

Mayor McCallion:

This is in response to your letter of July 30<sup>th</sup>, 2007. I am very pleased to respond to your questions.

**1. Investment in Transit and Transportation Issues:**

As the former Minister of Transportation, I am very much aware of the transit needs here in the city of Mississauga. Recently, I had the chance to meet with Mississauga Transit staff and planners and get acquainted with the long term and progressive transit plans for Mississauga. During my time as Minister of Transportation, I had the privilege to announce that our government would be dedicating 2 cents of every dollar of the provincial gas tax to improving our public transit system. This commitment has resulted in \$15 million a year in transit funding for Mississauga alone.

You may also recall as Minister of Transportation, I was able to provide, on behalf of the government, \$65 million in provincial assistance for the much needed Mississauga Transit Way.

In addition to all of this, we invested \$1.8 billion in GO Transit, to improve and upgrade existing infrastructure (i.e. parking spaces, new engines, platforms, and facilities). We have also completed construction of the new GO station at Lisgar. I am also proud of the investment we made in all of the major highways servicing the greater Mississauga area. Also as minister, I led in the creation of the GTTA, the Fare Card Pilot program and the opening of the provinces first High Occupancy Vehicle lanes. All of these improvements have had a significant impact on travel and commuter patterns here in Mississauga, saving residents and business' time and money, of which I am very proud.

**2. Current Value Assessment, Airport payment in lieu of taxes and tax increment financing.**

Our government is committed to a fair and predictable property tax system. In order to accomplish this, in the last budget, our government moved to a four year cycle and a system of phasing in of assessment increases. We have also improved the fairness of the appeals process. This is designed to ensure property owners do not receive sudden increases in their property tax assessments.

On the issue of airport tax payments, we will continue to work with the city to make sure it receives a fair share of the tax revenue.

We want to ensure that our communities are strong and to have the additional infrastructure to support growth. The new financing mechanism will assist us all greatly in our efforts to accomplish this.

### **3. Fiscal Imbalance: Under funding of Municipal Services.**

Our government understands that the downloading of services by the previous government resulted in some real challenges for the municipalities. During the last four years, we have taken steps to address some of these issues. For example, we uploaded and increased the provincial share of public health funding from 50% to 75% and also moved to recover 50% of the Ambulance costs.

The Premier has recently announced that if the Liberal government is re-elected, it will upload the full costs of the Ontario Disability Support Plan as well as the costs related to the Ontario Drug Benefits over the next four years. This means we are uploading \$935 million in social services to help municipalities and property taxpayers.

We have also initiated a complete review of Provincial-Municipal Fiscal and Delivery Review which will give us some direction as to how to provide services in the future. We have also initiated a plan to phase out the GTA pooling over a seven year period which will ultimately save Mississaugans some \$65 million. All of these issues represent real challenges facing the city and we have moved as aggressively as we can within our fiscal revenue to address many of these issues. We look forward to continue to work hard on these any many other issues to make this city better.

### **4. The Status of the City of Mississauga within the Region of Peel.**

As you may know, our government, along with the strong support of the city council moved to provide Mississauga with an additional councilor. This effort was designed to create an equal footing and to provide effective representation of this city's interest.

Again thank you for providing me the opportunity to share our views on these issues of great importance to this wonderful city. I look forward to continuing to work closely with you to address the concerns and issues facing our city.