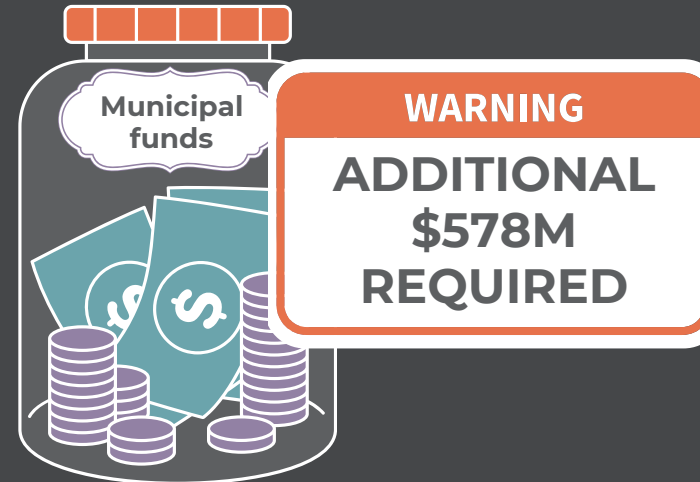


Mind The Gap: 2024 Municipal Infrastructure Policy Paper

Municipal Responsibility Exceeds Capacity

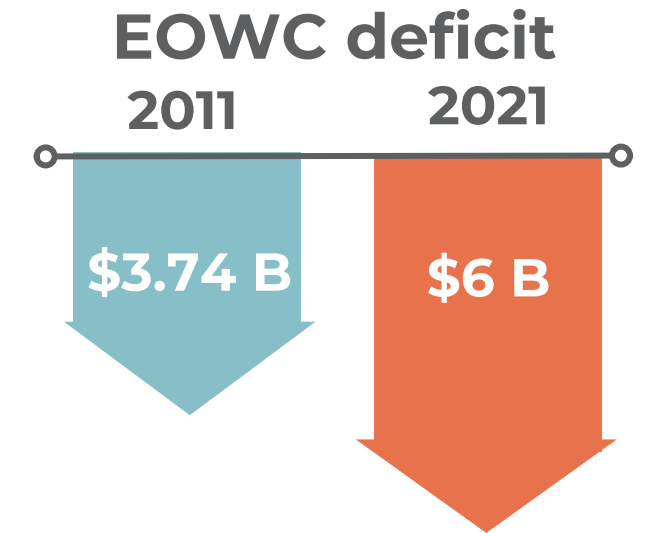
\$981M annually is required to close the current capital investment gap

- EOWC's municipalities spend \$403M annually on infrastructure, not including growth
- An additional \$578M a year is needed to maintain assets and address deficit



There is an upfront cost to growth creating a burden for rural and small urban communities and taxpayers

The capital infrastructure deficit has deepened by **58%** since 2011



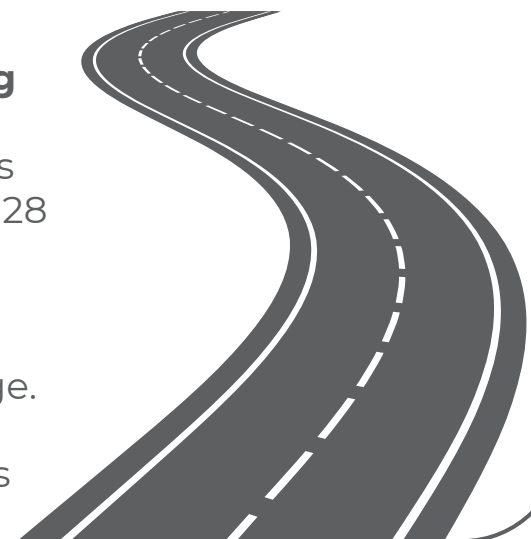
EOWC's municipalities:

- manage over **\$12B in assets** (2021)
- spend **\$536M a year to operate** infrastructure and perform basic maintenance
- **lack the tax base** to sustain infrastructure investment and asset management
- **infrastructure deficit has grown to \$6B** (2021)

Cost to taxpayers for maintaining 1km of paved municipal road

- In rural Ontario = 10 households
- In separated cities and towns = 28 households

Across the EOWC region, 236 households must maintain a bridge. In separated cities and towns, that cost is spread over 709 households



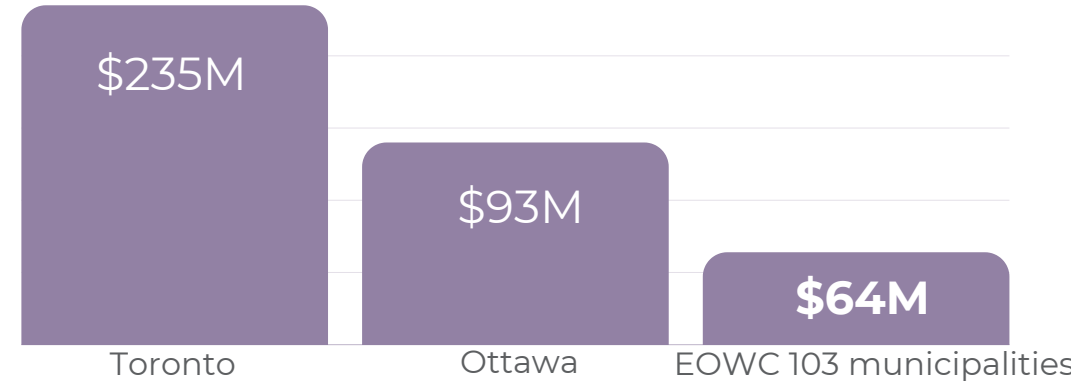
Rural and small urban Eastern Ontario is a growing economy that can grow more

- EOWC's municipalities issued **3,969** building permits **since 2023**
- EOWC's communities built more housing / 100,000 population than the City of Toronto



Same tool, big difference in revenue generation between one city and the EOWC

Municipal Own Purpose Revenue Generation by 5%



Rural and small urban Eastern Ontario communities are major exporters to Ontario and other jurisdictions

- Businesses export **57.6%** of production to other jurisdictions. This represents \$33B / year of economic activity
- The EOWC region generates **\$61B** in annual economic activity and exports **\$20B** a year in manufactured goods outside its regional boundaries
- Municipal infrastructure is vital to production, wholesale trade and transportation