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**THE CORPORATION OF THE
TOWN OF NIAGARA-ON-THE-LAKE**
OFFICE OF THE TOWN CLERK

Federal Infrastructure Funding Not Keeping Pace With Population Growth

WHEREAS, Canada is experiencing record population growth, having welcomed 1.25 million new Canadians last year alone; and

WHEREAS, According to the Canada Mortgage and Housing Corporation (CMHC) we need to build at least 3.5 million additional homes by 2030, and municipalities need to build or expand the infrastructure to accommodate this growth; and

WHEREAS, FCM has estimated that the cost of the municipal infrastructure required support housing development is, on average, in the range of \$107,000 per unit; and

WHEREAS, According to Statistics Canada the cost of upgrade existing municipal infrastructure so that it is in a state of good repair is in the range of \$170 billion; and

WHEREAS, Non-residential construction price inflation has risen by 29% since the end of 2020 and municipalities are facing soaring costs for infrastructure project without a corresponding growth in revenue; and

WHEREAS, Unlike federal and provincial revenue, municipal tax revenue has not increased in recent years along with inflation, economic growth or population growth; and

WHEREAS, Municipalities are facing a gap in federal infrastructure funding as the 10-year Investing in Canada Infrastructure Program has come to an end, the Canada Community-Building Fund is being renegotiated and the Permanent Public Transit Fund is set to start in 2026; and

WHEREAS, the Town of Niagara-on-the-Lake has annual infrastructure funding needs of \$13.4 million and only meets \$7.2, leaving an annual gap of \$6.2 million, and the Town has an immediate Capital Backlog of \$31.2 million with expected future reconstruction costs upwards of \$70 million; and

WHEREAS, The Canada Community-Building Fund (CCBF), which was formerly known as the federal Gas Tax Fund, provides more than \$2.4 billion in annual capital funding directly to municipalities through a predictable allocation mechanism, and municipalities of all sizes use the CCBF to deliver direct results for Canadians by building and renewing critical core public infrastructure, including water infrastructure, local roads, public transit and community, and cultural and recreational facilities;

THEREFORE BE IT RESOLVED that the federal government work with agreement signatories and municipalities to maintain the CCBF as a source of direct, predictable, long-term funding for local infrastructure priorities; and

BE IT FURTHER RESOLVED that the federal government commit, in Budget 2024, to the next generation of infrastructure programs, including a new program for water and wastewater infrastructure and an increase to the Disaster Mitigation and Adaptation Fund; and

BE IT FURTHER RESOLVED that the federal government convene provinces, territories and municipalities to negotiate a “Municipal Growth Framework” to modernize the way that municipalities are funded in order to enable Canada’s long-term growth.