

Ministry of Infrastructure

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November 24, 2023

Her Worship Andrea Horwath
Mayor
City of Hamilton
Andrea.horwath@hamilton.ca

Dear Mayor Horwath:

On behalf of the Ministry of Infrastructure, I would like to thank you for attending the 2023 Association of Municipalities of Ontario Conference. It was a pleasure to meet with you and your delegation.

I am following up on the discussion regarding financial assistance for infrastructure renewal, to support upgrades to the Woodward Drinking Water Treatment Plant and to remove and replace the Dundas Wastewater Treatment Plant, as well as the discussion on modernizing the city's wastewater collection system. I understand the need for capital funding to support the city's Transit Maintenance Facility to support a growing population.

Thank you for sharing your updates on cost escalations, and your concerns on water infrastructure. I understand that your city has already received funding through the Investing in Canada Infrastructure Program (ICIP) and that you are still experiencing challenges with capital costs.

I understand the pressure the city is facing. Currently, the ministry does not have any intakes under ICIP to support funding requests. The federal funding under ICIP has been fully allocated, and I have been calling on the federal government to continue supporting the sustainability and growth of critical infrastructure in Ontario through a new round of federal-provincial infrastructure funding. Our government has re-iterated its infrastructure priorities are to protect, support and build communities. This includes critical infrastructure for all municipalities to be able to fund road, water, sewer, and other housing-enabling infrastructure that our growing communities need.

As announced in [Ontario's 2023 Fall Economic Statement](#), Ontario is investing \$200 million over three years to help municipalities repair, rehabilitate and expand critical drinking water, wastewater and stormwater infrastructure. The new funding will support the province's rapidly growing population, unlock more housing opportunities and spur economic growth.

Ontario's new Housing-Enabling Water Systems Fund will support growing communities, helping municipalities build critical water infrastructure that would not otherwise get built and bringing the province one step closer to the government's goal to build at least 1.5

million homes by 2031. Eligible municipalities will be able to nominate housing-enabling water and wastewater projects through the Housing-Enabling Water Systems Fund in early 2024.

The Ontario government is also introducing additional measures to help build critical infrastructure faster and smarter. This includes launching the new [Ontario Infrastructure Bank](#) and the building of more rental homes by taking steps to [remove the full eight per cent](#) provincial portion of the Harmonized Sales Tax (HST).

The city may also consider exploring the Infrastructure Ontario (IO) Loan Program, which offers affordable, long-term fixed-rate loans to help municipalities, universities and other eligible public sector partners renew and build Ontario's public infrastructure.

For more information on eligible projects and IO Loan Program contacts for your region, please visit IO's Infrastructure Lending webpage:
<https://www.infrastructureontario.ca/en/what-we-do/infrastructure-lending>.

The government has one of the most ambitious capital plans in Ontario's history. Thousands of infrastructure projects are being planned or are under construction across Ontario. As outlined in the 2023 Budget, we have \$185 billion in planned investments over the next decade – including \$20.7 billion in 2023–24 to support priority projects such as transit, highways, schools, hospitals, and long-term care.

Ontario recognizes that upgrading community infrastructure is vital to support a growing population and to provide dependable services people rely on, and that the need for municipal infrastructure investment is far from fully met. We encourage all municipalities to call on the federal government to request more infrastructure funding to help address local needs of municipalities across the province.

Thank you again for meeting with myself and the Ministry of Infrastructure. I look forward to continuing to work with you in the future.

Sincerely,

A handwritten signature in black ink, appearing to read 'K. Surma', with a stylized flourish at the end.

The Honourable Kinga Surma
Minister of Infrastructure