

MEMORANDUM

To: Regional Chair Emmerson and Members of Regional Council

From: Bruce Macgregor
Chief Administrative Officer

Date: June 17, 2021

Re: Canada's National Infrastructure Assessment

On March 16, 2021, the Honourable Catherine McKenna, Minister of Infrastructure and Communities, initiated consultations on Canada's National Infrastructure Assessment through an Engagement Paper titled "Building the Canada We Want in 2050." Submissions in response to the Engagement Paper are due June 30, 2021. This memo outlines the Region's proposed submission (Attachment 1).

York Region's Strategic Plan aligns with the federal government's infrastructure objectives

The Engagement Paper articulates the federal government's three objectives for its infrastructure investments: promoting economic growth, job creation and competitiveness; tackling climate change and increasing resilience; and improving social inclusion and quality of life for all Canadians. These objectives are in alignment with the four key community result areas of York Region's Strategic Plan – Economic Vitality, Healthy Communities, Sustainable Environment and Good Governance.

The Region's submission addresses the National Infrastructure Assessment's three priorities

The paper identifies three priorities for the National Infrastructure Assessment:

- Assessing Canada's infrastructure needs and developing a long-term vision for public and private infrastructure investment
- Improving coordination, collaboration, and alignment among public and private sector infrastructure owners and funders
- Determining the best way to fund and finance infrastructure

The submission provides York Region's perspective on each of these priorities and offers recommendations for the development of the assessment.

The submission identifies York Region's infrastructure priorities and funding challenges

The Yonge North Subway Extension (YNSE) is identified as the Region's top infrastructure priority. The submission also identifies the Region's other infrastructure priorities:

- Completion of the Region's Bus Rapid Transit (BRT) network
- Expansion of water and wastewater servicing including a solution for northern York Region
- Electrification of the Region's bus and passenger vehicle fleets
- Development of more affordable housing
- Expansion of the Region's fibre network
- New source-separated organics and energy from waste facilities.

Many of these priorities, including the YNSE, have not yet been funded and are not included in the Region's ten-year capital plan. The submission explains that given the limited ability of the tax levy to support increased levels of infrastructure investment, the Region cannot fund these priorities on its own.

The submission highlights actions York Region is taking to respond to climate change

The submission notes that more intense and more frequent extreme weather events are leading to more frequent service disruptions, increased asset management costs and more robust design requirements for new infrastructure.

The Region is adapting to climate change by investing in more resilient infrastructure, which comes at a higher up-front cost, and is mitigating its own climate impact by constructing higher-order transit as an alternative to single-vehicle travel, electrifying its bus and passenger vehicle fleets and constructing LEED® certified buildings.

The submission illustrates how York Region partners with private and not-for-profit organizations to deliver public infrastructure and public services

The submission provides five examples – in Housing, Transportation, Utilities, Broadband and Water and Wastewater – of how the Region works with its partners to deliver efficient, high-quality public infrastructure and public services.

The submission makes the case for continued funding support from the federal government

While the Region's capital plan faces pressures from unfunded priorities, it cannot borrow to fund these pressures without significant risk to its credit rating. Funding the Region's infrastructure priorities from the tax base will also be challenging given the need to balance new investment priorities against the need to maintain and replace existing assets.

Many of the Region's infrastructure investments provide spillover benefits that extend beyond the Region and its residents to the rest of Canada. For example, a recent Deloitte study estimated that construction of the YNSE will create or sustain 53,000 person years of employment and generate over \$1.8 billion in incremental tax revenues for the federal and provincial governments.

The submission includes recommendations on the development of the National Infrastructure Assessment

Canada's municipalities own approximately 62% of the country's public infrastructure and should have a seat at the table for the National Infrastructure Assessment. The federal government should continue to engage both staff and elected officials as the assessment is developed.

Once consultations are complete, the federal government may establish an expert panel

Following the engagement process, the federal government will consider next steps for the National Infrastructure Assessment, including establishing an independent advisory body, setting out the processes for obtaining expert advice, ongoing public engagement and producing interim studies and reports to inform infrastructure policy and investment.

Jason Li

Jason Li
Acting Commissioner and Regional Treasurer



Bruce Macgregor
Chief Administrative Officer

Attachments (1)
13070508