

City contract

2003 / 2007

Montréal



Ville de Montréal

Québec 

CITY CONTRACT
between
the VILLE de MONTRÉAL
and
the GOVERNMENT
of QUÉBEC
2003-2007

TABLE OF CONTENTS

TABLE OF CONTENTS

INTRODUCTION	7
CHAPTER 1 THE CITY CONTRACT RULES	11
1.1 The specificity of the Contract and expected results.....	11
1.2 The conclusion and the challenges	12
1.3 Guiding principles.....	14
1.4 Strategy	15
1.5 Current and future partnerships.....	15
1.6 Modernizing relations between the City and Government	16
1.7 Funding for sectoral actions in the City Contract	18
1.7.1 The City's financial commitments.....	18
1.7.2 Financial commitments of the Québec Government.....	19
1.7.3 Contribution of the Federal Government.....	20
CHAPTER 2 PROVIDING RESIDENTS WITH A BETTER QUALITY OF LIFE AND ENSURING SOCIAL COHESION IN THE COMMUNITY	21
2.1 The integrated territorial approach and priority intervention zones.....	21
2.2 Improving quality of life and the urban framework	23
2.2.1 Housing	23
2.2.2 Urban planning	27
2.3 Social and community development	29
2.3.1 Combating poverty and social exclusion.....	29
2.3.2 Cross-cultural relations and integration of immigrants.....	32
2.4 Consolidation of local economic activities.....	33
CHAPTER 3 PLANNING URBAN GROWTH IN A SUSTAINABLE-DEVELOPMENT CONTEXT	37
3.1 Environmental improvement.....	37
3.1.1 Planning and coordination of initiatives	37
3.1.2 Protection of natural environments.....	38
3.1.3 Rehabilitation and redevelopment of contaminated lands.....	39

3.2 Strategic infrastructure consolidation and development	40
3.2.1 Road transportation infrastructures	40
3.2.2 Public transportation	43
3.2.3 Infrastructures for drinking water and wastewater	44
3.2.4 Radiocommunications infrastructures	47
3.2.5 The distribution cable network.....	48
 CHAPTER 4 SUPPORTING THE CITY'S ECONOMIC AND CULTURAL VITALITY	 51
4.1 Structuring projects	51
4.2 Culture and heritage	53
 CHAPTER 5 ENSURING A SOUND FINANCIAL SITUATION	 58
5.1 A balanced financial framework	59
5.2 The unfunded actuarial liability	61
 CHAPTER 6 MECHANISMS FOR MANAGING THE CITY CONTRACT	 63
6.1 Administrative committee.....	63
6.2 Steering committee	63
6.3 Secretariat	64
6.4 Reports and evaluation.....	64
6.5 Revision and modification of the Contract.....	65
6.6 Information and communications.....	65
6.7 Communications between the parties	65
 SIGNATORIES	 66
 APPENDIX 1 FINANCIAL CoMMITMENTS	 71
 APPENDIX 2 MAP OF PRIORITY INTERVENTION ZONES	 80
 APPENDIX 3 PROTOCOL FOR PUBLIC COMMUNICATIONS	 83

INTRODUCTION

For several years now, the emergence of new economic sectors, market globalization, the creation of vast new free trade zones, and growing social, urban and demographic problems affecting central cities have demanded that public governance strategies be reviewed. Conscious of the pressures exerted by globalization and the competition associated with it, as well as by urban concerns, the Government of Quebec undertook a major municipal reorganization from which was born the new Ville de Montréal, thus consolidating its position as the world's second largest French-speaking metropolis.

By doing so, the Government has recognized the central role that Ville de Montréal plays and must play to extend its influence—as well as Québec's—and thereby be part of the major international networks of knowledge, culture and sustainable economies.

The Government has also recognized that the establishment of the new City requires fresh ways of doing and managing things in order to better meet the needs of its residents and to firmly establish this association on the basis of a real long-term partnership conducive to effective, flexible and fast action.

Since January 2002, elected municipal officials have taken on the task of breathing life into this new metropolitan vision. The *2002 Montréal Summit*, a consultation and dialogue process that generated a shared vision for the future of Montréal, was held in June 2002. Given the level of public participation and the scope of mobilization in support of the Summit, it can be considered one of the great democratic exercises in the history of Montréal and certainly the one that best succeeded in orienting actions to meet citizens' aspirations. From the *2002 Montréal Summit* has thus emerged a sense of belonging among all citizens vis-à-vis their City and their boroughs, as well as the commitment of all partners to translate into reality this vision of a metropolis within the world network and a City at the service of its residents.

Conscious of the challenges that Montréal must face and of its strategic role as leader and promoter of Québec's economic vitality, the Government of Quebec worked hand in hand with the City in this extensive process of consultation and dialogue with Montréal stakeholders.

After arriving at the same conclusions and agreeing on the challenges and the vision for Montréal's future, the Government and the City signed a joint declaration on the last day of the Summit that established the foundations for a new method of governance centred on decisional autonomy and the effectiveness of municipal action.

THE VISION

This vision is that of a creative, innovative, prosperous, outward-looking metropolis integrated into an international network of larger cities. It is also that of a city that is democratic, welcoming, united and inclusive, and that preserves and develops its resources, thus preparing for the future.

Montréal must assume its role as economic engine and creator of wealth for all of Québec, in a spirit of sustainable development. To do so, it must rely on the strength of its businesses, focus on its achievements and assets in the knowledge economy, facilitate business access to venture capital and, above all, pursue efforts to participate fully in the government's strategy for full employment.

Montréal, a city of knowledge and a cultural metropolis, must mobilize residents, institutions and socioeconomic partners to promote training, develop talent, ensure the availability of a qualified labour force in growth industries, and innovate using the ingenuity of all Quebecers.

Montréal already enjoys an enviable international reputation and stature that it must reinforce by developing its many assets, concentrating on the creative capacities of its cultural representatives, and drawing on the numerous players and networks that make up the driving force for international action.

Montréal must provide its citizens with exceptional quality of life as well as a peaceful and safe urban environment. It must fight poverty and social exclusion, while ensuring that everyone—regardless of sex, race or age—plays a role, finds their place and contributes to the building of the new City.

Finally, Montréal must be an efficient city with suitable, modern infrastructures, an abundant supply of housing suited to the needs of families, well-developed and accessible local services, and a cutting edge urban transport system.

These are the main objectives that the City and the Government have set for Montréal and on which they plan to focus their energy and resources. The implementation of this vision should realistically lead to a job creation rate of 50,000 jobs a year in Montréal in the years ahead.

With its major investment plans and its promotion and strengthening of cooperation, the City Contract represents an essential contribution toward the realization of this job creation objective.

THE CITY CONTRACT

The Contract, which is presented in the form of a veritable urban strategy for action, is an innovative and structuring tool that redefines, extends and modernizes the long-established partnership between the Government of Quebec and Ville de Montréal in a certain number of sectors or fields. This five-year agreement commits the Government and Ville de Montréal, through the actions of 10 government departments and bodies, to the

implementation of concrete measures for the sustainable development of Montréal from an economic, social, cultural and community perspective. It lays out objectives, guiding principles and a well-defined strategy. It structures development priorities for Montréal in a concrete shared action plan and defines the basic strategies under which the Government, the City and other social and economic stakeholders—notably the Communauté métropolitaine de Montréal—will combine their efforts to achieve a certain number of objectives with regard to housing, urban renewal, infrastructure renewal, road transport and mass transit, social, community and economic development and cultural vitality.

The City Contract also introduces new rules of partnership based in particular on decisional autonomy, flexibility, transparency and accountability with regard to results. It lays out important steps for balancing the City's finances, which will have a positive impact on ratepayers' tax burden, and ensure the stability of financial contributions from the Government.

That said, the City Contract does not take care of all questions relative to modernization, nor does it provide solutions for all of the problems described in the various sectoral chapters. Rather, it represents an initial step that lays the groundwork for even more significant changes. It is expected that work will continue in the short and medium terms, and that results will be integrated into the Contract along the way.

Thus, in implementing the integrated territorial approach set out in the Contract, priority will be given to housing, urban development and social development. Later on, sports, parks and waterways, and leisure and culture will be added.

With respect to the modernization of City/Government relations, a certain form of decentralization of planning activities and program management is already under way in the housing sector. The City Contract is meant to strengthen this approach and extend it to the fight to eliminate poverty and social exclusion. Other sectors or types of action could be added as efforts continue.

Concerning the funding of actions described in the City Contract, additional negotiations are planned in order to clarify government involvement and financial commitments with regard to housing, the environment (natural areas and green spaces) and social development.

In the same manner, the Government of Quebec will take into consideration the priorities laid out in the City Contract when allocating funds obtained as a result of negotiations with the federal government over new and existing federal programs, notably infrastructure programs covering roads and public transport, drinking water and wastewater distribution and management, housing, and major structuring projects.

As of 2004, the Government will prepare legislative amendments in conjunction with Ville de Montréal, that allow the City to collect new fees specific to the metropolis. It will also work with Montréal and other cities to develop proposals with a view to diversifying their sources of revenue.

THE FOUNDATIONS OF THE CITY CONTRACT

1.1 specificity of the contract and expected results

The City Contract takes a realistic look at the problems that the new Ville de Montréal and the Government of Québec face in delivering services to the population and achieving their joint and reciprocal objectives. Depending on the issue, the recommended course of action set out in the Contract is very precise or involves the establishment of coordination mechanisms necessary for effective action.

In this respect, it is worth noting several characteristics of the City Contract:

- It is based on a diagnosis and interpretation of challenges specific to Montréal.
- It does not aim to cover everything, but rather proposes courses of action focused on core areas such as housing, transport, infrastructures, the environment, culture, and the fight to eliminate poverty and social exclusion. It also draws upon government policies, orientations and programs that represent additional tools for action, including the *Québec Water Policy*, the *National Strategy for the Elimination of Poverty and Social Exclusion*, housing, urban renewal, beautification, heritage programs, etc.
- It lays out a framework for action specific to Montréal designed to allow the City to carry out its new mandates. The Contract recognizes Montréal's characteristics and draws upon its strengths. In several areas, the Government has a history of partnership with Ville de Montréal that is unique in Québec. The City Contract sets out to strengthen and entrench this partnership within a new set of rules.

Significant advances will therefore be made with respect to how things are done and the mechanisms for delivering services to the public. The Contract proposes a clearer definition of City/Government responsibilities and more effective coordination of joint initiatives in several sectors, notably road transport and the environment.

It also includes a component on the modernization of City/Government relations, which is explained further on.

- It innovates in the resolution of typically urban social and economic problems, with an integrated strategy for territorially based intervention that combines measures to improve the living environment with actions oriented toward individuals (the fight against poverty and social exclusion, intercultural relationships). The poorest areas of the City are the first targets of this strategy, which will notably help integrate the most disadvantaged individuals into the Montréal mainstream and decrease the impact of social problems specific to large urban centres.

- It recognizes the role of Montréal as a major urban centre and proposes more suitable methods of planning and carrying out large-scale projects, in particular cultural projects that help strengthen the City's standing on the international stage.
- It recommends actions for restoring the City's financial health and corrects the impact of some past measures (unfunded actuarial liability). It also ensures financial stability by funding certain measures on a five-year basis.
- It is built around a results-based approach with specific, measurable objectives. Accountability and transparency are at the heart of the management mechanisms envisioned within the Contract.

Overall, the City Contract is a structuring and long-range tool whose potential returns are many and significant:

- *Greater efficiency in delivering services to the public and meeting municipal and Québec Government objectives in several key sectors*
- *Unity of approach and action, i.e., a course of action comprising several elements integrated into a common framework of action involving municipal and government partners in a transversal approach with an obligation to produce results*
- *Establishment of a municipal financial equilibrium, which will have a positive impact on the tax burden*

1.2 DIAGNOSIS AND CHALLENGES

The new Ville de Montréal, with a population of 1.8 million, is the heart of Metropolitan Montréal and the economic engine of Québec. A one-of-a-kind centre for development, it accounts for over 50% of Québec's wealth, and about half of its jobs.

Montréal has undeniable assets for positioning itself in the community of major world cities. It is a major hub of the new knowledge and innovation-based economy, has critical mass in terms of research and development, is home to an abundant, stable and multilingual labour force, and has a modern telecommunications infrastructures. The city is by far Québec's largest international centre and is part of the network of large urban centres of the continental Northeast, along with Boston, New York, Philadelphia and Toronto.

Montréal offers an exceptional quality of life and enjoys an enviable international reputation for its vibrancy, safe environment and cost of living, which is among the lowest of all major cities worldwide.

Montréal is home to a dynamic cultural scene animated by a critical mass of creators of international renown. The creativity and entrepreneurship of Montrealers have significantly contributed to its enviable success in the fast-growing multimedia and information technology sectors.

Montréal, the premier French-language city in North America, is one of main points of entry for immigrants to Canada, making it one of the most cosmopolitan cities on the continent. This rich multiethnic heritage contributes to the cultural and economic vitality of the city.

Lastly, Montréal's is strategically located at the crossroads of European, Canadian and American markets. With its extensive air, rail, and maritime infrastructures, Montréal is a major hub for the transport of persons and goods in North America.

Consequently, Montréal plays a strategic role as leader and promoter of Québec's economic vitality. The growth and influence of Montréal not only contribute to the well-being of Montrealers, but to the future of the entire population of Québec.

In addition, Montréal must overcome many challenges. As a metropolis, it must assume significant responsibilities related to the maintenance of a downtown core with an international vocation, the management of major regional facilities and the holding of national and international cultural and sporting events.

Moreover, like larger cities the world over, it experiences the pressures of globalization, an aging population, and social, urban and environmental problems. Montréal is also a city of a certain age, with many infrastructures at the end of their normal lifespan. In addition, the City's industrial past has left a burdensome legacy of contaminated soil, declining and decaying residential districts, and a lack of parks and facilities in some neighbourhoods.

Lastly, Montréal must rise to challenge of sustainable development. It must meet the present needs of its residents without compromising the ability of future generations to meet theirs.

Given these numerous challenges, the Government of Québec has become more and more involved in Montréal over the past number of years. In strategic planning for 1996, it adopted an orientation aimed at revitalizing the City and made the Island of Montréal a priority for action. Since then, a significant number of structuring initiatives have been carried out for the benefit of Montréal.

Over the past three years, the Government of Québec has spent over \$9.8 billion in the territory of the current Ville de Montréal. Its main priority has been to strengthen the Montréal economy in the high tech sector, notably through the introduction of tax incentives, support for research and development as well as science and technology, and the actions of government corporations (Société générale de financement du Québec, Investissement Québec and Société Innovatech du Grand Montréal). Between 1999 and 2002, these organizations generated private investments totalling \$6.8 billion, 54% of it in the high technology sector. The Government also brought in measures in land use planning and protection, improving transportation system efficiency, employment assistance, and on-the-job training. In this respect, the Government spent more than \$500 million in Montréal between 1999 and 2002 through the *Fonds de développement du marché du travail*, reaching 162,000 new participants and 1,500 entrepreneurs. The Government also set about to improve Montréal's financial standing by granting the City special financial assistance, signing a tax agreement, and drawing up new procedures for sharing City expenditures.

During this same period, new approaches were tested. For example, in 1999, the Government and the City signed a framework agreement that laid the groundwork for a more coordinated approach to the implementation of government initiatives. Three main areas were targeted: social development, economic and urban development, and cultural development. For each of these focal points, a series of special measures and projects were identified, comprising a joint action plan.

This agreement was of the more conventional variety, listing a series of plans and investments that each party undertook to carry out, but also introduced the principle of transversality—a precursor to an integrated approach to territorial management, which was articulated in the *Plan d'action dans les quartiers sensibles* (2000–2001), and then in the *Plan d'intervention dans les quartiers ciblés*.

The City Contract represents a continuance of these actions. Given the context of the new City, it calls for new efforts that are even better targeted and articulated.

In this perspective, the City and the Government have agreed to focus their new partnership on the following areas:

- Planning urban growth with a view to sustainable development
- Providing a better quality of life to residents and ensuring the social cohesion of the community
- Supporting Montréal's economic and cultural vitality
- Ensuring a sound financial situation

The measures and resources deployed will be based on guiding principles and articulated in a strategy that assures a coherent vision and concerted action on the part of government and municipal partners.

1.3 GUIDING PRINCIPLES

The Québec Government and Ville de Montréal have agreed to base their partnership on the following principles:

- Adaptation of government action to the realities of Montréal, and harmonization of jurisdictions
- An intersectoral approach to government actions in the Montréal area
- Coordination of actions among all partners: Government bodies, the City, civil society
- Public participation
- The search for innovation and the creation of wealth
- Private and community sector partnerships
- Mobilization and development of human capital
- Decision-making autonomy and flexibility in budgetary management
- Suitable compensation for responsibilities delegated to the City by the Government

1.4 STRATEGY

To achieve the above goals, the parties have agreed to implement a two-pronged strategy combining local, targeted intersectoral actions with comprehensive initiatives that have a structuring effect on the entire City.

The parties therefore agree to

1. Implement an integrated approach to territorial management aimed at concretely linking initiatives in land use planning, social and community development, and local economic development. The goal is to improve the overall quality of life in the various boroughs, and to revitalize priority zones identified by the City and described in Appendix 2 of this City Contract.

It is worth noting that the investment projects outlined in the 1999 framework agreement, as well as the two programs mentioned above, have allowed the City and its local partners to develop integrated territorial management expertise, especially in combining and coordinating sectoral measures to maximize return on private and public investments. The City Contract is an opportunity to take this expertise to the next level.

2. Adopt a more comprehensive approach in areas that have a substantial impact on the entire territory. This involves
 - Enhancing the environment in a sustainable manner.
 - Examining strategic infrastructures that are the backbone of social and economic development (water, transportation of people and goods). Actions in this area will seek to address situations requiring immediate attention and implement long-term strategies, particularly for the funding of infrastructure rehabilitation projects.
 - Reinforcing Montréal's position in the international arena with initiatives in sectors of structural importance such as culture, science and economic development, and in the development of cultural, sports and science facilities.

The strategy recognizes Montréal's two fundamental roles: a city at the service of its residents and a metropolis.

The strategy's success will depend on progress in the modernization of local governance, securing of substantial funding, and on economies of scale and improved productivity within the municipal administration with a view to increasing efficiency and balancing municipal finances.

1.5 CURRENT AND FUTURE PARTNERSHIPS

Although this Contract is the first of its kind, it is not the first collaborative initiative between the City and the Government. Sectoral and specific agreements have provided both parties with numerous opportunities to join forces to coordinate public initiatives in

the Montréal area. Examples include agreements to protect and restore the City's built heritage, promote and disseminate culture, consolidate and renovate housing units, decontaminate soil, rehabilitate infrastructures and develop the local economy. All of these agreements are aimed at pooling knowledge, skills and resources to better address needs and problems. However, each one was created separately, within a sectoral development framework.

The City Contract introduces significant improvements in this regard. Since the creation of the new City, several of the agreements have been reviewed and integrated into the new action plan. Other agreements to be examined in the near future could also be added.

In other areas, however, existing collaborative mechanisms do not seem to justify immediate adjustments and have thus not been incorporated into the City Contract. This does not in any way diminish their relevance and strategic value to both the City and Government.

For instance, in the area of public security, the various existing agreements contribute greatly to improving public safety, and the current partnership will be maintained with a view to increasing knowledge and expertise, coordinating public safety initiatives and stepping up the response capabilities of emergency teams—all of which will contribute to the development of Québec's crisis prevention and response strategies.

Lastly, as part of the reform of municipal territorial organization, the Québec Government has created the Communauté métropolitaine de Montréal (CMM) with a view to better integrating urban and metropolitan functions and developing a common strategy in a number of fields of activity, including urban planning and housing, public transit, economic development and the environment.

It is understood in the City Contract that the CMM will fully play its role in these areas.

1.6 MODERNIZING RELATIONS BETWEEN THE CITY AND GOVERNMENT

The City Contract is a first step toward setting new ground rules for its partnership with the Québec Government. These rules will be based on newly defined priorities, decision-making autonomy, administrative flexibility, the speed and efficiency of municipal actions, transparency and accountability, as well as the adaptation of government actions to specific contexts.

The Government of Québec's choices are in line with other decentralization and regionalization initiatives implemented in recent years. The City Contract reflects government commitments made in the fall of 2002 at the *Rendez-vous national des régions*.

The City Contract also introduces new management formulas and operating rules that will strengthen Montréal's capacity to act locally and cut down on the red tape that frequently hampers relations between the two parties. This move to update local government procedures will be carried out in two phases.

▪ Decentralization

The Government and City agree to immediately decentralize some of the City's functions and to set up *a posteriori* accounting procedures in areas where the latter has an obvious capacity to intervene, and where a greater decision-making autonomy would significantly increase the speed and quality of service delivery to residents. At present these areas are housing and the fight against poverty and exclusion. At a later date and appropriate time, other existing agreements between the City and Government will be examined in order to incorporate them into the new operational procedures.

In this atmosphere, the City will continue managing the regular housing programs of the Société d'habitation du Québec (SHQ) within a more open and flexible framework. These programs include: *AccèsLogis Québec*, *Logement abordable Québec*, *Programme d'adaptation de domicile*, *Programme de logements adaptés pour aînés autonomes*, *Programme d'amélioration des maisons d'hébergement*, *Programme d'aide financière aux propriétaires de résidences endommagées par l'oxydation de la pyrite*. The City will also implement its action plan to consolidate and improve housing overall.

In addition, the City will be responsible for implementing a strategy to fight poverty and exclusion.

The parties agree on the following management procedures:

- The Government will establish the objectives and basic parameters of programs and funds to be managed by the City, or strategies in which the City will be invited to participate.
- The City will receive appropriate compensation for tasks delegated by the Government. These tasks are completed at zero cost for the Government and should not result in increased spending for the City.
- The City and appropriate government department or body agree on a joint planning approach—i.e. diagnoses, orientations, goals, required actions or activities, targeted results, and appropriate performance indicators and partnerships to be forged—and to remain mutually accountable for the results.
- The City will develop its annual program (focusing on priority intervention zones) according to allocated budgets, and will submit it to the appropriate government department or body.
- The City will manage and monitor funds and programs.
- The City will annually account for funds management, activities carried out, results and objectives attained, and performance indicators.

- The City and appropriate government department or body will jointly evaluate activities carried out and their respective results, as well as update reviews and define objectives.
- The City will ensure that the appropriate government department or body has continuous access to the management data of the programs and funds it administers.

▪ **Reducing formalities and red tape**

The City Contract aims to set up work areas to help increase the flexibility of norms and procedures in the road transportation, housing, cultural and environmental sectors. These are areas where too much red tape prevents rapid, effective action adapted to increasingly shifting and critical contexts.

▪ **Legislative changes**

Legislative changes pertaining to the municipal domain were approved by the Québec National Assembly in December 2002. A number of these are aimed at simplifying or streamlining certain controls or procedures that bind municipal institutions under provisions of various Québec laws. Several amendments have also been made to the *Charter of Ville de Montréal* at the City's request.

1.7 FUNDING FOR SECTORAL ACTIONS IN THE CITY CONTRACT

1.7.1 The City's financial commitments

In this Contract, the Government and City have agreed to conduct actions in numerous sectors and have indicated their level of financial commitment for each one.

- Overall, Ville de Montréal will allocate \$1 billion for the 2003–2007 period (\$779 million of which will come from new commitments) to complete the actions outlined in the City Contract. It is understood that this sum is subject to appropriations voted by City Council.
- The sum will be broken down as follows:
 - \$555 million will be committed to balancing out the City's finances and will partly be derived from cost-cutting and productivity-enhancing measures (\$525 million). The remainder will come from a \$30 million reserve created in 2002.
 - \$174 million will be invested in major structuring projects for Montréal's development, completing the financing packages required to plan and implement them.

- New financial commitments totalling \$50 million, in addition to the planned \$276 million, have been incorporated into the City's budget structure for 2003–2007, in order to follow up on identified sectoral initiatives. Another \$13.5 million will be added by promoters of the *Revi-Sols* program.

1.7.2 Financial commitments of the Québec Government

- Overall, the Québec Government will allocate \$1.4 billion, \$587.8 million of which will be new money allocated to meet City Contract commitments. It is understood that these allocations are subject to available funds and approval of appropriations by the National Assembly.
- The amount will be broken down as follows:
 1. Regular approved budgets totalling \$863.5 million, allowing government departments and bodies to carry out actions for the duration of the City Contract (2003–2007).
 2. New financial commitments assumed by the Government (i.e., new budgets for City Contract actions in addition to budgets already granted to the Departments). These commitments amount to \$191.8 million for the duration of the Contract. There will also be an additional commitment of \$15 million over two years for the *Revi-Sols* program.
 3. Savings of \$24 million (over the Contract term) for Ville de Montréal on account of government commitments to maintain the Viau and Lachapelle bridges, and to share the radio communication system with the City.
 4. Ville de Montréal assets that the Government agrees to purchase:
 - The collection of the Bibliothèque centrale de Montréal (\$35 million);
 - Île Notre-Dame Park (\$240 million).
 5. Starting in 2004, a recurring annual payment of \$20 million to the City, which will be used to:
 - Terminate the special status of the Palais des Congrès de Montréal with regard to municipal property tax.
 - Compensate for school transportation provided by the City.
- These financial commitments by the Government in the City Contract should be seen as part of a whole series of investments and contributions made to City over the past few years:
 - Since 2000, the Government has allocated \$71.5 million to the City to establish the new City and support the activities of the transition committee and new administration.

- Numerous sectoral agreements between the City and government departments or bodies are still in effect and involve projects costing several million dollars.
- The tax agreement, signed in 2000 by the Québec Government and all the cities in the province, and due to end in 2005, will also contribute to the City's financial equilibrium during the 2002–2005 period. More than \$240 million will be paid to the City between 2003 and 2005 under this agreement.
- The Government plans to spend approximately \$6.1 billion on fixed assets in the Montréal area between now and 2005.

1.7.3 Contribution of the Federal Government

The vision and actions laid out in the City Contract require the contribution of the federal government.

Thus, the Québec Government agrees to take into account the priorities agreed upon in this Contract when allocating funds obtained through agreements with the federal government on new or existing federal programs, including

- Drinking water and wastewater infrastructures;
- Consolidating and maintaining the municipal roads system and related roads infrastructures;
- Modernizing public transit infrastructures;
- Increasing subsidies for housing programs;
- Completing major structuring projects.

**PROVIDING RESIDENTS WITH A BETTER QUALITY OF LIFE AND
ENSURING SOCIAL COHESION IN THE COMMUNITY**

**2.1 THE INTEGRATED TERRITORIAL APPROACH AND PRIORITY
INTERVENTION ZONES**

Montréal's 27 boroughs generally offer a supply of varied, quality housing, and a range of services and community facilities that respond to citizens' needs. The latter enjoy easy access to different economic centres and employment, and most are well served by public transit.

However, some parts of the City have less attractive neighbourhoods where social exclusion, poverty and a general deterioration of the surroundings have set in. With its extensive knowledge of the Montréal area and its social and urban challenges, the City has identified zones that require specific, complementary efforts to improve urban planning and housing, public facilities, social development, education and employment. These zones are characterized by a high percentage of people living alone, single-parent families, and houses with incomes far below the Montréal average. Unemployment rates are higher and many residents do not have a high-school leaving certificate. Property values are lower than elsewhere on the Island, reflecting the low quality of the urban setting and residential buildings. For a description of these zones, see Appendix 2 of the present Contract.

The Government and City agree that most revitalization initiatives need to be directed toward these priority intervention zones and adapted to each specific context. To a lesser degree, actions could be taken outside the priority zones, to respond to more specific problems on a much smaller scale. These areas are identified as micro-zones on the map included in the appendix.

In addition, certain actions must be taken throughout the Montréal area to address general problems such as affordable housing, the recycling of abandoned buildings, immigrant adjustment services, and support to people living alone. Such initiatives, carried out on a broad scale, will also have a significant impact on targeted revitalization zones, and could prevent other neighbourhoods from deteriorating in a similar way.

The Government and City also agree on the need to coordinate actions taken in these zones by setting up a multisectoral, integrated approach. The commitment of government departments and municipal departments to ensure greater coordination and convergence will be crucial.

Moreover, since the municipal administration is the authority that can most effectively and rapidly respond to residents' needs, the Government agrees to decentralize some of its programs and to decompartmentalize certain budgets. The Government will continue its efforts in this vein over the next few years to give the City more flexibility in addressing the

realities of different Montréal neighbourhoods, especially those in need of revitalization. This decentralization will help lay the foundations for Borough Contracts. It will also help residents play a more active role in transforming their surroundings, contributing to the development of a more participatory, dynamic democracy in local institutions.

Finally, the Government and City cannot act alone. Their investments and actions must be carried out in close collaboration with local partners, as well as the community and private sectors. Government and municipal funds should act as a catalyst to achieve the desired impact in an integrated manner.

Prime areas in which to consolidate this integrated management approach are housing, urban planning and social, economic and community development. Parks, sports, recreation and culture will gradually be added.

Objectives

- Promote a pleasant, dynamic neighbourhood life
- Improve the quality of the urban environment and halt the deterioration of built-up areas
- Support residential projects for all users
- Adapt public services to citizens' specific needs
- Promote the socioeconomic integration of at-risk populations
- Reduce the impact of urban problems such as crime, prostitution, homelessness, etc.
- Stimulate economic development and local job creation
- Encourage local stakeholders and residents to take charge of their surroundings

Commitments

The Québec Government and Ville de Montréal agree to

- Establish an adapted approach to territorial action aimed at combining initiatives in land use planning and in social, economic, cultural and community development.
- Pool their efforts by allocating a significant portion of public funds to urban revitalization initiatives in targeted sectors. The remainder will be used to address general issues affecting all neighbourhoods.
- Define an inter-ministerial, intersectoral framework to ensure the harmonization of actions and programs. In addition to the government departments and bodies that have signed the City Contract, this framework will include health and education partners.
- Help develop a strategy by defining objectives and target users, mobilizing players, and coordinating projects in priority sectors.
- Measure the effects and results of actions taken.

The Québec Government agrees to

- Recognize priority intervention zones identified by the City.
- Align its planning, policy application procedures, programs and resources with the realities and needs of these areas.
- Encourage the decentralization of responsibilities toward the City, giving it more leeway to implement the integrated approach to territorial action. The decentralization methods are outlined in Section 1.6 of this Contract.

2.2 IMPROVING QUALITY OF LIFE AND THE URBAN FRAMEWORK

To live in a quality, sustainable urban environment is one of City residents' top priorities. To provide such an environment, the City must implement measures aimed at improving living conditions and the physical environment in neighbourhoods, as well as reducing any sources of annoyance. Urban initiatives should be focused on rehabilitating and renovating neighbourhoods, particularly in areas targeted for revitalization, as well as preserving and promoting a pleasant environment. To take these actions, the City must create conditions favourable to private investment. It therefore plans to adopt an effective housing strategy and make optimal use of the government's *Renouveau urbain* program.

2.2.1 Housing

Context

Housing is a key quality-of-life indicator. It reflects numerous social, demographic, urban and economic factors, and therefore requires sustained and determined action. The diversity of problems and lack of available rental housing pose important challenges. Efforts will have to be made to increase access to housing, improve buildings and revitalize certain neighbourhoods. Housing plays a guiding role in a growing number of intersectoral actions addressing complex urban issues.

To meet these challenges, the City can count on its solid existing partnerships. Over the past two decades, relations between the City and the Société d'habitation du Québec (SHQ) have become increasingly decentralized, with the City playing a leading role in the province as an agent in charge of implementing SHQ programs. As part of this ongoing process, the City Contract seeks to reflect, as accurately as possible, the sharing of responsibilities between the Québec Government and Ville de Montréal.

With regard to the broader government housing initiatives set out in the SHQ's 2002–2007 strategic plan and in the *Cadre d'aménagement pour la région métropolitaine*, the City Contract is designed to give Montréal strategic options, based on a long-term vision, and to adapt its actions to the needs of Montrealers.

To this end, the Contract introduces a flexible management model that will help maximize the impact of housing initiatives, revitalizing neighbourhoods in a tangible manner.

All housing initiatives will be based on the following principles:

- Sustainable development: the “intelligent growth” philosophy aimed at consolidating areas that have already been urbanized.
- Social diversity: maintaining Montréal's social diversity, which is necessary to build a flourishing community.

Objectives

Housing initiatives will be geared toward achieving five main goals:

- Increasing the number of available low-rent and community housing units, and consolidating the existing housing supply.
- Improving the quality of the existing private housing supply and adapting it to needs as they arise.
- Supporting the development of varied and affordable residential products.
- Promoting home ownership, particularly for moderate-income families, with a view to stabilizing the City's demographics, strengthening its social fabric, and revitalizing its neighbourhoods.
- Optimizing the links between housing subsidy programs and strategic initiatives to requalify urban space, particularly to eliminate public nuisances, develop vacant lots, and densify areas with good public transit services.

Methods

In the first implementation stage of the City Contract (2003–04), it is agreed that administrative procedures attached to existing agreements will be adapted and relaxed. Priority actions include social and community housing, as well as projects to consolidate and improve general surroundings.

- *Social and community housing*

More than 126,000 Montréal households spend over 50% of their income on rent. Social and community housing provided by the Office municipal d'habitation de Montréal (OMHM), housing coops and non-profit organizations are not keeping up with the demand. Furthermore, the private rental market has become significantly skewed, with a current vacancy rate of only 0.8 per cent.

“Solidarité 5000” apartments

In January 2002, the Québec Government and Ville de Montréal launched a vast construction project for 5,000 social and community housing units. *The AccèsLogis Québec* and *Logement Abordable Québec* (social and community affairs division) programs contributed to the initiative.

To ensure that the “Solidarité 5000” apartments are built on schedule (some of the units should be ready by the end of 2004), the Société d’habitation du Québec (SHQ) and the City agree to increase the planned budget according to the sharing rules laid out in the abovementioned programs, or in any other programs yet to be determined.

Office municipal d’habitation de Montréal (OMHM)

The new OMHM, formed out of a recent merger of the Island’s 15 offices, is the City’s largest housing owner, with 20,000 low-rent apartment units. The OMHM is faced with a specific set of challenges, particularly as regards integrating its clients into society, promoting greater diversity among apartment tenants, and reviewing waiting-list-management procedures. The organization needs a degree of administrative flexibility in order to meet these challenges, while respecting the broader parameters of low-rent housing programs and the management processes of municipal housing offices.

▪ *Consolidating and improving housing*

In addition to major development initiatives in social and community housing, Ville de Montréal must address several other facets of the housing issue. To address the housing shortage and respond to Montrealers’ different housing needs, the City will develop an action plan to help implement the integrated approach to territorial action.

This action plan, to be prepared in consultation with the SHQ, could include the following activities:

- Complete or one-time residential renovations
- Strategic purchases of dilapidated buildings for renovation purposes
- Contributions to community groups active in neighbourhood revitalization
- Setting up of a fund for buildings unfit for habitation
- Adding new rental apartments or property (by demolishing and reconstructing vacant buildings, converting non-residential buildings, or constructing on vacant lots)
- Various formulas to improve access to rental housing
- Assistance to projects meeting the specific needs of certain clientele (e.g., artists, students, etc.) while helping to address the housing shortage

- Increased loans to projects receiving assistance under other programs, and that are either facing exceptional costs, or offer additional urban, social or economic benefits
- Demonstration projects, as well as research and evaluation activities

It should be noted that although the action plan covers the entire Montréal area, a sizeable portion of necessary funds will be directed toward planned priority intervention zones.

So that the City can carry out this integrated action plan, the SHQ and Ville de Montréal agree that the City should have greater leeway in using the total joint budget commitment of \$85.8 million for 2003 and 2004 to fund activities in the *Rénovation Québec* program.

The following targets are a starting point. They will be reviewed according to the detailed contents of the action plan and, eventually, the financial resources granted over the next few years by partners involved in funding housing programs.

Housing renovations (one-time)	8,000 units
Housing renovations (complete)	1,000 units
New housing (rental or owned)	3,000 units
Home ownership	2,000 units

Commitments

The Société d'habitation du Québec and Ville de Montréal agree to

- Decide on ways to evaluate the housing situation, define objectives, identify the type of actions required, and create annual programs outlining actions to be taken.
- Conduct a common follow-up and evaluation of activities, deciding on corrections to be made (as needed), and periodically updating evaluations, objectives and programs according to the economic situation.
- Respect the "Solidarité 5000" construction schedule, granting financial assistance as needed according to the sharing rules provided in existing programs or any programs yet to be determined.

Without prejudice to binding clauses in agreements with other partners involved in funding the proposed housing programs, the Société d'habitation du Québec agrees to

- Exempt Ville de Montréal from applying the prescriptive framework of the *Rénovation Québec* master program, so that it can allocate budgets to the housing consolidation and improvement plan, as per its agreements with partners.

- By the end of 2003, conclude a management agreement with the OMHM that gives the SHQ more room to tailor practices to tenants' needs, the characteristics of its housing supply, and specific contexts.
- In tandem with the City, reduce the administrative red tape in government funding programs. In this instance, the City will act as an agent of the SHQ to facilitate implementation of these programs in the Montréal area (*AccèsLogis Québec, Logement abordable Québec, Programme d'adaptation de domicile, Programme de logements adaptés pour aînés autonomes, Programme d'amélioration des maisons d'hébergement, Programme pour les bâtiments endommagés par la pyrite*).

The Société d'habitation du Québec, Régie régionale de la Santé et des Services sociaux de Montréal-Centre, Ministère des Affaires municipales et de la Métropole and Ville de Montréal agree to

- Prolong, for the duration of the City Contract, commitments regarding the financing of the groups that provide community support services for the clients of the 500 housing units to be built for homeless people, or those at risk of becoming homeless, as described in the *Protocole d'entente entre la Ville de Montréal, la Régie régionale de la Santé et des Services sociaux de Montréal-Centre, le ministère des Affaires municipales et de la Métropole et la Société d'habitation du Québec*, signed June 24, 2002, and expand these commitments to proposed social and community housing for frail elders and people with reduced mobility.

2.2.2 Urban planning

Context

Since June 2002, Montréal has been developing an Urban Master Plan for the new City. This plan provides an integrated and strategic overview of the City's planning and development goals. The issues, preliminary guidelines and principal challenges have been identified and will be discussed in the future. Already, however, there is widespread consensus on the need to revitalize certain neighbourhoods, improve quality of life, get rid of vacant lots, recycle vacant or rundown buildings, and redevelop certain sectors.

Revitalizing neighbourhoods and boroughs means improving the overall quality of life of residents, as this is a key factor in determining where individuals and businesses decide to locate. Improvements may take various forms: recycling buildings for community purposes, regenerating public spaces, rehabilitating certain neighbourhood parks, modernizing local commercial streets, creating pedestrian zones, etc. The choice of actions not only depends on the physical condition of these elements, but also on the concerns of residents and their perception of the environment. Residents must participate in the decisions that affect them. It was in

this vein that the government's *Renouveau urbain* program was set up in early 2002. A budget of \$64 million has already been earmarked for Montréal, financed in equal measure by the City and the Government. The latter would like, in this City Contract, to give Montréal maximum leeway to implement the program.

As far as lasting revitalization of the City is concerned, more intensive actions than those outlined in the *Renouveau urbain* program are required. In several Montréal neighbourhoods there are rundown institutional buildings, abandoned railway right-of-ways, shunting yards, dilapidated industrial spaces and other wastelots. Often located in areas with good public transit and services, these areas have a strategic development value and strong transformative potential. This is particularly true of the area around the Canadian Pacific railway between the site of the former Angus Shops and the western boundary of the borough of Outremont. Given the high costs involved, a specific approach is required for projects of this nature.

Objectives

- Promote the revitalization of the physical surroundings and environment.
- Conduct strategic operations to requalify urban spaces, particularly to get rid of annoyances, raise the value of wastelots, and increase population density in underpopulated areas.
- Encourage neighbourhoods to get involved in socioeconomic renewal.
- Help residents and local partners participate in the project planning and implementation process.

Commitments

The Minister of Municipal Affairs and Greater Montréal agrees to

- Extend implementation of the *Renouveau urbain* program to December 31, 2005.
- Allow Ville de Montréal to administer the joint budget for the *Renouveau urbain* program.

Ville de Montréal agrees to

- Submit its project programs, based on priority zones, to the Minister for approval.
- Set out its management procedures by producing an annual report on projects completed and upcoming programs.

The Minister of Municipal Affairs and Greater Montréal and Ville de Montréal agree to

- Focus 75% of investments in the *Renouveau urbain* program on priority intervention zones.
- Implement a strategy aimed at requalifying major urban sites. This strategy will involve
 - Identifying such sites.
 - Setting up financing to acquire sites and prepare them for redevelopment (demolition, decontamination, etc.).
 - Redeveloping the sites.

2.3 SOCIAL AND COMMUNITY DEVELOPMENT

Social and community development is the second facet of the integrated territorial approach. This is an area to which Ville de Montréal has always attached great importance; it also knows how to develop, often together with the Government, original approaches such as those adopted for sensitive neighbourhoods.

In fact, municipal intervention in social and community development matters contributes significantly to the fight against poverty and exclusion. It helps significantly to reduce the impact of urban social problems such as homelessness, prostitution and drug addiction, for the individuals concerned and for the population as a whole. But, most important, it is part of a broader range of actions aimed at supporting the success of youth and their integration into the job market, the development of family and early childhood services, nutrition, integration of the disabled, the harmonious integration of newly arrived immigrants and of the cultural communities, social integration of the underprivileged, and the strengthening of their ability to improve their health and their quality of life. It is precisely in these areas that the Government and the City intend to work together in the coming years.

2.3.1 Combating poverty and social exclusion

Context

The Government has made the fight against poverty and social exclusion one of its priorities. The strategy made public and the *Act to combat poverty and social exclusion*, adopted in December 2002, are built on five fundamental orientations:

- Foster the development potential of people
- Strengthen the social and economic safety net
- Foster access to jobs and promote the value of work
- Encourage involvement by society as a whole
- Ensure the consistency and coherence of actions at all levels

Given the mutual determination of the Government and the City, manifested for several years now, to support local initiatives to combat poverty and exclusion, it is important to reaffirm and formalize this cooperation within the framework of this City Contract.

Objectives

- Help the most disadvantaged better integrate into their environment and into the Montréal and Québec communities, and support them in their integration efforts.
- Reduce the impact of social problems common to a large city, such as homelessness, prostitution and drug addiction, for the individuals concerned and for the population as a whole.
- Offer youth alternatives to welfare, by taking inspiration from the approach developed by *Recherche-action Solidarité jeunesse* and its satellite projects, and taking into account the ethnocultural makeup of the Montréal population.
- Act based on priority intervention zones and using a local and concerted approach by proposing projects and initiatives that foster access to decent food, adequate training, affordable housing, adapted social and health services and appropriate leisure activities.

Commitments

The Minister of Social Solidarity agrees to

- Make available to the City, as a first step, a special budget to contribute to the social development and implementation of a strategy to fight poverty and social exclusion. This budget will be \$5 million in 2003. This \$5 million amount will be renewed in 2004.
- Continue its contribution to social development and the fight against poverty and social exclusion through measures and programs available to it, taking into account the City's priorities in this area.
- Foster the concerted management and harmonization of actions by governmental partners within Montréal city limits in the areas of social development and the fight against poverty and social exclusion.
- Support research into social development and the fight against poverty and social exclusion.

Ville de Montréal agrees to

- Submit, within 90 days of the signing of the City Contract, a plan identifying the actions to be taken in 2003 using the \$5 million budget, and specifying the objectives and partners involved as well as the financial contribution of the City and its partners.
- Complete, by 2004, its strategy for combating poverty and social exclusion and its local action plans in the priority intervention zones. The latter must specify the objectives, the measures proposed, the anticipated results as well as elements regarding the involvement of the partners, and especially the partners from the job market and the community, in the procedures for consultation and dialogue. This strategy will also specify the financial participation of the City and other partners and organizations from the community in increasing the impact of funds provided by the Minister.
- Use, for its actions to promote social development and fight poverty and social exclusion on its territory, the surpluses that may be generated by the future agreement between the City and the Minister on the delegation of income security management.
- Adopt and send to the Minister the strategy and local action plans developed with the boroughs for priority zones and island-wide projects, in an approach of decentralization and *a posteriori* accounting.

The Minister of Social Solidarity and Ville de Montréal agree to

- Enter into, as a second step, and following the adoption of the Government action plan provided in the *Act to combat poverty and social exclusion*, discussions on the total financial contribution for the five years of the Contract. This contribution will be determined taking into account Montréal's situation (high population density, main entry point for immigrants, higher incidence of social problems such as prostitution, homelessness and drug addiction), the proportion of people living in poverty within Montréal city limits, and the strategy and local action plans for priority zones that will be submitted to the Minister in 2004.
- Create a Ministère de l'Emploi et de la Solidarité sociale/Ville de Montréal committee to monitor the agreement.
- Develop, in the first year of this Contract, the evaluation plan and results indicators, in line with the indicators that will be developed following the adoption of the *Act to combat poverty and social exclusion*.

2.3.2 Intercultural relations and integration of immigrants

Context

To date, over 80% of new immigrants to Québec have settled within the Montréal city limits upon their arrival. The vast majority stay on a permanent basis, with the result that the Montréal population has become highly cosmopolitan.

This characteristic makes Ville de Montréal a key partner of the Québec Government in immigrant reception and integration, participation of immigrants in Québec life, and intercultural relations. The City already has a formal agreement with the Ministère des Relations avec les citoyens et de l'Immigration, in addition to selective partnerships in many areas or activities. The parties agree to strengthen and expand this existing partnership.

Objectives

Ville de Montréal has significant objectives in matters of intercultural relations—goals that are shared by the Ministère des Relations avec les citoyens et de l'Immigration, including:

- To develop intercultural relations in the Montréal boroughs.
- To increase the representation of immigrants within the City's decision-making and consultative bodies.
- To support the socioeconomic participation of people from visible minorities and ethnocultural communities who are experiencing exclusion.

Commitments

Ville de Montréal agrees to

- Compile a bank of candidates of immigrant origin for appointment to municipal consultative and decision-making bodies.
- Implement a Montréal action plan for intercultural relations based on two approaches:
 - Strengthen measures to enhance immigrant integration by increasing the number of activities carried out within the framework of the current agreement between the City and the Ministère des Relations avec les citoyens et de l'Immigration.
 - Implement projects and adapt services at the borough level.

- Work with the department to define the role, operating procedures and financing methods for an eventual reference centre for visible minorities, and assess its feasibility.

The Minister for Relations with the Citizens and Immigration agrees to

- Improve the agreement between the Ministère des Relations avec les citoyens and Ville de Montréal, which is currently worth \$650,000, by adding \$25,000 per year starting in 2003–2004 year. By 2006–2007, the amount will have reached \$750,000 and will be maintained at this level for subsequent years.
- Support the City, through the *Soutien à des projets d'intégration* program, in implementing projects and adapting services in the boroughs. In 2003–2004, \$15,000 will be provided to each of the Department's six partner committees in Montréal, increasing from \$5,000 a year up to a maximum of \$30,000 annually per committee, or a total of \$180,000 per year for the six partner committees operating within Montréal city limits.
- Contribute, by providing advisory support, to the compilation of a bank of candidates. Staff from the Ministère des Relations avec les citoyens et de l'Immigration will be assigned to this role.
- Work with the City to define the role, operating procedures and financing methods of an eventual reference centre.

2.4 CONSOLIDATION OF LOCAL ECONOMIC ACTIVITIES

Context

The *2002 Montréal Summit* underscored the importance for Ville de Montréal to have a local economic development policy. It also demonstrated the need for an integrated approach to local initiatives of an economic nature, particularly those supporting entrepreneurship among youth. In addition, there was a consensus about leveraging existing energy and experience from the local community to this end, as well as local community economic development practices. Furthermore, under its policy of supporting local and regional development, the Government provides assistance to communities working to develop local economic activities, especially through the development of entrepreneurship.

In December 2002, the *Act respecting the Ministère des Régions* was amended to allow for the creation of more than one local development centre within the territory of Ville de Montréal. The act also was amended to accredit ten existing community economic development corporations and economic development corporations that had already operated in Montréal for many years as local development centres.¹ These organizations will provide services in areas of the City identified in Appendix A of the law (areas which correspond to the ones they currently serve), will use the abbreviation CLD in their names, and will abide by the provisions of the *Act respecting the Ministère des Régions*, including those requiring they allow elected municipal officials to sit on their boards of directors.

As for the rest of the territory, including areas not currently served, the Minister may accredit new local development centres or modify existing accreditations based on the City's recommendations, as long as the provisions of the *Act respecting the Ministère des Régions* are respected.

Objectives

The objectives of the parties are to

- Harmonize their actions to foster the creation of jobs and businesses.
- Leverage, to this end, the expertise of municipal economic development departments and organizations supporting entrepreneurship in Ville de Montréal.

Commitments

The Minister of Municipal Affairs and Greater Montréal agrees to

- Sign, in accordance with Article 12 of the *Act respecting the Ministère des Régions*, a management agreement with all local development centres (including CDECs accredited as local development centres) specifying results objectives and accounting methods.
- Financially support the operation of these local development centres and provide them with funds to assist businesses.
- Financially support the two *Services d'aide aux jeunes entrepreneurs (SAJE)*, which have a regional mandate.

The financial contribution of the Minister of Municipal Affairs and Greater Montréal for the entire territory of the new City is set at \$8.3 million per year for operations and at \$9.7 million per year for funds earmarked for clients in the form of loans and subsidies.

1. They are the Côte-des-Neiges–Notre-Dame-de-Grâce, Ahuntsic-Cartierville, Rosemont–Petite-Patrie, Centre-Nord, Plateau–Mont-Royal–Centre-Sud CDECs and the following economic development corporations: Société de développement économique de Rivière-des-Prairies et Pointe-aux-Trembles, Regroupement pour la relance économique et sociale du Sud-Ouest de Montréal, Corporation de développement de l'Est (CDEST) inc., Société de développement économique (SDE) Ville-Marie and Corporation de relance économique et communautaire de Saint-Léonard.

Ville de Montréal agrees, on behalf of the boroughs, to

- Sign, in accordance with Article 12 of the *Act respecting the Ministère des Régions*, a management contract with the Department and CLDs other than the CDECs accredited as CLDs, outlining results objectives and accounting methods.
- Financially support the operation of the former Ville de Montréal's CLDs to the amount of \$880,000 per year.
- Encourage cooperation among local development centres and municipal economic development departments and the boroughs to promote the development of businesses and entrepreneurship in the City.
- Ensure that the entrepreneurship support services provided for in the *Act respecting the Ministère des Régions* are available throughout the entire City. In this regard, suggest to the Minister the best way to organize these services in those areas not served by community economic development corporations and economic development corporations accredited as CLDs.

PLANNING URBAN GROWTH IN A SUSTAINABLE DEVELOPMENT CONTEXT

3.1 ENVIRONMENTAL IMPROVEMENT

Environmental enhancement represents a key challenge to Montréal's development. The Ministère de l'Environnement and Ville de Montréal have identified three priority areas for the term of the City Contract: improving planning and coordination of their respective environmental initiatives in Montréal; protecting natural environments; and rehabilitating and developing contaminated sites..

3.1.1 Planning and coordination of initiatives

Context

Although each have specific areas of responsibility, the Ministère de l'Environnement and Ville de Montréal are often required to exercise responsibilities or implement initiatives of a complementary and interdependent nature. In the past, this situation has been reflected in close ties between the organizations, and has gradually led to a tradition of cooperation that the parties wish to strengthen and enhance.

Objectives

In keeping with the Department's mission of environmental protection and improvement in a sustainable development context, and Ville de Montréal's intention to establish an comprehensive sustainable development policy and ensure responsible environmental management within city limits, the parties agree to pursue the following objectives:

- Harmonize their analysis of environmental issues, their orientation and policy development process, and the nature and scope of their sustainable development and environmental protection initiatives.
- Increase cooperation in implementing selected major or structuring projects in the areas of environmental protection and improvement.
- Streamline authorization and monitoring procedures.

Commitments

The Minister of the Environment and Ville de Montréal agree to

- Set up a standing liaison committee on the environment, which will produce a yearly action plan.

- Adopt streamlined administrative procedures in selected areas, according to the following timetable:
 - Authorization for City water and sewer system projects: March 2004.
 - Authorization for municipal projects in the shoreline and buffer strip areas: March 2005.
 - Monitoring of municipal snow disposal and waste management sites: March 2006.

3.1.2 Protection of natural environments

Context

Over 85% of Montréal is developed, and urban growth has taken a steady toll on the City's natural environments. Over the past 10 years, some 750 hectares of woodland have been lost to development, while another 1,048 hectares of ecologically sensitive woodland outside Montréal parks are under intense pressure and risk disappearing completely in the near future. Protected areas currently account for a little over 3% of land, while the *Stratégie québécoise sur les aires protégées* calls for an 8% target.

In light of these facts, the parties agree on the urgent need to act.

Objectives

- Protect vital green space and develop a diversified strategy aimed at incorporating these natural heritage sites into the urban landscape.
- Develop a funding package aimed at preserving and integrating natural environments, as well as establishing complementary policy instruments.

Commitments

Ville de Montréal agrees to

- Draft a policy and action plan for protecting natural environments. This policy will include procedures employed by the former Ville de Montréal to conclude blanket agreements with selected institutions aimed at, among other things, protecting green space on their property.
- In the interim, set up a monitoring system to help protect natural environments deemed of special ecological value during the planning program development stage.
- Explore all possible financial, land, tax or other measures to help implement the action plan and encourage the participation of private and community partners.

The Québec Government agrees to

- Review all funding programs and make adjustments that will allow for more effective contributions to the City's policy and action plan.
- Examine the various tools at its disposal—including tax incentives—that could be used to encourage private or community partners to assist in implementing the action plan.

The Québec Government and Ville de Montréal agree to

- Gradually set up a bank of municipal and government lands with an eye to facilitating implementation of environmental conservation and improvement projects.

3.1.3 Rehabilitation and redevelopment of contaminated lands

Context

In 1998, in response to a major environmental problem, the Ministère de l'Environnement and Ville de Montréal launched a rehabilitation program for contaminated lands. Montréal currently contains an estimated 4,800 hectares of contaminated land.

The *Revi-Sols* program was a resounding success: between 1999 and 2002, fully 170 hectares of land were decontaminated and made available for development. In light of these positive results, the City and the Ministère de l'Environnement agreed to extend the program for two more years.

Objectives

- Clean up the environment of Montrealers.
- Facilitate implementation of various social and economic development projects throughout the City.
- Combat urban sprawl.

Commitments

With the goal of rehabilitating some 50 hectares of contaminated lands in Montréal between 2003 and 2005:

The Minister of the Environment agrees to

- Renew the *Revi-Sols* program for the 2003–2005 period and inject an additional \$15 million that will be added to an equivalent amount of up to \$13.5 million for private projects and \$1.5 million for projects initiated by the City and its paramunicipal organizations.

Ville de Montréal agrees to

- Manage the Revi-Sols program within the City and submit projects to the Department for environmental compliance analysis.

The Environment Minister and Ville de Montréal agree to

- Pool their respective inventories of contaminated lands.

3.2 STRATEGIC INFRASTRUCTURE CONSOLIDATION AND DEVELOPMENT

3.2.1 Road transportation infrastructures

Context

Transportation networks in the Montréal area are designed to ensure that people and goods circulate as efficiently as possible. To this end, the Ministère des Transports and Ville de Montréal are key partners, each with wide-ranging responsibilities for transportation infrastructures. The City manages a 5,000 kilometre road network consisting of a 1,000 kilometre arterial system and 4,000 kilometres of local roadways. The Montréal arterial system is the most strategically important in Québec, handling not only the highest regional traffic volume in the province, but also the overflow from the main regional network. As well, approximately 40% of the Montréal arterial system falls within the boundaries of what the *Communauté métropolitaine de Montréal* (CMM) could soon designate as the metropolitan network.

On the Island of Montréal, the Ministère des Transports manages a main road network (highways) of approximately 140 kilometres, plus 410 access ramps covering 155 kilometres. The provincially controlled portion of the network also contains over 520 works of art and 1,100 signage structures.

The variety and scope of Montréal's transportation infrastructures have made the City a major North American shipping hub. The City's infrastructures have kept pace fairly well with the profound changes witnessed in the transportation sector, from technological innovations and the continentalization of trade, to the wave of mergers and alliances among transportation companies. That is why container transport, which marked a turning point in freight transportation, is experiencing rapid growth and has helped turn the Port of Montréal into the third largest container port on the east coast of North America. The integration of the maritime, road and rail systems, along with the presence of intermodal infrastructures, has also fuelled this boom. Meanwhile, Montréal's international airports are Québec's most highly developed airport infrastructures, ranking third in Canada for passenger and freight transportation.

The interdependent nature of the main and urban road networks requires that the two levels of government develop a coordinated vision from both a planning and operations perspective in order to help them fulfill their respective responsibilities toward end-users. This vision will need to be applied concretely in transportation programs. The Québec Government and the Ministère des Transports du Québec already have the necessary orientation and planning tools (the planning framework and directions for the Montréal area, as well as *the Plan de gestion des déplacements* from the Ministère des Transports), and Ville de Montréal is due to equip itself with similar policy instruments.

This interdependence between the two networks is apparent on multiple levels, most notably in planning and implementing projects that require the parties' mutual cooperation on account of their impact on land use management, network planning and, ultimately, on each partner's work schedules. Major projects such as rehabilitating the Turcot-LaVérendrye-Angrignon interchange; extending the north-south Cavendish link, including the link with Royalmount; implementing the West Island transportation plan; increasing access to Montréal-Dorval International Airport; improving the De l'Acadie Blvd. traffic circle; and enhancing the road network in the City's east end require high-level planning, the creation of joint-action mechanisms, and the delegation of specific players. Regarding the plan to extend Highway 25, it is being discussed at the regional level.

In light of these major projects, on September 26, 2002, the Government of Québec issued an order-in-council authorizing the important Notre-Dame Street modernization project. Thanks to the work of a task force made up of representatives from Ville de Montréal, the Ministère des Transports, the Société de transport de Montréal and the Agence métropolitaine de transport, this new project was announced publicly on June 5, during the *2002 Montréal Summit*, further to recommendations by the *Bureau des audiences publiques sur l'environnement*.

At the administrative level, the parties agree on the need to streamline certain procedures and implement a flexible management framework based as much as possible on an *a posteriori* audit system. Moreover, other paramunicipal partners or organizations will be consulted during the planning and execution stages of transportation projects, given the potential need to reach agreements with some of these entities, particularly the *Commission des services électriques de Montréal*.

Various road structures, bridges in particular, constitute strategic assets for regional traffic flow but are supported financially by the City as if they were local structures. The City Contract opens the possibility of reviewing this arrangement. The same goes for that portion of the municipal arterial network identified as a strategic element in regional development by the CMM, and whose consolidation and maintenance costs are estimated at approximately \$340 million over the next 10 years. This aspect will be included in negotiations due to be undertaken with the federal government.

Finally, issues of concern have been identified in recently implemented government policies—the *Politique de transport maritime et fluvial* and the *Politique nationale de transport aérien*—and certain courses of action could have repercussions on Montréal, particularly those that aim to promote intermodality (maritime-rail), consolidate the positioning of international airports and head offices, as well as support training and research and development.

Objectives

- Ensure the rehabilitation and joint development of road infrastructures.
- Improve coordination of transportation network operations, while building a more effective, efficient partnership between the Ministère des Transports and Ville de Montréal.

Commitments

With the goal of better planning their respective roads network initiatives:

Ville de Montréal agrees to

- Develop a transportation plan, taking into account and incorporating as much as possible the directions and goals of the *Cadre d'aménagement et orientations gouvernementales* for the Montréal area, as well as the *Plan de gestion des déplacements* of the Ministère des Transports du Québec.

The Minister of Transport and Ville de Montréal agree to

- Establish a Ministère des Transports / Ville de Montréal coordinating committee to discuss major projects, one of whose outcomes would be the signing of a “development agreement,” which could involve other partners if need be.
- Identify and implement improvements in network operations, and if necessary, develop consistent procedures and mechanisms.
- Take the necessary steps to reach an agreement between the Ministère des Transports and the Commission des Services Électriques de Montréal so as to facilitate partner activities on the roads network.
- Conclude an agreement for each of the following projects: modernizing Notre-Dame Street, improving accessibility to Montréal-Dorval International Airport, reconfiguring the De l'Acadie traffic circle, and extending the north-south Cavendish link, including the link with Royalmount.

With the goal of streamlining procedures:

The Minister of Transport and Ville de Montréal are committed to

- Negotiating a global agreement defining the management processes that would apply to joint projects approved by the parties on a yearly basis. This accord would outline the agreed-upon *a posteriori* monitoring mechanisms and the performance indicators. This agreement could incorporate any new transportation infrastructure programs that the Government announces during the term of the City Contract.

With the goal of acknowledging the spinoff effects of their work on each other's networks and to re-establish accountability levels:

The Minister of Transport agrees to

- Assume responsibility for upgrading the Lachapelle and Viau bridges, an investment estimated at \$17 million over the next five years.
- Cover, in the case of conservation projects, expenses incurred through its work on the urban roads network, with its responsibility being limited to restoring the infrastructure's initial functionality. The average annual investment is estimated at \$5 million, or \$25 million for the term of the City Contract.

Ville de Montréal agrees to

- Implement a pavement maintenance program for Department structures to ensure their longevity.
- Cover all expenses incurred through its work on the road network under the Department's responsibility, unless this work was part of a special agreement between the parties.

3.2.2 Public transportation

Ville de Montréal funds the transportation services provided to residents of the Montréal area. The Minister of Transport has therefore asked a representative to study and review the current financial framework for public transportation in the Montréal region in a bid to maintain and develop public transportation networks. Two other representatives have also been given the task of conducting a similar review of the situation across Québec. Once the reports have been submitted to the Minister, the latter will study them and determine any follow-ups required.

In terms of paratransit services provided for the disabled, the Government has approved a new financial framework that will be in effect until 2004. This framework will ensure financial stability with the introduction of triennial financing parameters, thereby providing the City with the means it requires to optimize the services provided to the disabled. In addition, the Ministère des Transports has

become financially involved in the Société de transport de Montréal's new computer-based management and routing system, in a bid to improve the quality of services provided to users and to help manage resources more efficiently.

Lastly, the Ministère des Transports and the Ministère de l'Éducation, in conjunction with representatives of school and public transportation networks, have joined forces to prepare an overview of the financial impact of school bus transportation provided by the Société de transport de Montréal. Under this City Contract, the Government recognizes the situation and, effective 2004, will pay the City annual recurring compensation for school bus transportation services provided by the Société de transport de Montréal.

3.2.3 Infrastructures for drinking water and wastewater

Context

On November 26, 2002, the Québec Government announced its *Québec Water Policy*. The policy, which was the result of an extensive consultation process initiated in 1997, is structured around the following five key areas:

- Reform of water governance.
- Implementation of integrated management of the St. Lawrence River.
- Protection of water quality and aquatic ecosystems.
- Continuation of water purification efforts and improved management of water services.
- Promotion of water-related recreotourism activities.

Each of these orientations is based on a series of action approaches which, when implemented, will yield concrete results by 2007.

The Government has urged municipalities, in their capacity as partners and managers responsible for water services, to make a concerted effort to meet certain objectives, including:

- Bringing all drinking water supply and treatment facilities up to regulation standards.
- Reducing the frequency of overflow of sewer systems.
- Disinfecting wastewater from treatment plants.
- Supplementing the clean-up efforts of certain municipalities.
- Ensuring the sustainability of municipal infrastructures.

Ville de Montréal is obviously required to follow up on and implement the *Québec Water Policy*. It is required to manage drinking water production and supply infrastructures so as to provide residents with the quantity and quality of water as set forth in the *Regulation respecting the quality of drinking water*. The City is also required to provide a wastewater collection, interception and treatment service so as to maintain and improve the quality of water along the shores of the Island at a

level that would be acceptable for use. Infrastructures consist primarily of eight water treatment plants and networks of aqueducts and drains, which include over 12,000 kilometres of pipes, as well as the largest treatment plant in Québec.

The City's water distribution and wastewater collection infrastructure is in serious disrepair and is faced with a number of problems:

- Wastewater treatment equipment is relatively new, as it was implemented in the 1970s. However, more than 30% of the aqueduct pipes in the City are over 50 years old.
- The two key drinking water production plants in Montréal – Atwater and Desbaillets – which provide 85% of the drinking water produced by the City, will have to undergo major modifications in order to provide water that meets the quality criteria set out in the new *Regulation respecting the quality of drinking water*.
- Each year, Ville de Montréal produces a very high volume of drinking water compared with other similar-sized cities. This excessive production is said to be attributed to the leaks in the aqueduct network as well as significant and uncontrolled levels of consumption by factories, businesses and institutions.
- Lastly, the quality of the water along the shores of Montréal Island depends on ongoing discharge of sewage during dry weather, discharge during rainstorms from overflow systems located along the interceptors and the discharge of untreated waters from Ville de Montréal's treatment plant.

Ville de Montréal estimates it will have to invest \$4 billion over the next 20 years in order to rectify the situation.

In light of the above, the City has undertaken the studies needed to devise a global action strategy regarding water services on its territory for the next 10 years.

The Ministère des Affaires municipales et de la Métropole will support the City in this endeavour. Given the investments required, efforts will have to be made to obtain funding from the federal government through its infrastructure financing program. Contributions made by the Québec Government and the City toward the implementation of the latter's strategy as well as the results that will be obtained depend on negotiations that are currently under way on this issue with the federal government.

In the short term, the City will use the funds provided under existing agreements (\$119 million) to carry out the priority work required on the networks.

Objectives and targets

The water services strategy will aim to achieve the following objectives:

- Produce and distribute quality drinking water that meets all the requirements of the *Regulation respecting the quality of drinking water*.

- Targets: - Implement an accelerated work schedule to bring the Atwater and Desbaillets plants up to regulation standards. The parties agree to determine the completion schedule after conducting the preliminary studies required to pinpoint the exact nature of the works and the earliest possible date for completion. The preliminary studies should be completed by 2004.
 - Bring six other plants up to regulation standards by June 2007.
 - Train operators by June 2004.
- Reduce the production of drinking water.
 - Target: - By 2010, reduce the average unit output for all plants by 20% compared with the benchmark year of 2002.
- Ensure the sustainability of water infrastructures.
 - Targets: - Bring the rate of replacement or repairs of aqueduct and sewer networks to 1.7% effective 2007.
 - Analysis of the networks completed by December 2007.
- Improve the quality of the water along the shores of the Island of Montréal.
 - Targets: - Implementation of a disinfection procedure at the treatment plant by the end of 2007.
 - Elimination of discharge during dry weather from sanitary sewer pipes that are not linked to the treatment plant by the end of 2005.
 - Identification of sources of contamination in the storm sewer system by the end of 2007.
 - Reduction of the frequency of overflows of wastewater during rainstorms. The reference level is that stated in the notice of compliance issued on December 19, 1997. The level of reduction will be specified during the first three months of 2004.

Commitments

In the short term, Ville de Montréal agrees to

- Conduct preliminary studies and establish a schedule to bring the two main drinking water treatment plants up to regulation standard by January 2004.

The Québec Government agrees to:

- Take into account the funding required to carry out the projects included in the global action strategy on water services. These projects are approved in this City Contract and funds were allocated in an agreement reached during negotiations with the Federal Government on new or existing federal programs. The three partners will have to provide \$2 billion to fund the work to be done between 2005 and 2012.

3.2.4 Radiocommunications infrastructures

Context

The Québec Government and Ville de Montréal plan to modernize their respective radiocommunications systems.

The City plans to upgrade its system in order to improve its operational communications, particularly those of the police and fire services, the Société de transport de Montréal, as well as municipal maintenance services.

The Québec Government's project is part of a broader program that includes all the government departments and bodies. It is aimed at ensuring quality global and integrated communications across the province in the event of an emergency.

For both the Government and the City, these modernization plans involve state-of-the-art technologies that will require significant investments. In addition to ensuring that the radiocommunications systems of all services are able to interconnect in the event of a crisis, these technologies must also meet world standards in order to protect the sustainability of the systems and to ensure the long-term availability of the main pieces of equipment.

In light of the above, the City and the Government have reached an agreement to share some of their equipment.

Objectives

- To enable the City to realize savings both in terms of initial fixed capital expenditure and future maintenance of the radiocommunications systems.
- To provide more efficient coordination of operations in emergency situations.

Commitments

The Treasury Board agrees to

- Supply and deploy in 2003 the switching equipment that will be used to transfer data between the coverage areas in Montréal and the City's dispatch centres. If necessary, the City will be provided with an alternate in addition to the parent node. These commitments will enable the City to save \$7 million on its fixed capital costs or approximately 25% off its total costs.

Ville de Montréal agrees to

- Pay the Treasury Board Secretariat:
 - A lump sum of \$2 million to cover part of the acquisition cost of the first node.
 - 50% of the annual cost of maintaining shared equipment (approximately \$210,000).
 - 50% of the annual cost of maintaining the software required for their operations (approximately \$300,000).
- Provide and cover 100% of the cost of equipment to be added to that provided by the Government in order to cater to the exclusive needs of the City.
- Supply coverage and dispatching equipment exclusive to the City, and bear all related costs.
- Be responsible for all costs incurred for the maintenance of the coverage and repair equipment used exclusively by the City.
- Acquire and maintain the terminal equipment required for its operations.

The Treasury Board and Ville de Montréal agree to

- Jointly review the terms allowing Ville de Montréal to use other telecommunications services offered by the Treasury Board Secretariat.

3.2.5 The cable distribution network

Context

In light of concerns raised regarding the adverse visual impact of aerial cables on the beauty of the landscape, the Government of Québec launched the *Programme gouvernemental d'enfouissement des réseaux câblés de distribution* (cable burial program) in the summer of 2002 to demonstrate its determination to preserve the heritage, culture and tourist attractions of cities across Québec. The program is aimed at interested municipalities and will be conducted jointly with telephone and cable companies. A budget of \$300 million, provided by Hydro-Québec (\$200 million), the Government (\$75 million) and the municipalities (\$25 million), has been set aside for the program.

Two key realities must be taken into account in order to ensure that any measures involving the heritage of Ville de Montréal are integrated and harmonious:

- The very character of Montréal, in other words its building density, the manufacturing and industrial activities conducted in the old neighbourhoods, the types of buildings and their uses, as well as the impact of modifications on all the architectural and archeological elements and on the overall visual image of the City.
- The expertise and capabilities of the Commission des services électriques de Montréal. The mission of the Commission, which has been supporting the City for almost a century, is to promote the burial of cable networks in accordance with municipal orientations.

Objectives

- Enhance the visual appearance of the landscape.
- Develop and promote the integrity and sustainability of areas that attract tourists as well as showcase the City's heritage and culture.

Commitments

The Minister of Natural Resources agrees to

- Set aside for Ville de Montréal 20%, or \$15 million, of the estimated \$75 million budget earmarked for [the Programme d'enfouissement des réseaux câblés de distribution](#), subject to project scheduling.

Ville de Montréal agrees to

- Mandate the *Commission des services électriques de Montréal* to work with the Ministère des Ressources Naturelles and, through the selection committee, with the companies involved, to develop a schedule of projects to be conducted.
- Conduct cable burial projects in accordance with the criteria and objectives of the Government program as well as the agreed-upon scheduling.

SUPPORTING THE CITY'S ECONOMIC AND CULTURAL VITALITY

4.1 STRUCTURING PROJECTS

Context

The *2002 Montréal Summit* brought together some 3,000 participants to determine the key development focuses for the new City and to establish a shared vision of its future on the local and international levels.

This vision suggests numerous large projects that will contribute to the City's development and will integrate many initiatives in a structuring perspective. These projects, in the areas of culture, leisure or economic development, require the cooperation and pooling of know-how, resources and investments from many players—public, private and community—to achieve a truly common development strategy.

These projects are not all at the same stage of development and several of them are at the planning, or even consultation, stage. The City has thus created a start-up fund that will allow the feasibility of the projects to be assessed and support the development of business plans and financing for those projects selected. Subsequently, the partners involved could agree on a schedule and a financing structure for the most promising projects. The federal and Québec governments are among these partners.

For its part, the Québec Government has always been an important partner of Ville de Montréal in the accomplishment of structuring projects designed to support the economic, scientific and cultural vitality of the City. Between 1999 and 2002, it made significant investments in major projects such as the development of the *Quartier International de Montréal*—including expansion of the *Palais des Congrès de Montréal*—to promote the City internationally. It will do the same with construction of the *Bibliothèque nationale du Québec*, a premium quality public facility, in order to further strengthen Montréal's position among the world's major cities.

In the area of major development focuses, the Government recently agreed to support the development of Ville de Montréal's scientific sector by renewing its support for the biotechnology industry. It is also joining Ville de Montréal in establishing [the Société du Havre de Montréal](#), whose goal is to guide actions to enhance, conserve and develop this important area of the City.

The proposal to strengthen the recreotourism growth sector and the development of a plan to create an integrated urban park around sports and scientific facilities in Eastern Montréal (Maisonnette Park, Olympic Park, Maurice Richard Arena, Centre Pierre-Charbonneau, the Biodôme, Botanical Garden, Insectarium)—which would include relocation and integration of the Planetarium—reflect this determination to strengthen the major development focuses.

Such investments are in addition to those made in the past 10 years by the City and its partners, both private and public, in downtown Montréal, leading to development or construction projects in the Old Port, Jean-Drapeau Park, Sainte-Catherine Street, the *Cité du Multimédia* and the Faubourg des Récollets.

In this atmosphere, the Government and the City intend to continue their association with a view to achieving structuring or mobilizing projects that contribute to the development of the metropolis, keeping in mind the current context and the new challenges that it presents. Several of these projects were also identified at the *2002 Montréal Summit*.

Objectives

- To create an environment favourable to the development of the metropolis.
- To contribute to the emergence or strengthening of growth sectors for the City and of employment.
- To recognize scientific research as a strategic positioning factor at the international level.
- To implement favourable conditions to speed up development and the completion of large structuring projects.
- To support the development of the metropolis on the international level.

Commitments

Ville de Montréal agrees to

- Create a start-up and support fund for structuring projects. in the amount of \$60 million—\$5 million in 2003, \$10 million in 2004 and \$15 million in each of the three subsequent years.
- Contribute to the completion of approved projects from the annual increase of \$38 million in the *Programme triennal d'immobilisation 2003-05*, for a total of \$114 million.
- Redefine the role of the City and the boroughs in the approval and carrying out of large structuring projects.

The Québec Government agrees to

- Maintain its contribution to the completion of structuring projects for the metropolis, especially those that were agreed to at the Montréal Summit. In this regard, the Government will invest \$100 million in such projects, for the duration of the Contract with the City.

4.2 CULTURE AND HERITAGE

Context

In the context of the new knowledge-based economy, market globalization and rapid technological and scientific changes, Montréal must strengthen its vocation as a city of culture and knowledge by creating an environment that mobilizes its residents, its institutions and its socioeconomic partners toward the appreciation of learning, the development of talent, innovation, creativity, transfer of skills and respect for heritage in all its forms.

This inclusive approach should give rise to a Montréal strategy that puts in place the political, institutional and community partnerships needed to strengthen its role as an innovation-, creation- and knowledge-driven international metropolis attuned to the 21st century. A strategy that acknowledges the economic contribution of culture—a key component of the City's external reputation and image, and even its very identity.

Objectives

- Support mobilizing and structuring actions that foster the preservation and interpretation of heritage, especially that protected by the *Cultural Property Act*, and introduce the most appropriate mechanisms to assure its protection and oversee necessary actions.
- With regard to Mount Royal, develop a management framework to be implemented by the City as per territorial and administrative terms and conditions that remain to be agreed upon.
- Foster increased and equitable access to libraries for all residents, increase the number of loans made throughout the new territory of Ville de Montréal, and increase the use of libraries on the basis of a minimum standard of service arising from the *Politique du livre et de la lecture*, in a perspective of complementarity and synergy with the Bibliothèque nationale du Québec.
- Expand accessibility to arts and culture for all citizens, among other things through the strengthening of cultural infrastructures, the development of cultural development focuses and the enhancement of leisure/cultural activities.
- Identify and develop key cultural development focuses.
- Develop, along with the players involved, a strong and focused image of Montréal and of Québec as a centre for creation, production, film distribution and publishing.
- Equip the City to support its positioning as a world-class cultural metropolis.

Commitments

Regarding heritage:

The Minister of Culture and Communications and Ville de Montréal agree to

- By 2005, complete the actions laid out in [the Entente de développement culturel de Montréal 2000-2005](#), especially those slated for Old Montréal.
- Extend until 2005, throughout the new City, financial aid for restoration work under municipal regulations governing subsidies for the renewal and renovation of heritage buildings.
- By 2005, conduct an analysis of heritage needs, including public artworks, throughout the City and determine a legal framework for action and an appropriate management method.
- Update or make inventories of municipal and religious heritage assets throughout the new Ville de Montréal.

With the support of the Minister of Culture and Communications, the City commits to adopting a heritage policy and a development plan under which measures will be taken to document, protect and promote heritage assets throughout the new Ville de Montréal.

For Mount Royal:

Mount Royal's historical, cultural, architectural, scenic and environmental importance make it one of Ville de Montréal's main landmarks.

Recognizing the need to ensure the protection and long-term enhancement of this unique North American heritage site,

The Minister of Culture and Communications and Ville de Montréal agree to

- Come to an understanding for delegating to the City the management of the territory, of which the boundaries are to be determined, and create a reserve fund specifically for the enhancement and management of the territory to be protected. These funds will be financed in equal parts by the two parties. All of this will be outlined in an addendum to this City Contract by June 30, 2003, at the latest.

Regarding libraries:

The Minister of Culture and Communications and Ville de Montréal agree to

- Work together, before reaching a financial agreement to implement a consolidation plan for the public libraries network, to conduct, in 2003–2004, an analysis of all the needs related to consolidation of the network of public libraries in Montréal, taking into account the network's harmonization with [the Bibliothèque nationale du Québec](#). This will be set out in an addendum to be added to this City Contract by June 30, 2003, at the latest.

- Draw up a new framework agreement on the future *Bibliothèque nationale du Québec*. This agreement will cover:
 - The purchase, for \$35 million, of the current collections of the *Bibliothèque centrale de Montréal*.
 - A minimum financial contribution of \$7 million from Ville de Montréal toward the operation of the *Bibliothèque nationale du Québec*; including material resources, human resources and services offered by the BNQ to the Montréal region and to neighbourhood libraries in Montréal, as soon as the *Bibliothèque nationale du Québec* opens.
 - The concerted development of an integrated computer network linking Montréal public libraries and the *Bibliothèque nationale du Québec*.

Regarding cultural facilities:

The Minister of Culture and Communications and Ville de Montréal agree to

- Create a permanent Ministère de la Culture et des Communications /Ville de Montréal Forum with a mandate to:
 - Prepare a development plan (diagnosis, orientations and priorities);
 - Finance studies in line with the Forum's mandate.
- Create a Cultural Facilities Fund starting in 2004–2005. The Fund will support the realization of cultural facilities projects (private or municipal) that will have been previously prioritized by the permanent Forum.
- Carry out the study of artists' workshops projects and the cultural incubator.
- Apply, as warranted, rules for architectural and design contests according to *Ministère de la Culture et des Communications* standards.

Regarding creation and access to culture:

The Minister of Culture and Communications and Ville de Montréal agree to

- Foster, starting in 2003, the exchange of information between the *Ministère de la Culture et des Communications*, the *Conseil des arts et des lettres du Québec*, the *Société de développement des entreprises culturelles* and Ville de Montréal to ensure the harmonization of their actions in the cultural and communications field in the new City.
- By 2005, complete actions planned in the *Entente de développement culturel de Montréal 2000-2005* regarding programs for creation and access to culture.

- Extend until 2005, across the 27 boroughs, the programs for creation and access to culture provided for in the *Entente de développement culturel de Montréal 2000-2005*, and conduct during this period an evaluation of all such programs contained in the *Entente de développement culturel de Montréal*. This operation should lead to a renewal of current programs or the development of new versions.
- Increase and assure financial support for leisure/cultural programs for the duration of the City Contract: the *Programme artistes et écrivains et écrivaines en milieu de loisir* and the *Programme manifestations pour la jeune relève amateur*.
- Conduct a study to identify the cultural development focuses that will be enhanced by means yet to be determined.

Regarding positioning of the cultural sector:

The Minister of Culture and Communications and Ville de Montréal agree to

- Work together in the short term with the Observatoire de la culture in order to carry out quantitative research into the cultural sector.

Regarding the 2005–2008 period:

The parties agree to

- Review, based on the analyses that will be made (heritage needs, evaluation of culture creation and access programs, network of public libraries, identification of development focuses), the allocation of investments—% heritage vs. % culture—to plan activities for the 2005–2008 period.
- Maintain their current investment of \$6.162 million each annually.

Methods

The *Ministère de la Culture et des Communications* and the City will allocate \$107.7 million to the cultural sector for the duration of the City Contract. This amount includes financial commitments provided for under the *Entente de développement culturel 2000-2005* (\$23.2 million) and breaks down as follows:

	Total	2000–2005 Agreement	New Funds
▪ Heritage	\$25.7 M	\$21.7 M	\$4.0 M
▪ Libraries	\$0.2 M	---	\$0.2 M
▪ Cultural facilities	\$41.0 M	---	\$41.0 M
▪ Creation, access to culture and cultural leisure activities	\$3.1 M	\$1.5 M	\$1.6 M
▪ 2005–2008 Programs (sector breakdown tbd)	\$37.7 M	---	\$37.7 M
TOTAL	\$107.7 M	\$23.2 M	\$84.5 M

The *Entente de développement culturel 2000-2005* is maintained. The Minister of Culture and Communications and the City commit to streamlining the monitoring mechanisms for its management.

ENSURING A SOUND FINANCIAL SITUATION**Context**

Montréal assumes major responsibilities in its dual role as a city and metropolis. Its numerous obligations, combined with the need to improve the quality of some services, update infrastructures and tackle the problem of rising pension contributions due to the unfunded actuarial liability of the pension funds, particularly the former Ville de Montréal's accumulated unfunded actuarial liability, put constant pressure on its spending.

With the creation of the new City, however, it has been possible to consolidate energies across the entire Island of Montréal. It gives Ville de Montréal significant means to meet the challenges it faces. The creation of the new City will mean savings in the delivery of services. In addition, the creation of the *Communauté métropolitaine de Montréal* (CMM) will ensure a more equitable distribution of some costs, including social housing and equipment, infrastructures and services of a metropolitan nature.

In this context, the Government and the City agree on the need to act on both aspects of balancing the budget: revenue and spending.

The first avenue to solving the City's budget problems is improvement of its organizational performance. Ville de Montréal must adopt better management practices, improve employee productivity and rationalize its administrative spending.

The second avenue consists of finding new ways of sharing the funding of expenses that the City must assume in its role as metropolis and to diversify the funding sources, taking into account the taxpayers' capacity to pay.

Government funding will be allocated progressively as the City Contract is implemented. Substantial amounts have already been earmarked in the Contract. In addition, the second phase will address the setting of some rates in Montréal that will be negotiated in 2003, the federal government's contribution to Montréal's development, and the follow-up to the report on the funding of public transit in the Montréal region. Thirdly, in order to give all cities and municipalities, including Montréal, better control over their economic development and enable them to assume more of their responsibilities, the Government is committed to developing other proposals that will provide new sources of revenue. The Montréal City Contract will have concrete benefits for all of Québec's cities and municipalities.

The third avenue consists of resolving the former Ville de Montréal's pension fund problems.

Objectives

- Ensure that the municipal financial framework is balanced over the next few years, through sound financial management, and provide financial recognition for the City's efforts to improve productivity.
- Correct some past mistakes and minimize the impact of the unfunded actuarial liability on the tax burden in the former Ville de Montréal, with the goal of alleviating the overall debt.

5.1 A balanced financial framework

In the interest of acting on the various commitments in the City Contract while respecting the City's financial equilibrium, the parties agree to the following commitments:

To improve its financial performance, the City agrees to

- Realize, for the period 2003–2007, budget savings of an average of \$35 million per year, for a recurring amount of \$175 million at the end of this period. The accounting will be done every year on the previous fiscal year's results.
 - The City integrated a total of \$45 million in savings into the 2002 budget, resulting from various measures adopted during the fiscal year. These measures include
 - ✓ Reduction in the number of managers following the introduction of the departure incentive program, for an estimated \$14 million, as well as reduced remuneration for elected officials, for nearly \$1.8 million.
 - ✓ Reduced spending on non-durable goods and certain professional fees, as well as reduction of certain joint expenses, for a total of \$4.6 million.
 - ✓ Introduction of specific measures related to the consolidation of municipalities within the same borough, integration of the Montréal Urban Community's administrative activities with those of Ville de Montréal, and the introduction of a centralized taxation system, for a total of \$9.5 million.
 - ✓ Review of spending on non-capitalizable goods, for \$7.8 million.
 - ✓ Lastly, budget cuts were made in the City's various administrative units: staff reductions, elimination of vacant positions, review of expenditure items including the purchasing of supplies and services, etc. This represents savings of \$8.6 million.
 - Realize budget savings of \$36 million in fiscal 2003 on the basis of the following elements:
 - ✓ Common avenues have been identified for all service units. They are aimed at achieving savings through the reorganization of activities and increased productivity while maintaining the level of services. The boroughs' share in

reducing spending represents 1.1% of the amount of the adjusted 2002 budget; municipal departments are responsible for 1.5%. This should result in savings of \$17 million.

- ✓ The creation of the new Ville de Montréal brings with it the need and opportunity to reorganize certain activities that are assumed by both the boroughs and the municipal departments. Many activities (management of rolling stock, building maintenance and rentals, information technology, supply management and economic development, setting up of technical centres and health and safety resources) are currently being reviewed by committees that will make proposals to the administration. This reorganization will result in savings of \$19 million.
- For fiscal year 2004 and subsequently:
 - ✓ In the beginning of fiscal 2003, for a three-year period, review all City programs in order to identify budget savings that would result from better management practices in all areas of activity.
 - ✓ By November 1, 2003, establish, together with the Government of Québec, management indicators and objectives for specific results with regard to each of the following:
 - ▶ Financial performance
 - ▶ Management of human capital
 - ▶ Material resources management
 - ▶ Productivity of departments and boroughs that provide services to residents.

Once this has been completed, the City Contract will be amended to include the City's concrete commitments in this area. It is understood that these indicators will not replace general performance indicators that apply to all Québec municipalities effective 2003.

The Government of Québec agrees to

PHASE I

- Beginning in 2004, pay the City a recurring annual amount of \$20 million as follows:
 - By ending the special tax status accorded to the Palais des Congrès de Montréal with regard to municipal property tax.
 - By compensating the City for the student transportation it provides.

PHASE II

- Together with Ville de Montréal, develop legislative changes that will enable the City to charge new fees specific to the metropolis in 2004, conduct an appropriate follow-up to the report on funding public transit services in the Montréal region, as well as initiate negotiations on the federal government's participation in Montréal's development.

- Together with Ville de Montréal, study ways of optimizing the redevelopment potential of large urban sites such as unused institutional buildings, abandoned railway rights-of-way and obsolete industrial space.

PHASE III

- Develop proposals with Montréal and other cities for diversifying their sources of revenue.

5.2 THE UNFUNDED ACTUARIAL LIABILITY

The former Ville de Montréal's initial unfunded actuarial liability, evaluated at \$1.7 billion, will be a major budget issue for Ville de Montréal in the years ahead. According to the latest actuarial evaluation, special contributions aimed at amortizing this liability could surpass \$52 million in 2003, and more than \$80 million in 2004, and would increase at a rate of 6% per year beginning in 2005, stabilizing at about \$141 million by 2045. If no action is taken, special contributions could almost triple in 12 years. These contributions are borne exclusively by taxpayers in the former Ville de Montréal.

With this Contract, the Government of Québec seeks to mitigate the problem of the former Ville de Montréal's unfunded actuarial liability by acquiring an asset from the City.

For Ville de Montréal, the sale of assets is the first element in an overall strategy aimed at taking advantage of the current favourable economic climate, which will bring both short- and long-term benefits to taxpayers in the former Ville de Montréal. The current situation on financial markets compels the Government of Québec and Ville de Montréal to act quickly to settle this matter in order to take maximum advantage of low interest rates.

The Government of Québec agrees to

- Proceed with the purchase of Île Notre-Dame Park in 2004, for the amount of \$240 million. It is understood the parties will agree on a priority option for the future return of the property to the City's ownership.

The Government of Québec will make this acquisition with the goal of consolidating Québec's parks network. It will maintain Île Notre-Dame Park as a recreational and tourist site. The City's urban planning and zoning by-laws, as well as the consultation process for approving these by-laws, will remain in effect.

Ville de Montréal agrees to

- Allocate \$30 million, along with the reserve resulting from the 2001 surpluses of the former Ville de Montréal, to reduce the unfunded actuarial liability of the former Ville de Montréal's pension funds.

- Use the proceeds from the sale of Île Notre-Dame specifically to reduce the initial unfunded actuarial liability of the former Ville de Montréal's pension funds.
- Continue managing and maintaining Île Notre-Dame Park, as an integral part of Jean Drapeau Park, on behalf of the Government of Québec.

The Government of Québec and Ville de Montréal agree

- To make every effort to finalize details of the Île Notre-Dame Park transaction by May 1, 2003.
- That the Government will pay no compensation in lieu of tax on this asset.

CHAPTER 6

MECHANISMS FOR MANAGING THE CITY CONTRACT

The Government and the City agree to implement the following mechanisms:

6.1 ADMINISTRATIVE COMMITTEE

- An Administrative Committee will be formed once the Contract has been signed.
- It will consist of the Minister of Municipal Affairs and Greater Montréal and the Mayor of Ville de Montréal.
- Other colleagues and collaborators will be added as necessary.

6.2 STEERING COMMITTEE

- A Steering Committee will be formed once the contract has been signed.
- This committee will be co-chaired by the Deputy Minister of Municipal Affairs and Greater Montréal and the Director General of Ville de Montréal.
- The Government members shall include the deputy ministers or assistant deputy ministers and the president or and executive director of the following government departments and bodies:
 - Ministère de la Culture et des Communications
 - Ministère de l'Emploi et de la Solidarité sociale
 - Ministère de l'Environnement
 - Ministère des Finances, de l'Économie et de la Recherche
 - Ministère des Transports
 - Société d'habitation du Québec

The City will be represented by assistant executive directors or directors from the following departments:

- Cultural Development
- Social and Community Development
- Economic Development and Urban Development (Housing)
- Finance
- Institutional Affairs
- Environment, Roads and Networks (Transportation)

The other Ministers signing the Contract, including the Minister of Natural Resources, Minister for Relations with the Citizens and Immigration and the Secretary of the

Treasury Board, and from the other municipal departments involved, will receive documentation for each meeting of the Steering Committee and will attend as needed.

- The Steering Committee is responsible for the overall management and implementation of the City Contract. As such, the Committee
 - Ensures that the principles set forth in the Contract are respected;
 - Follows up on commitments and evaluates the various components of the Contract;
 - Ensures the harmonization and matching of existing agreements with the City Contract;
 - Authorizes or drafts changes to the City Contract, as applicable;
 - Determines, where applicable, the joint working committees to be formed in order to carry out the commitments in the Contract;
 - Establishes all guidelines for the working committees;
 - Provides training for representatives from the City and the Departments, as applicable;
 - Reports to the Ministerial Committee for the Montréal region and the Ville de Montréal Executive Committee.

6.3 SECRETARIAT

- A secretariat for the City Contract will be set up to support the Steering Committee.
- The secretariat will be comprised of a representative of the sub-department of the Ministère des Affaires municipales et de la Métropole and a representative from the office of the City's Director General.

6.4 REPORTS AND EVALUATION

- In the three months following the signing of this Contract, the Committee will develop a plan to evaluate the Contract's components.
- The evaluation plan will outline the main questions involved in the evaluation, assign responsibility for the evaluation activities, define proposed indicators and methodologies, and determine cost sharing and schedules.
- In the three months after the end of each fiscal year, the Steering Committee will submit a progress report to the Ministerial Committee for the Montréal region and to Montréal's City Council, consisting of:
 - a) The Annual Report, which shall include the following:
 - A statement of the annual objectives for each component of the City Contract;
 - Quantitative and qualitative results, where possible;
 - An analysis of the results in terms of the logic and transversal cohesion of the actions.

- Financial statement;
 - Adjustments to be made as applicable.
- b) The operating report of indicators for strategic or operational results.
- For the fifth fiscal year, a final evaluation report must be submitted to the Ministerial Committee for the Montréal region and Montréal's City Council.

6.5 REVISION AND MODIFICATION OF THE CONTRACT

- The City Contract may be revised following the submission of the progress reports.
- It may also be amended during the year. Any modification proposed by one of the parties must be submitted in writing to the other party. The Steering Committee will make the change once each party has obtained the necessary authorizations.
- The Contract is revised or modified by an amendment.

6.6 INFORMATION AND COMMUNICATIONS

- All projects carried out within the context of the City Contract must be announced to the public and to the clientele concerned, unless the parties have an agreement to the contrary.
- To ensure shared visibility for the Government of Québec and Ville de Montréal, as well as coherent Government communications, the Contract partners have agreed on the protocol for public communications appended to this document.

6.7 COMMUNICATIONS BETWEEN THE PARTIES

For the purposes of this Contract, the parties agree that any written communications between them be sent to the following addresses:

For Ville de Montréal:

Attention: Director General
 Ville de Montréal
 275 Notre-Dame Street East, Suite 4.125
 Montréal QC H2Y 1C6

For the Government of Québec:

Attention: Deputy Minister
 Ministère des Affaires municipales et de la Métropole
 800 Square-Victoria Street, Suite 3.16
 Montréal QC H4Z 1B7

SIGNATORIES

For the Government of Québec:

Bernard Landry
Premier

Date

André Boisclair
Minister of Municipal Affairs and Greater Montréal,
Minister of the Environment

Date

For Ville de Montréal:

Gérald Tremblay
Mayor

Date

Frank Zampino
Chairman, Executive Committee

Date

Also for the Government of Québec:

Pauline Marois

Minister of Finance, the Economy and Research

Date

Joseph Facal

President of the Treasury Board

Date

François Gendron

Minister of Natural Resources

Date

Linda Goupil

Minister of Social Solidarity

Date

Diane Lemieux

Minister of Culture and Communications

Date

Nicole Léger

Minister for the Elimination of Poverty and Social Exclusion

Date

Serge Ménard

Minister of Transport

Date

André Boulerice

Minister for Relations with the Citizens and Immigration

Date

Jacques Gariépy

CEO

Société d'habitation du Québec

Date

FINANCIAL COMMITMENTS

- Summary of financial commitments 2003-2007
- Annual breakdown of commitments

SUMMARY OF FINANCIAL COMMITMENTS
2003–2007
(\$)

Sector	Government	City	Total
City financial framework			
* Sale of the BCM collection	35 000 000		35 000 000
* Sale of assets related to unfounded actuarial liability	240 000 000	30 000 000	270 000 000
* Compensation for Montréal-specific dossiers (2004–07)	80 000 000		80 000 000
* Reduced spending – improved productivity		525 000 000	525 000 000
TOTAL	355 000 000	555 000 000	910 000 000
Sectoral actions			
* Structuring projects	100 000 000	174 000 000	274 000 000
Contribution – Funds for structuring and mobilizing projects, Montréal Summit		60 000 000	
Increase in the three-year capital program, 2003–2005		114 000 000	
Culture	54 375 000	53 362 000	107 737 000
Heritage	13 600 000	12 067 000	25 667 000
* Libraries	100 000	100 000	200 000
* Cultural facilities	20 540 000	20 510 000	41 050 000
* Creation and access to culture	1 274 000	1 824 000	3 098 000
* 2005–2008 programming	18 861 000	18 861 000	37 722 000
* Mount Royal	To be determined	To be determined	
Housing	280 900 000	106 500 000	387 400 000
<i>Logement Abordable Québec</i>	138 700 000	34 900 000	173 600 000
<i>Accès logis</i>	99 300 000	28 700 000	128 000 000
Consolidation of housing	42 900 000	42 900 000	85 800 000
Urban renewal	32 000 000	32 000 000	64 000 000

	Sector	Government	City	Total
*	Combating poverty and social exclusion	10 000 000¹		10 000 000
	Reception and integration of immigrants	4 320 000		4 320 000
	Current agreement, MRCI/City	3 250 000		3 250 000
*	Improvements to agreement	350 000		350 000
*	Support for integration projects	720 000		720 000
	Local economic development	90 000 000	4 400 000	94 400 000
	Support for CLDs	41 500 000	4 400 000	45 900 000
	CLD assistance fund	48 500 000		48 500 000
	Revi-Sols program	15 000 000	15 000 000²	30 000 000
*	Extended to 2003–2005			
	Roads	422 750 000	65 150 000	487 900 000
*	Spin-off projects	25 000 000	To be determined	25 000 000
*	Rebuilding of Viau and Lachapelle bridges	17 000 000	To be determined	17 000 000
	Upgrading Notre Dame Street	263 000 000 ³	15 000 000 ³	278 000 000 ³
	Re-engineering of L'Acadie circle	57 750 000	20 150 000	77 900 000
	Access to Dorval airport	60 000 000 ⁴	30 000 000 ³	90 000 000 ⁴
	West Island roads network	To be determined	To be determined	
	Infrastructures for drinking water and sewage treatment	63 000 000	56 200 000	119 200 000
*	Underground cable program	15 000 000⁴	6 000 000	21 000 000
*	RADIOCOMMUNICATIONS	7 000 000⁵		7 000 000
	TOTAL			
	SECTORAL ACTIONS	1 094 345 000	512 612 000	1 606 957 000
	GRAND TOTAL	1 449 345 000	1 067 612 000	2 516 957 000

* New financial commitments

¹ Minimum figure, since the budget allotment for 2004 and three subsequent years will be determined on the basis of Montréal's situation and the strategies and local action plans submitted to the Minister in 2004.

² Contribution from developers (\$13.5 million) and the City (\$1.5 million).

³ Current estimate of \$90 million. The detailed financing package for equitable contributions from the various partners has not yet been finalized.

⁴ Subject to project programming.

⁵ Savings for the City through the sharing of radiocommunications equipment with the Government.

ANNUAL BREAKDOWN OF COMMITMENTS
2003-2007
(\$)

URBAN RENEWAL AND SOCIAL DEVELOPMENT	2003-2004		2004-2005		2005-2006	
	SHQ	MTL	SHQ	MTL	SHQ	MTL
HOUSING	195 850 000	66 750 000	42 650 000	27 550 000	21 200 000	6 100 000
<i>Logement Abordable Québec</i>	138 700 000	34 900 000				
<i>AccèsLogis</i>	35 700 000	10 400 000	21 200 000	6 100 000	21 200 000	6 100 000
Consolidation of housing	21 450 000	21 450 000	21 450 000	21 450 000		
	MAMM	MTL	MAMM	MTL	MAMM	MTL
URBAN RENEWAL	32 000 000	32 000 000				
	32 000 000	32 000 000				
	MESS	MTL	MESS	MTL	MESS	MTL
COMBATING POVERTY AND SOCIAL EXCLUSION¹	5 000 000		5 000 000			
2003 action plan	5 000 000	To be determined				
2004 overall strategy			5 000 000	To be determined		To be determined
	MRCI	MTL	MRCI	MTL	MRCI	MTL
RECEPTION/INTEGRA- TION OF IMMIGRANTS	765 000		820 000		875 000	
Current agreement - MRCI/City	650 000		650 000		650 000	
Additions to agreement	25 000		50 000		75 000	
Support for integration projects	90 000		120 000		150 000	
	MAMM	MTL	MAMM	MTL	MAMM	MTL
LOCAL ECONOMIC DEVELOPMENT	18 000 000	880 000	18 000 000	880 000	18 000 000	880 000
Support for operations of local development centres (CLDs)	8 300 000	880 000	8 300 000	880 000	8 300 000	880 000
Business assistance fund (CLD)	9 700 000		9 700 000		9 700 000	
TOTAL						

URBAN RENEWAL AND SOCIAL DEVELOPMENT	2006-2007		2007-2008		
	SHQ	MTL	SHQ	MTL	
HOUSING	21 200 000	6 100 000			387 400 000
<i>Logement Abordable Québec</i>					173 600 000
<i>AccèsLogis</i>	21 200 000	6 100 000			128 000 000
Consolidation of housing					85 800 000
	MAMM	MTL	MAMM	MTL	
URBAN RENEWAL					64 000 000
					64 000 000
	MESS	MTL	MESS	MTL	
COMBATING POVERTY AND SOCIAL EXCLUSION¹					10 000 000
2003 action plan					5 000 000
2004 overall strategy		To be determined		To be determined	5 000 000
	MRCI	MTL	MRCI	MTL	
RECEPTION / INTEGRA- TION OF IMMIGRANTS	930 000		930 000		4 320 000
Current agreement - MRCI/City	650 000		650 000		3 250 000
Additions to agreement	100 000		100 000		350 000
Support for integration projects	180 000		180 000		720 000
	MAMM	MTL	MAMM	MTL	
LOCAL ECONOMIC DEVELOPMENT	18 000 000	880 000	18 000 000	880 000	94 400 000
Support for operations of local development centres (CLDs)	8 300 000	880 000	8 300 000	880 000	45 900 000
Business assistance fund (CLD)	9 700 000		9 700 000		48 500 000
TOTAL					560 120 000

¹ Minimum amount, since budget allotment for 2004 and subsequent three years may vary depending on strategy and local action plans, and elements from the Act to combat poverty and social exclusion.

ENVIRONMENT AND INFRASTRUCTURES	2003–2004		2004–2005		2005–2006	
	MTQ	MTL	MTQ	MTL	MTQ	MTL
ROADS	81 553 000	21 239 000	65 015 000	5 470 000	108 800 000	12 500 000
MTQ assumes responsibility for spinoff work from its conservation projects in the municipal network	5 000 000		5 000 000		5 000 000	
City assumes responsibility for spinoff work from its projects in the Department's network		To be determined		To be determined		To be determined
Structural rebuilding of Viau and Lachapelle bridges	500 000	To be determined	3 200 000	To be determined	4 800 000	To be determined
Upgrading of Notre Dame Street	22 000 000 ¹	2 000 000	48 000 000	2 000 000	78 000 000	2 000 000
Re-engineering of L'Acadie circle	51 485 000 ⁴	17 955 000 ⁵	6 265 000	2 195 000		
Improved access to Montréal-Dorval International Airport	2 568 000 ⁶	1 284 000 ⁷	2 550 000	1 275 000	21 000 000	10 500 000
West Island roads network	To be determined	To be determined				
	MRN	MTL	MRN	MTL	MRN	MTL
HERITAGE PROTECTION						
Budget allotment for burying cables						
	MAMM	MTL	MAMM	MTL	MAMM	MTL
DRINKING WATER AND SEWAGE TREATMENT	29 100 000	25 600 000	22 100 000	20 400 000	11 800 000	10 200 000
Infrastructure programs	29 100 000	25 600 000	22 100 000	20 400 000	11 800 000	10 200 000
	MENV	MTL	MENV	MTL	MENV	MTL
SOIL REHABILITATION	7 500 000	7 500 000	7 500 000	7 500 000		
Extension of Revi-Sols program	7 500 000	7 500 000	7 500 000	7 500 000		
	MRN	MTL	MRN	MTL	MRN	MTL
RADIOCOMMUNICATIONS						
TOTAL						

¹ Includes \$4 million for 2002–2003 and \$16 million for 2003–2004.

⁴ For 2007–2008 and subsequent years.

³ Current estimate of \$278 million, including a minimum contribution of \$15 million from the City for measures to improve local traffic circulation and for development of parks in the area adjacent to the project.

⁴ Includes \$8.85 million for years prior to 2002–2003, \$23.09 million for 2002–2003 and \$19.545 million for 2003–2004.

⁵ Includes \$600,000 \$ for years prior to 2002–2003, \$11.08 million for 2002–2003 and \$6.815 million for 2003–2004.

⁶ Includes \$1.764 million for years prior to 2002–2003, \$455,000 for 2002–2003 and \$349,000 for 2003–2004.

ENVIRONMENT AND INFRASTRUCTURES	2006-2007		2007-2008		
	MTQ	MTL	MTQ	MTL	
ROADS	107 500 000	15 300 000	59 882 000	10 641 000	487 900 000
MTQ assumes responsibility for spinoff work from its conservation projects in the municipal network	5 000 000		5 000 000		25 000 000
City assumes responsibility for spinoff work from its projects in the Department's network		To be determined		To be determined	
Structural rebuilding of Viau and Lachapelle bridges	900 000	To be determined	7 600 000	To be determined	17 000 000
Upgrading of Notre Dame Street	77 000 000	3 000 000	38 000 000 ²	6 000 000 ²	278 000 000 ³
Re-engineering of L'Acadie circle					77 900 000
Improved access to Montréal-Dorval International Airport	24 600 000	12 300 000	9 282 000	4 641 000	90 000 000 ⁸
West Island roads network					
	MRN	MTL	MRN	MTL	
HERITAGE PROTECTION					21 000 000
Budget allotment for burying cables					21 000 000 ⁹
	MAMM	MTL	MAMM	MTL	
DRINKING WATER AND SEWAGE TREATMENT					119 200 000
Infrastructure programs	To be determined ¹⁰	To be determined	To be determined ⁸	To be determined	119 200 000
	MENV	MTL	MENV	MTL	
SOIL REHABILITATION					30 000 000
Extension of Revi-Sols program					30 000 000
	MRN	MTL	MRN	MTL	
RADIOCOMMUNICATIONS					7 000 000 ¹²
TOTAL					665 100 000

⁷ Includes \$588,000 for years prior to 2002–2003, \$151,000 for 2002–2003 and \$545,000 for 2003–2004.

⁸ Current estimate of \$90 million. Detailed financing package with equitable contributions from the various partners remains to be finalized.

⁹ \$15 million from the MRN subject to project programming and \$6 million from the City.

¹⁰ To be defined following negotiations between the Québec and federal governments.

¹¹ Includes contribution from private developers.

¹² Savings realized by the City through the sharing of radiocommunications equipment with the Government.

CULTURE	2003–2004		2004–2005		2005–2006	
	MCC	MTL	MCC	MTL	MCC	MTL
HERITAGE	7 800 000	7 321 000	5 800 000	4 746 000		
Continuation of 2000–2005 cultural development agreement	5 800 000	5 321 000	5 800 000	4 746 000		
Extension of restoration program for judicial buildings ¹	2 000 000	2 000 000				
Assessment of heritage needs and public works of art						
Mount Royal reserve fund						
LIBRARY	100 000	100 000				
Analysis of Montréal's public library system	100 000	100 000				
CULTURAL FACILITIES	140 000	110 000	5 100 000	5 100 000	5 100 000	5 100 000
Studies by the <i>Forum permanent pour les équipements culturels</i>	100 000	100 000	100 000	100 000	100 000	100 000
Funds for cultural facilities			5 000 000	5 000 000	5 000 000	5 000 000
Studies for artists' workshops and cultural incubator	40 000	10 000				
CREATION AND ACCESS TO CULTURE	547 000	737 000	547 000	637 000	60 000	150 000
Continuation of the <i>Entente développement culturel 2000–2005</i>	362 000	362 000	362 000	362 000		
Extension of programs	125 000	125 000	125 000	125 000		
Identification of cultural hubs		100 000				
Promotion of cultural hubs						
Cultural leisure activities	60 000	150 000	60 000	150 000	60 000	150 000
2005–2008 PROGRAMMING					6 287 000	6 287 000
TOTAL						

CULTURE	2006–2007		2007–2008		
	MCC	MTL	MCC	MTL	
HERITAGE					25 667 000
Continuation of 2000–2005 cultural development agreement					21 667 000
Extension of restoration program for judicial buildings ¹					4 000 000
Assessment of heritage needs and public works of art					
Mount Royal reserve fund					
LIBRARY					200 000
Analysis of Montréal's public library system					200 000
CULTURAL FACILITIES	5 100 000	5 100 000	5 100 000	5 100 000	41 050 000
Studies by the <i>Forum permanent pour les équipements culturels</i>	100 000	100 000	100 000	100 000	1 000 000
Funds for cultural facilities	5 000 000	5 000 000	5 000 000	5 000 000	40 000 000
Studies for artists' workshops and cultural incubator					50 000
CREATION AND ACCESS TO CULTURE	60 000	150 000	60 000	150 000	3 098 000
Continuation of the <i>Entente développement culturel 2000–2005</i>					1 448 000
Extension of programs					500 000
Identification of cultural hubs					100 000
Promotion of cultural hubs					
Cultural leisure activities	60 000	150 000	60 000	150 000	1 050 000
2005–2008 PROGRAMMING	6 287 000	6 287 000	6 287 000	6 287 000	37 722 000
TOTAL					107 737 000

¹ Depending on whether municipal or private heritage property is being restored, the contribution will be 50/50 MCC/City, or 33/33/33 MCC/City/Owner.

	2003–2004	2004–2005	2005–2006
MAJOR PROJECTS			
City			
Government			
TOTAL			

	GVT.	MTL	GVT.	MTL	GVT.	MTL
CITY FINANCIAL FRAMEWORK						
Sale of BCM collection	35 000 000					
Sale of assets re: unfounded actuarial liability			240 000 000	30 000 000		
Compensation for Montréal-related files			20 000 000		20 000 000	
Reduced expenses – Improved productivity	35 000 000		70 000 000		105 000 000	
TOTAL						

GRAND TOTAL	
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	2006–2007	2007–2008	
MAJOR PROJECTS			
City			174 000 000
Government			100 000 000
TOTAL			274 000 000

	GVT.	MTL	GVT.	MTL	
CITY FINANCIAL FRAMEWORK					
Sale of BCM collection					35 000 000
Sale of assets re: unfounded actuarial liability					270 000 000
Compensation for Montréal- related files	20 000 000		20 000 000		80 000 000
Reduced expenses – Improved productivity	140 000 000		175 000 000		525 000 000
TOTAL					910 000 000

GRAND TOTAL	2 516 957 000
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MAP OF PRIORITY INTERVENTION ZONES

In methodological terms, these zones were identified through the use of various tools, such as the underfunding index, a spatial validation analysis and an analysis of residential property values.

- The underfunding index takes into account two dimensions, each of which are measured using three variables:

Economic dimension

- Average household income
- Unemployment rate
- % with no high school diploma

Social dimension

- % single-parent families
- % single people
- % separated, divorced or widowed

- These two dimensions were combined and subjected to a spatial analysis in order to identify disadvantaged sectors with greater accuracy.
- Lastly, an analysis of residential property values was done to correlate zones with low property values and economically disadvantaged sectors to ensure that the quality of the residential framework was taken into consideration.

This map is based primarily on an analysis of Statistics Canada 1996 census data. Data from the 2001 census will gradually be released toward the end of spring 2003. In addition, in some of the City's central boroughs or sectors, some issues were identified but were not taken into account because of the limits to using the census as a database, as in the case of the homeless. It will therefore be necessary to refer to more specific studies or to information gathered from specialized sources. Lastly, a transition period must be allowed for the areas of application of certain programs that are still in effect.

The zones will therefore have to be adapted to reflect new data in 2003.

NOTE: This map has been reduced in size. Please refer to the original.

PROTOCOL FOR PUBLIC COMMUNICATIONS

1. CONTEXT

This protocol for public communications sets forth the principles and procedures that will guide the partners in implementing this Contract.

In addition to Ville de Montréal, the following government departments and bodies are covered by this protocol:

- Ministère des Affaires municipales et de la Métropole
- Ministère de la Culture et des Communications
- Ministère de la Famille et de l'Enfance
- Ministère de l'Emploi et de la Solidarité sociale
- Ministère de l'Environnement
- Ministère des Finances, de l'Économie et de la Recherche
- Ministère des Relations avec les citoyens et de l'Immigration
- Ministère des Ressources naturelles
- Ministère des Transports
- Secrétariat du Conseil du trésor
- Société d'habitation du Québec

2. GUIDELINES

2.1 All projects carried out within the framework of the City Contract must be announced to the public and to the clientele concerned, unless the parties have an agreement to the contrary.

2.2 In order to ensure shared visibility for the Government of Québec and Ville de Montréal as well as coherent government visibility and impact on the public, the Contract's partners agree to this protocol for public communications.

2.3 All communications must include:

- The name of the program
- The partners' financial contribution
- The nature of the project
- The partners in the City Contract (Government of Québec and Ville de Montréal).

In the event that other high-profile partners join the Government of Québec and Ville de Montréal for a specific project, visibility would be based on their level of involvement, with the agreement of the two parties to the City Contract.

3. JOINT GRAPHIC SIGNATURES

All communications tools pertaining to this agreement (news releases, announcement letters, banners, billboards, etc.) must bear the following graphic signatures:

City Contract

Ville de Montréal logo

Québec flag logo

4. PROCEDURES

4.1 Public announcements

Projects carried out by the partners in this contract will be announced jointly by the City and/or the government departments or organizations involved.

The announcements will be made at jointly organized official ceremonies or news conferences and/or through jointly issued news releases, according to the terms and conditions predetermined by the parties at least 10 days before the event.

4.2 Joint programs

All joint programs must be announced and promoted as such to the organizations and individuals concerned, in accordance with the visibility clause in Point 6. All information documents produced in this context must bear the partners' graphic signatures.

4.3 Announcement letters and presentation of cheques

All grant announcements must be made on behalf of the Mayor and the Minister concerned. In addition, Ville de Montréal will provide the Minister with a list of all the beneficiaries of a joint program, within 10 days.

When an event is held to present a cheque to an organization that is carrying out a project funded under the City Contract, Ville de Montréal must inform the department in question at least 10 days in advance, so that the Government can send a representative to the event.

4.4 Outdoor signage

All capital projects will be identified by an outdoor sign that has been approved by both partners. The elements described in Point 2.3 of this appendix must be included, unless the parties have an agreement to the contrary. These signs are produced and installed by Ville de Montréal.

4.5 Communications tools

Communications tools are produced by Ville de Montréal and include the words “City Contract” and the graphic signatures of both partners. This applies to:

- Letterhead (news releases, announcement letters, joint messages).
- Banners or signs
- Information pamphlets

5. COMMUNICATIONS STRATEGY

Some of the projects carried out under the City Contract could be of major national and international significance. The partners involved agree to pay special attention and assign specific budgets to the most promising projects and to develop communications strategies to ensure broader visibility.

6. COMPULSORY VISIBILITY CLAUSE FOR FUNDED ORGANIZATIONS

6.1 Letters of agreement, contracts or protocols regarding funds granted to organizations within the framework of this Contract must include a visibility clause approved by the partners. Ville de Montréal is responsible for inserting this visibility clause in the letters of agreement, contracts or protocols that it signs with organizations that receive funding under the Contract.

6.2 The wording of the visibility clause will include the following elements:

When they produce documents in any medium, organizations that receive funding under the City Contract or that receive subsequent payment for a contract carried out on behalf of the partners must mention in the document that the project was made possible by the partnership between the Government of Québec and Ville de Montréal, and mention the partners.

In addition, promotional documents (posters, pamphlets, brochures, ads, booths, Web sites, etc.), information documents or research reports that refer to the partnership between the Government and the City must also be accompanied by the graphic signatures.

Furthermore, if an organization's project involves a public event, the organization must invite the City and the government departments concerned to attend the event, with at least 10 days' prior notice.

The visibility provided for the City Contract partners does not exclude the possibility of providing visibility for another partner that provides funding for a project, with the consent of the Government of Québec and Ville de Montréal.