



P.O. Box 1749
Halifax, Nova Scotia
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Item No. 8.1
Grants Committee
March 2, 2015

TO: Chair and Members of Grants Committee

Original signed

SUBMITTED BY:

Eddie Robar, Director, Halifax Transit

DATE: February 2, 2015

SUBJECT: **Amendments to Administrative Order 2014-012-ADM Respecting Grants for Rural Transit**

ORIGIN

This report originates from staff. Halifax Transit received two applications to the 2015/16 Rural Transit Funding Program. Upon review of the applications, it became apparent that amendments to the Administrative Order could be undertaken to ensure that application deadlines and requirements are reasonable and practicable for first and subsequent applications.

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Charter, section 79(1)(av)(v), allowing Council to expend money required by the Municipality for a grant or contribution to any charitable, nursing, medical, athletic, educational, environmental, cultural, community, fraternal, recreational, religious, sporting or social organization within the province.

Administrative Order 54 "*Procedures for the Development of Administrative Orders*", section 8(c) and section 27, allowing staff to initiate amendments to an Administrative Order by means of a staff report.

The Grants Committee Terms of Reference, including sections 4.1, 4.2, and 4.3:

4.1 Advise Regional Council on all matters related to the allocation of grants, as defined by Regional Council;

4.2 Develop eligibility criteria, priorities, policy and procedures for assistance under the respective programs and services managed under the auspices of the HRM Grants Program portfolio; and

4.3 Evaluate programs and services managed under the auspices of the HRM Grants Program portfolio in cooperation with HRM staff, stakeholders, and the general public with a view to making recommendations to Regional Council respecting scope of programming, service standards, and funding capacity.

RECOMMENDATION

It is recommended that the Grants Committee recommend that the Halifax Regional Council amend Administrative Order 2014-012-ADM "Respecting Grants for Rural Transit" as set out in Attachment B of this report.

BACKGROUND

On August 5, 2014, Regional Council voted to adopt the *Rural Transit Grants Administrative Order (2014-012-ADM)*, which enables the Rural Transit Funding Program, a grants program through which rural transit operators can apply for funding to subsidize the cost of operating their service in Halifax. Musgo Rider Cooperative Ltd. was the first service provider who was awarded funding under this program on November 18, 2014.

On January 10, 2015, applications to the program for the 2015/2016 fiscal year were due and two applications were received.

Upon review, it became clear that one of the two applicants would not be eligible for funding because, although they would be in operation at the first of the 2015/2016 fiscal year, as they were not in operation by the January 2015 deadline, they were not able to provide all required documentation as outlined in the Administrative Order.

As such, staff are proposing that the Administrative Order be updated to allow for consideration of applications made by organizations which anticipate providing rural transit service to Halifax residents in the coming fiscal year. It also became apparent that some housekeeping amendments could be undertaken to ensure that application deadlines and requirements are reasonable and practicable for first and subsequent applications.

DISCUSSION

The changes proposed to the Administrative Order can be grouped into one of two categories:

Application Requirements

The intent of the Rural Transit Funding Program is to provide operating subsidy for rural transit providers relative to the amount of service provided to the community. The application requirements, as outlined in the Administrative Order, may be difficult for an organization to fulfill if they are not currently in operation, though they may anticipate being in operation by the beginning of the fiscal year. For example the requirement to submit valid insurance for fleet vehicles could be challenging when an organization is still in the process of purchasing the required vehicles. The proposed amendments are intended to make it easier for prospective rural transit providers to meet the application requirements.

Amendments to the Administrative Order would outline two sets of requirements an organization must meet, the first of which must be submitted at the time of application submission in January, and the second in advance of any funding disbursement. The requirements would be set out as follows:

To be approved for funding, the first time applicant must submit by the January 15th deadline:

- proof of incorporation;
- map of service area;
- business description, including services offered and governance structure;
- market assessment, including: a description of the market being served, the approximate population of the catchment area and its spatial distribution;

- description of any competing services, and the integration/complementation of existing Halifax Transit services;
- financial assessment, including: three year projected revenues and expenditures; projected annual ridership and service kilometers; previous financial statements; and list of other funding sources; and
- description of use of community resources and volunteers to ensure service is as efficient and cost effective as possible.

In order for funding to be disbursed once an organization is approved, first time applicants must provide Halifax Transit with the following on or before September 30th of the fiscal year for which the grant is applied:

- description of fleet and licences;
- proof of license under the Motor Carrier Act, with associated proof of insurance; or confirmation of status from the Nova Scotia Utility and Review Board that the Motor Carrier Act does not apply, with proof of insurance commensurate with the operations being undertaken and vehicles being used, but being no less than a Nova Scotia Automobile Standard Policy Form (SPF) 1 with a SEF 6A endorsement (permission to carry passengers for compensation) and a SEF 22 endorsement (damage to property of passengers), or equivalent;
- proof of driver's license for any driver; and,
- a written declaration by the applicant stating that all drivers have submitted a criminal record check with vulnerable sector check; and the applicant is satisfied that their drivers do not pose a risk to any member of the public.

General Housekeeping

Other housekeeping items addressed by these amendments are:

- Including Registered Canadian Charities as organizations eligible for funding.
- Reconciling quarterly reporting dates and annual application deadlines so applicants are only required to submit materials once in January.
- Including independently reviewed financial statements as acceptable as part of subsequent applications, whereas currently only audited financial statements are acceptable. A complete audit is a large undertaking, and it may be cost prohibitive for volunteer or not-for-profit organizations to complete annually. While not as comprehensive as an audit, which provides the highest level of assurance on an organization's financial statement, an independent review confirms that financial statements are generally in conformity with accepted accounting principles, and provides limited assurances as to the organization's financial statement.
- Removing the requirement to submit criminal record checks and vulnerable sector checks for all drivers directly to Halifax Transit. Instead, the proposed amendment would introduce the requirement for a written declaration from the applicant stating that they have conducted a criminal record and vulnerable sector check for all drivers and that they are satisfied that their drivers do not pose a risk to the organization or any member of the public.
- Allowing Halifax Transit staff to review applications which were received on or before January 15, 2015 which did not comply with the Administrative Order as of January 15, 2015, but would comply with this amended Administrative Order.

FINANCIAL IMPLICATIONS

These changes would allow more organizations to meet the application requirements. Therefore, it is possible that more organizations would qualify for funding through this program.

Funding for Rural Transit Funding Program is available in Operating Account R953. This cost centre provides funding towards implementation of the Transportation Demand Management Plan.

COMMUNITY ENGAGEMENT

There was no community engagement associated with this report.

ENVIRONMENTAL IMPLICATIONS

There were no environmental implications identified associated with this report.

ALTERNATIVES

1. The Committee may choose to recommend that Regional Council not approve proposed amendments to Administrative Order 2014-012-ADM.
2. The Committee may choose to recommend different and/or other amendments to Administrative Order 2014-012-ADM. This may require a supplementary report.

ATTACHMENTS

Attachment A: Showing Proposed Changes to Administrative Order 2014-012-ADM

Attachment B: Amending Administrative Order 2014-012-ADM

Attachment C: Incorporating Proposed Changes to Administrative Order 2014-012-ADM

A copy of this report can be obtained online at <http://www.halifax.ca/commcoun/index.php> then choose the appropriate Community Council and meeting date, or by contacting the Office of the Municipal Clerk at 902.490.4210, or Fax 902.490.4208.

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Attachment “A”
(Showing Proposed Changes)

**ADMINISTRATIVE ORDER NUMBER 2014-012-ADM
RESPECTING GRANTS FOR RURAL TRANSIT**

WHEREAS the Halifax Regional Municipality wishes to provide grants to community organizations that provide community-based transit services in rural communities within the Halifax Regional Municipality to subsidize the cost of regular operation and maintenance of vehicles;

BE IT RESOLVED AS AN ADMINISTRATIVE ORDER of the Council of the Halifax Regional Municipality under the authority of the *Halifax Regional Municipality Charter*, as follows:

Short Title

1. This Administrative Order may be known as the *Rural Transit Grants Administrative Order*.

Interpretation

2. In this Administrative Order,

(a) “**A**pplicant” means an organization applying for a rural transit grant in accordance with this Administrative Order;

(ab) “Committee” means the Grants Committee or such other committee designated by Council;

(b) “Council” means the Council of the ~~Halifax Regional~~ Municipality;

(c) “Halifax Transit” means the municipal department that provides public transit services in the Municipality;

(d) “Municipality” means the Halifax Regional Municipality; ~~and~~

(da) “non-profit co-operative” includes a non-profit co-operative incorporated under the Nova Scotia Co-operative Associations Act;

(db) “non-profit society” includes a non-profit society incorporated under the Nova Scotia Societies Act;

(e) “**O**rganization” means a ~~non-profit Society, or non-profit co-operative providing a community based transit services.~~ **non-profit co-operative, a non-profit society, or a registered Canadian charitable organization; and,**

(f) “registered Canadian charitable organization” means a charitable organization registered pursuant to the Income Tax Act (Canada) and the regulations made pursuant to that Act.

Purpose

3. The purpose of this Administrative Order is to assist community organizations to operate community-based transit services in rural communities in the Municipality as an efficient, cost effective form of public transportation outside of urbanized areas.

Grants Available

4. There is hereby established a grant program for community-based transit services in rural communities in the Municipality.

5. Grants shall consist of the following:

(a) an annual lump sum payment of between \$5,000 and \$10,000; and

(b) a flat rate of \$0.50 (fifty cents) per vehicle kilometre logged while providing community-based transit service within the Municipality.

6. The amount of the lump sum payment will be determined based on the level of service provided by the organization:

(a) Where the organization provides service more than 16 hours per day, at least one day per week, the lump sum is \$10,000;

(b) Where the organization provides service 8.1 to 15.9 hours per day, 6 to 7 days per week, the lump sum is \$10,000;

(c) Where the organization provides service 8.1 to 15.9 hours per day, 1 to 5 days per week, the lump sum is \$5,000; and

(d) Where the organization provides service 1.0 to 8.0 hours per day, at least one day per week, the lump sum is \$5,000.

7. The number of hours the service is provided is based on either the actual number of hours the service is provided, or the number of hours the service is potentially available if the service is demand responsive.

8. The lump sum payment shall be made following the annual grant approval process.

9. The total amount of the flat rate payment will be based on the number of in-service vehicle kilometres travelled in each quarter of the municipal fiscal year, as reported to the Municipality in accordance with the following deadlines:

(a) First quarter (April 1 to June 30) must **shall** be reported by July 15;

- (b) Second quarter (July 1 to September 30) ~~must~~ **shall** be reported by October 15;
 - (c) Third quarter (October 1 to December 31) ~~must~~ **shall** be reported by January 15; and
 - (d) Fourth quarter (January 1 to March 31) ~~must~~ **shall** be reported by April 15.
10. Quarterly reports shall include a statement of operations and a statement of financial position.
11. The flat rate payments shall be made following the submission of each complete quarterly report.
12. At the end of each fiscal year, the organization shall provide the ~~m~~**M**unicipality with a copy of the previous year's audited **or reviewed** financial statements, including a statement of operations, a statement of financial position, and a statement of cash flows.
13. If the organization receiving a grant intends to apply for a grant for the following fiscal year it shall include in its third quarter report projected ridership and projected in-service vehicle kilometres for the upcoming fiscal year.
14. All grants are subject to annual budget availability.
15. (1) Where the program budget is insufficient to provide both the lump sum amount and the per kilometre flat rate, the lump sum payments shall be paid in full, and the per kilometre flat rate will be distributed as a pro-rated per cent for each organization.
- (2) Where the program budget is insufficient to provide even the lump sum amount, the total amount of funding will be distributed as a pro-rated per cent to each organization.
16. (1) The ~~m~~**M**unicipality shall not provide grants to more than one applicant operating in the same service area.
- (2) Notwithstanding subsection (1), the ~~m~~**M**unicipality may provide grants to more than one applicant operating in the same service area where the services address the needs of different groups.

Eligible Organizations

17. **To be eligible to receive a grant,** Eligible organizations ~~must~~ **shall** meet the following criteria:

- (a) Offer a public transit service located within the ~~m~~**M**unicipality or intended to serve the residents of the ~~m~~**M**unicipality that is:
 - (i) in an area of the ~~m~~**M**unicipality not currently serviced by Halifax Transit; or

(ii) in an area serviced by Halifax Transit where the organization can demonstrate that the rural transit service would complement existing Halifax Transit service and address an unmet need in the community; **and,**

(b) Offer a public transit service that is available to any member of the public and does not require a membership to access; **and,**

~~(c) Be a non-profit society incorporated under the *Societies Act*, R.S.N.S. 1989, c. 435 and registered with the Nova Scotia Registry of Joint Stocks, or be a non-profit cooperative incorporated under the *Co-operatives Associations Act*, R.S.N.S. 1989, c. 98 and registered with the Nova Scotia Registry of Joint Stocks. **Repeal**~~

17A. In addition to section 17, non-profit societies and non-profit co-operatives must also be registered with the Nova Scotia Registry of Joint Stocks.

Application Requirements

18. There is one intake period per fiscal year. Applications ~~must~~ **shall** be received in person or postmarked on or before January 10⁵ for consideration for the following fiscal year.

19. Halifax Transit may review draft applications from first time applicants, received on or before November 1, and provide feedback prior to the submission of the applications.

20. All applications ~~must~~ **shall** be received by mail or in person. E-mailed or faxed applications will not be accepted. Applications may be submitted:

(a) In person to:
Rural Transit Grants, Halifax Transit
200 Ilsley Avenue
Dartmouth, NS

(b) By mail to:
Rural Transit Grants, Halifax Transit
PO Box 1749,
Halifax, NS, B3J 3A5

21. First time applications **applicants** shall include the following **information in their application on or before January 15:**

(a) proof of incorporation;

~~(b) description of fleet and licences;~~ **Repeal;**

~~(c) (i) proof of license under the *Motor Carrier Act*, with associated proof of insurance; or~~

~~(ii) confirmation of status from the Nova Scotia Utility and Review Board that the~~

~~Motor Carrier Act does not apply, with proof of insurance commensurate with the operations being undertaken and vehicles being used, but being no less than a Nova Scotia Automobile Standard Policy Form (SPF) 1 with a SEF 6A endorsement (permission to carry passengers for compensation) and a SEF 22 endorsement (damage to property of passengers), or equivalent; **Repeal;**~~

(d) map of service area;

(e) business description, including services offered and governance structure;

(f) market assessment, including: a description of the market being served, ~~a map of the service area~~, the approximate population of the catchment area and its spatial distribution, a description of any competing services, and the integration/complementation of existing Halifax Transit Services;

(g) financial assessment, including: three year projected revenues and expenditures; projected annual ridership and service kilometers; previous financial statements; and list of other funding sources;

~~(h) for drivers, proof of drivers' licences and criminal record check with vulnerable sector check; and **Repeal;**~~

(i) a description of use of community resources and volunteers to ensure service is as efficient and cost effective as possible.

21A. In addition to section 21, first time applicants shall also provide Halifax Transit with the following information on or before September 30 of the fiscal year for which the grant is applied:

(a) description of fleet and licences;

(b) (i) proof of license under the Motor Carrier Act, with associated proof of insurance; or

(ii) confirmation of status from the Nova Scotia Utility and Review Board that the Motor Carrier Act does not apply, with proof of insurance commensurate with the operations being undertaken and vehicles being used, but being no less than a Nova Scotia Automobile Standard Policy Form (SPF) 1 with a SEF 6A endorsement (permission to carry passengers for compensation) and a SEF 22 endorsement (damage to property of passengers), or equivalent;

(c) proof of driver's license for any driver; and,

(d) a written declaration by the applicant stating that:

- (i) all drivers have submitted a criminal record check with vulnerable sector check; and,
- (ii) the applicant is satisfied that their drivers do not pose a risk to any member of the public.

22. Subsequent applications shall be submitted to Halifax Transit on or before January 15 and shall include the following information:

- (a) Annual audited or reviewed financial statements;
- (b) Current proof of insurance and confirmation of status from the Nova Scotia Utility and Review Board; and

shall be in compliance with all reporting requirements from previous rural transit grant applications.

Application Evaluations

23. The following criteria will be used to evaluate applications for Council's consideration:

- (a) completeness of application;
- (b) appropriateness of business and governance model;
- (c) appropriateness of market assessment;
- (d) appropriateness of financial assessment;
- (e) use of community resources; and
- (f) any other matter staff considers relevant.

Application Review and Approval Process

24. All applications shall be screened by staff for basic eligibility as they are received. Applicants shall be notified promptly if their application is ineligible.

25. ~~Incomplete applications will~~ Applications that do not meet the requirements outlined in section 21 shall not be reviewed or considered.

26. Halifax Transit staff shall prepare a recommendation report of eligible applicants for consideration by the Grants Committee.

27. The staff report shall be reviewed by the ~~Grants~~ Committee for recommendation to Council.

28. Final approval of all applications for grants, and their amount, is a decision of Council in its sole discretion.

29. Notification of the decision of Council shall be mailed to applicants.
30. Approval of grants is conditional on Council's approval of the annual budget.
31. Not all eligible applications may receive a grant.

31A. Notwithstanding receipt of final approval for a grant, an applicant:

(a) shall not receive any funds until the requirements outlined in section 21A are met; and,

(b) shall forfeit their right to receive the grant if the requirements outlined in section 21A are not met on or before September 30 of the fiscal year for which the grant was applied.

31B. If a deadline enumerated in this Administrative Order falls on a Saturday, Sunday, or Holiday, that deadline shall be extended until the next business day.

Conditions of Approval

32. Grant approval is subject to the following conditions:

- (a) transit service vehicles are for the transportation of passengers and are not for personal use;
- (b) the applicant shall maintain the necessary licenses in good standing under the *Motor Carrier Act* as applicable;
- (c) the applicant shall maintain the necessary insurance for their operation;
- (d) the applicant shall remain in good standing with the Registry of Joint Stock Companies;
- (e) the applicant shall maintain a log of the number of daily passengers, the purpose of the trip, and the fare revenue collected;
- (f) the applicant shall record all revenue received outside of fare collection and report annually to the Municipality;
- (g) any modification to a proposal or transit service must shall be reported to the Municipality;
- (h) the applicant shall meet quarterly and annual financial reporting deadlines as outlined in this Administrative Order; and
- (i) the applicant shall not represent itself as having any relationship or affiliation with

Halifax Transit or the ~~m~~Municipality beyond being the recipient of a grant;

Scope

33. Nothing in this Administrative Order shall be interpreted to limit or otherwise prescribe Council's general discretion to provide grants under the *Halifax Regional Municipality Charter* or otherwise.

Effective Date

34. This Administrative Order shall come into effect on the date it is adopted by Council. Notwithstanding section 18, for the fiscal year 2014-15, applications may be received until September 15, 2014 and notwithstanding section 9, for the fiscal year 2014-15, flat rate payments will commence with the third quarter reporting period but may include flat rate payments for the first, second, and third quarter with the requisite documentation.

34A. An application received on or before January 15, 2015, for the 2015-2016 fiscal year which was determined to be incomplete may be considered by Halifax Transit, provided that the application otherwise complies with this Administrative Order on the date this section comes into force.

Repeal

35. The HRM Community Based Transit Funding Program adopted by Council on March 26, 2013 is hereby repealed.

Done and passed by Council this 5th day of August, 2014.

Mayor

Municipal Clerk

I, Cathy Mellett, Municipal Clerk of the Halifax Regional Municipality, hereby certify that the above noted Administrative Order was passed at a meeting of Halifax Regional Council held on August 5, 2014.

Cathy Mellett, Municipal Clerk

Notice of Motion:
Approval:

July 29, 2014
August 5, 2014

**Attachment “B”
(Amending Administrative Order)**

**ADMINISTRATIVE ORDER NUMBER 2014-012-ADM
RESPECTING GRANTS FOR RURAL TRANSIT**

BE IT RESOLVED that Administrative Order 2014-012-ADM, *Respecting Grants for Rural Transit*, is amended as follows:

1. Section 2 is amended by:
 - (a) striking out the capitalized letter “A” in “Applicant” and replacing it with a lowercase “a” in clause (a);
 - (b) striking out the words “Halifax Regional” in clause (b);
 - (c) striking out the word “and” immediately after the semicolon in clause (d);
 - (d) adding clause (ab) as follows after clause (a) and before clause (b):

(ab) “Committee” means the Grants Committee or such other committee designated by Council;
 - (e) adding clauses (da) and (db) as follows after clause (d) and before clause (e):

(da) “non-profit co-operative” includes a non-profit co-operative incorporated under the Nova Scotia Co-operative Associations Act;

(db) “non-profit society” includes a non-profit society incorporated under the Nova Scotia Societies Act;
 - (f) striking out the words and period “non-profit Society or non-profit co-operative providing a community based transit services.” in clause (e);
 - (g) striking out the capitalized letter “O” in “Organization” and replacing it with a lowercase “o” in clause (e);
 - (h) adding the following immediately after “means a” in clause (e): “non-profit co-operative, a non-profit society, or a registered Canadian charitable organization; and,”; and,
 - (i) adding clause (f) as follows immediately after clause (e):

(f) “registered Canadian charitable organization” means a charitable organization registered pursuant to the Income Tax Act (Canada) and the regulations made pursuant to that Act.
2. The word “municipality” shall be capitalized in sections 9, 12, 16(1), 16(2), 17(a), 17(a)(i),

- 32(f), 32(g), and 32(i).
3. The word “must” shall be deleted and replaced by the word “shall” in sections 9(a), 9(b), 9(c), 9(d), 17, 18, 20, and 32(g).
 4. Section 12 is amended by adding the words “or reviewed” after the words “previous year’s audited” and before the words “financial statements”.
 5. Section 17 is amended by:
 - (a) adding “To be eligible to receive a grant,” after the number and period “17.” and before “Eligible organisations”;
 - (b) striking out the word “Eligible” after the newly added phrase “To be eligible to receive a grant,” and before the word “organizations”;
 - (c) striking out the words “meet the following criteria” after the newly added word “shall” as described in section 3 of this Administrative Order and before the colon;
 - (d) adding the word and comma “and,” immediately after “unmet needs in the community;” in subclause (a)(ii); and,
 - (e) striking out the semicolon and word “; and” and replacing it with a period in clause (b).
 6. Clause (c) of section 17 is repealed.
 7. Section 17A. is added as follows immediately after section 17 and before section 18:

17A. In addition to section 17, non-profit societies and non-profit co-operatives must also be registered with the Nova Scotia Registry of Joint Stocks.
 8. Section 18 is amended by replacing the zero in “January 10” with the number five.
 9. Section 21 is amended by:
 - (a) adding the word “applicants” after the word “applications” and before the word “shall”;
 - (b) striking out the word “applications” after the words “First time” and before the newly added word “applicants”;
 - (c) adding the words “information in their application on or before January 15” after the words “include the following” and before the colon.

10. Clause (b) of section 21 is repealed.
11. Clause (c) of section 21 is repealed.
12. Clause (f) of section 21 is amended by striking out the words and comma “a map of the service area,” after the words and comma “of the market being served,” and before the words “the approximate population of the catchment area”.
13. Clause (h) of section 21 is repealed.
14. Section 21A. is added as follows immediately after section 21 and before section 22:

21A. In addition to section 21, first time applicants shall also provide Halifax Transit with the following information on or before September 30 of the fiscal year for which the grant is applied:

- (a) description of fleet and licences;
 - (b) (i) proof of license under the Motor Carrier Act, with associated proof of insurance; or

(ii) confirmation of status from the Nova Scotia Utility and Review Board that the Motor Carrier Act does not apply, with proof of insurance commensurate with the operations being undertaken and vehicles being used, but being no less than a Nova Scotia Automobile Standard Policy Form (SPF) 1 with a SEF 6A endorsement (permission to carry passengers for compensation) and a SEF 22 endorsement (damage to property of passengers), or equivalent;
 - (c) proof of driver’s license for any driver; and,
 - (d) a written declaration by the applicant stating that:
 - (i) all drivers have submitted a criminal record check with vulnerable sector check; and,
 - (ii) the applicant is satisfied that their drivers do not pose a risk to any member of the public.
15. Section 22 is amended by:
 - (a) adding the words “be submitted to Halifax Transit on or before January 15 and shall” after the words “applications shall” and before the word “include”; and,
 - (b) adding the words “the following information” after the word “include” and before the colon.

16. Clause (a) of section 22 is amended by adding the words “or reviewed” after the word “audited” and before the words “financial statements”.
17. Section 25 is amended by:
 - (a) adding the words and number “Applications that do not meet the requirements outlined in section 21 shall” after the words “Incomplete applications will” and before the words “not be reviewed or considered”; and,
 - (b) striking out the words “Incomplete applications will” immediately before the newly added words and number “Applications that do not meet the requirements outlined in section 21 shall”.
18. Section 26 is amended by striking out the word “Grants” after the words “consideration by the” and before the word “Committee”.
19. Section 27 is amended by striking out the word “Grants” after the words “reviewed by the” and before the words “Committee for recommendation”.
20. Sections 31A. and 31B. are added as follows immediately after section 31 and before section 32:
 - 31A. Notwithstanding receipt of final approval for a grant, an applicant:
 - (a) shall not receive any funds until the requirements outlined in section 21A are met; and,
 - (b) shall forfeit their right to receive the grant if the requirements outlined in section 21A are not met on or before September 30 of the fiscal year for which the grant was applied.
 - 31B. If a deadline enumerated in this Administrative Order falls on a Saturday, Sunday, or Holiday, that deadline shall be extended until the next business day.
21. Section 34A. is added as follows immediately after section 34 and before section 35:
 - 34A. An application received on or before January 15, 2015, for the 2015-2016 fiscal year which was determined to be incomplete may be considered by Halifax Transit, provided that the application otherwise complies with this Administrative Order on the date this section comes into force.

**Attachment “C”
(Incorporating Proposed Changes)**

**ADMINISTRATIVE ORDER NUMBER 2014-012-ADM
RESPECTING GRANTS FOR RURAL TRANSIT**

WHEREAS the Halifax Regional Municipality wishes to provide grants to community organizations that provide community-based transit services in rural communities within the Halifax Regional Municipality to subsidize the cost of regular operation and maintenance of vehicles;

BE IT RESOLVED AS AN ADMINISTRATIVE ORDER of the Council of the Halifax Regional Municipality under the authority of the *Halifax Regional Municipality Charter*, as follows:

Short Title

1. This Administrative Order may be known as the *Rural Transit Grants Administrative Order*.

Interpretation

2. In this Administrative Order,

(a) “applicant” means an organization applying for a rural transit grant in accordance with this Administrative Order;

(ab) “Committee” means the Grants Committee or such other committee designated by Council;

(b) “Council” means the Council of the Municipality;

(c) “Halifax Transit” means the municipal department that provides public transit services in the Municipality;

(d) “Municipality” means the Halifax Regional Municipality;

(da) “non-profit co-operative” includes a non-profit co-operative incorporated under the Nova Scotia Co-operative Associations Act;

(db) “non-profit society” includes a non-profit society incorporated under the Nova Scotia Societies Act;

(e) “organization” means a non-profit co-operative, a non-profit society, or a registered Canadian charitable organization; and,

(f) “registered Canadian charitable organization” means a charitable organization

registered pursuant to the Income Tax Act (Canada) and the regulations made pursuant to that Act.

Purpose

3. The purpose of this Administrative Order is to assist community organizations to operate community-based transit services in rural communities in the Municipality as an efficient, cost effective form of public transportation outside of urbanized areas.

Grants Available

4. There is hereby established a grant program for community-based transit services in rural communities in the Municipality.

5. Grants shall consist of the following:

(a) an annual lump sum payment of between \$5,000 and \$10,000; and

(b) a flat rate of \$0.50 (fifty cents) per vehicle kilometre logged while providing community-based transit service within the Municipality.

6. The amount of the lump sum payment will be determined based on the level of service provided by the organization:

(a) Where the organization provides service more than 16 hours per day, at least one day per week, the lump sum is \$10,000;

(b) Where the organization provides service 8.1 to 15.9 hours per day, 6 to 7 days per week, the lump sum is \$10,000;

(c) Where the organization provides service 8.1 to 15.9 hours per day, 1 to 5 days per week, the lump sum is \$5,000; and

(d) Where the organization provides service 1.0 to 8.0 hours per day, at least one day per week, the lump sum is \$5,000.

7. The number of hours the service is provided is based on either the actual number of hours the service is provided, or the number of hours the service is potentially available if the service is demand responsive.

8. The lump sum payment shall be made following the annual grant approval process.

9. The total amount of the flat rate payment will be based on the number of in-service vehicle kilometres travelled in each quarter of the municipal fiscal year, as reported to the Municipality in accordance with the following deadlines:

(a) First quarter (April 1 to June 30) shall be reported by July 15;

- (b) Second quarter (July 1 to September 30) shall be reported by October 15;
 - (c) Third quarter (October 1 to December 31) shall be reported by January 15; and
 - (d) Fourth quarter (January 1 to March 31) shall be reported by April 15.
10. Quarterly reports shall include a statement of operations and a statement of financial position.
11. The flat rate payments shall be made following the submission of each complete quarterly report.
12. At the end of each fiscal year, the organization shall provide the Municipality with a copy of the previous year's audited or reviewed financial statements, including a statement of operations, a statement of financial position, and a statement of cash flows.
13. If the organization receiving a grant intends to apply for a grant for the following fiscal year it shall include in its third quarter report projected ridership and projected in-service vehicle kilometres for the upcoming fiscal year.
14. All grants are subject to annual budget availability.
15. (1) Where the program budget is insufficient to provide both the lump sum amount and the per kilometre flat rate, the lump sum payments shall be paid in full, and the per kilometre flat rate will be distributed as a pro-rated per cent for each organization.
- (2) Where the program budget is insufficient to provide even the lump sum amount, the total amount of funding will be distributed as a pro-rated per cent to each organization.
16. (1) The Municipality shall not provide grants to more than one applicant operating in the same service area.
- (2) Notwithstanding subsection (1), the Municipality may provide grants to more than one applicant operating in the same service area where the services address the needs of different groups.

Eligible Organizations

17. To be eligible to receive a grant, organizations shall:
- (a) Offer a public transit service located within the Municipality or intended to serve the residents of the Municipality that is:
 - (i) in an area of the Municipality not currently serviced by Halifax Transit; or
 - (ii) in an area serviced by Halifax Transit where the organization can demonstrate that the rural transit service would complement existing Halifax Transit service and

address an unmet need in the community; and,

(b) Offer a public transit service that is available to any member of the public and does not require a membership to access.

(c) Repealed.

17A. In addition to section 17, non-profit societies and non-profit co-operatives must also be registered with the Nova Scotia Registry of Joint Stocks.

Application Requirements

18. There is one intake period per fiscal year. Applications shall be received in person or postmarked on or before January 15 for consideration for the following fiscal year.

19. Halifax Transit may review draft applications from first time applicants, received on or before November 1, and provide feedback prior to the submission of the applications.

20. All applications shall be received by mail or in person. E-mailed or faxed applications will not be accepted. Applications may be submitted:

(a) In person to:
Rural Transit Grants, Halifax Transit
200 Ilesley Avenue
Dartmouth, NS

(b) By mail to:
Rural Transit Grants, Halifax Transit
PO Box 1749,
Halifax, NS, B3J 3A5

21. First time applicants shall include the following information in their application on or before January 15:

(a) proof of incorporation;

(b) Repealed;

(c) Repealed;

(d) map of service area;

(e) business description, including services offered and governance structure;

(f) market assessment, including: a description of the market being served, the approximate population of the catchment area and its spatial distribution, a description of any competing services, and the integration/complementation of existing Halifax Transit Services;

(g) financial assessment, including: three year projected revenues and expenditures; projected annual ridership and service kilometers; previous financial statements; and list of other funding sources;

(h) Repealed; and,

(i) a description of use of community resources and volunteers to ensure service is as efficient and cost effective as possible.

21A. In addition to section 21, first time applicants shall also provide Halifax Transit with the following information on or before September 30 of the fiscal year for which the grant is applied:

(a) description of fleet and licences;

(b) (i) proof of license under the Motor Carrier Act, with associated proof of insurance; or

(ii) confirmation of status from the Nova Scotia Utility and Review Board that the Motor Carrier Act does not apply, with proof of insurance commensurate with the operations being undertaken and vehicles being used, but being no less than a Nova Scotia Automobile Standard Policy Form (SPF) 1 with a SEF 6A endorsement (permission to carry passengers for compensation) and a SEF 22 endorsement (damage to property of passengers), or equivalent;

(c) proof of driver's license for any driver; and,

(d) a written declaration by the applicant stating that:

(i) all drivers have submitted a criminal record check with vulnerable sector check; and,

(ii) the applicant is satisfied that their drivers do not pose a risk to any member of the public.

22. Subsequent applications shall be submitted to Halifax Transit on or before January 15 and shall include the following information:

(a) Annual audited or reviewed financial statements;

(b) Current proof of insurance and confirmation of status from the Nova Scotia Utility and Review Board; and

shall be in compliance with all reporting requirements from previous rural transit grant applications.

Application Evaluations

23. The following criteria will be used to evaluate applications for Council's consideration:

- (a) completeness of application;
- (b) appropriateness of business and governance model;
- (c) appropriateness of market assessment;
- (d) appropriateness of financial assessment;
- (e) use of community resources; and
- (f) any other matter staff considers relevant.

Application Review and Approval Process

24. All applications shall be screened by staff for basic eligibility as they are received. Applicants shall be notified promptly if their application is ineligible.

25. Applications that do not meet the requirements outlined in section 21 shall not be reviewed or considered.

26. Halifax Transit staff shall prepare a recommendation report of eligible applicants for consideration by the Committee.

27. The staff report shall be reviewed by the Committee for recommendation to Council.

28. Final approval of all applications for grants, and their amount, is a decision of Council in its sole discretion.

29. Notification of the decision of Council shall be mailed to applicants.

30. Approval of grants is conditional on Council's approval of the annual budget.

31. Not all eligible applications may receive a grant.

31A. Notwithstanding receipt of final approval for a grant, an applicant:

(a) shall not receive any funds until the requirements outlined in section 21A are met; and,

(b) shall forfeit their right to receive the grant if the requirements outlined in section 21A are not met on or before September 30 of the fiscal year for which the grant was applied.

31B. If a deadline enumerated in this Administrative Order falls on a Saturday, Sunday, or Holiday, that deadline shall be extended until the next business day.

Conditions of Approval

32. Grant approval is subject to the following conditions:

(a) transit service vehicles are for the transportation of passengers and are not for personal use;

(b) the applicant shall maintain the necessary licenses in good standing under the *Motor Carrier Act* as applicable;

(c) the applicant shall maintain the necessary insurance for their operation;

(d) the applicant shall remain in good standing with the Registry of Joint Stock Companies;

(e) the applicant shall maintain a log of the number of daily passengers, the purpose of the trip, and the fare revenue collected;

(f) the applicant shall record all revenue received outside of fare collection and report annually to the Municipality;

(g) any modification to a proposal or transit service shall be reported to the Municipality;

(h) the applicant shall meet quarterly and annual financial reporting deadlines as outlined in this Administrative Order; and

(i) the applicant shall not represent itself as having any relationship or affiliation with Halifax Transit or the Municipality beyond being the recipient of a grant.

Scope

33. Nothing in this Administrative Order shall be interpreted to limit or otherwise prescribe Council's general discretion to provide grants under the *Halifax Regional Municipality Charter* or otherwise.

Effective Date

34. This Administrative Order shall come into effect on the date it is adopted by Council. Notwithstanding section 18, for the fiscal year 2014-15, applications may be received until September 15, 2014 and notwithstanding section 9, for the fiscal year 2014-15, flat rate payments will commence with the third quarter reporting period but may include flat rate payments for the first, second, and third quarter with the requisite documentation.

34A. An application received on or before January 15, 2015, for the 2015-2016 fiscal year which was determined to be incomplete may be considered by Halifax Transit, provided that the application otherwise complies with this Administrative Order on the date this section comes into force.

Repeal

35. The HRM Community Based Transit Funding Program adopted by Council on March 26, 2013 is hereby repealed.

Done and passed by Council this 5th day of August, 2014.

Mayor

Municipal Clerk

I, Cathy Mellett, Municipal Clerk of the Halifax Regional Municipality, hereby certify that the above noted Administrative Order was passed at a meeting of Halifax Regional Council held on August 5, 2014.

Cathy Mellett, Municipal Clerk

Notice of Motion:
Approval:

July 29, 2014
August 5, 2014