mr. Patrick Brown, Leader of the Progressive Conservative Party of Ontario, Ms. Andrea Horwath, Leader of the Ontario New Democratic Party, the Association of Municipalities of Ontario and our local municipal councils and the City of Pembroke for support.

### **BACKGROUND/EXECUTIVE SUMMARY:**

AMO has canvassed Ontario municipalities in an attempt to determine methods of ensuring sustainable infrastructure funding into the future and have identified a 1% increase in sales tax to be shared equitably amongst municipalities.

Additional information is included in the attached letter from Peter Emon, AMO Board member.

### **Options/Discussion:**

### **Financial Considerations/Budget Impact:**

This funding will help to offset the reduction of approximately \$150,000 of funding from the Ontario government over the past 12 years from nearly \$220,000 to the current \$68,700.

### **Policy Impact:**

As per policy.

### **Others Consulted:**

Mayor Reid  
AMO supporting letter.

Approved and Recommended by the Clerk

Melinda Reith,  
Municipal Clerk

*Melinda Reith*