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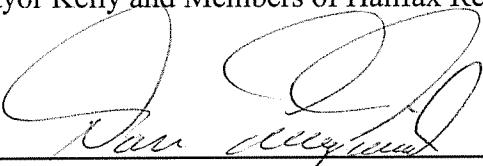


PO Box 1749  
Halifax, Nova Scotia  
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**Halifax Regional Council**  
**January 16, 2007**

**TO:** Mayor Kelly and Members of Halifax Regional Council

**SUBMITTED BY:**

  
\_\_\_\_\_  
Dan English, Chief Administrative Officer

**DATE:** January 8, 2007

**SUBJECT:** **Transit Funding Agreement (TFA)**

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**ORIGIN**

Transit Funding Agreement, as prescribed under the Canada-Nova Scotia Agreement on the Transfer of Federal Public Transit Funds, received December 13, 2006.

**RECOMMENDATION**

It is recommended that Mayor Kelly, and the Municipal Clerk, on behalf of the Halifax Regional Municipality, execute the Transit Funding Agreement between the Province of Nova Scotia and Halifax Regional Municipality.

**BACKGROUND**

On November 24, 2006 the Province of Nova Scotia and the Government of Canada entered into an agreement of the Transfer of Federal Public Transit Funds. For HRM to receive the funds, a number of requirements must be agreed to by signing the Agreement. The Agreement provides the details of the responsibilities of the parties in the partnership.

## **DISCUSSION**

Following is a brief summary highlighting some of the terms and conditions contained within the agreement. A copy of the full agreement is available if requested.

### **Municipal Requirements**

- Ensure funds result in net incremental capital spending
- Submission of a Public Transit Capital Budget approved by Council.
- Submission of a Transit Strategy which incorporates Transportation Demand measures.
- Submission of Interim Annual Expenditure Report and final audited version
- Submission of an Outcomes Report
- Comply with communications protocol
- Retain title to the infrastructure for at least 10 years

### **Eligible Project Categories**

- Public Transit Infrastructure capital investments:
  - rapid transit infrastructure
  - rolling stock
  - intelligent transport system
  - related capital infrastructure
  - accessible transit

### **Eligible Costs**

- capital costs
- fees paid to professionals
- environmental assessments
- administration costs (portion of funds representing interest)

To enable the processes to release the initial transit funds, it is required that the TFA be signed.

## **BUDGET IMPLICATIONS**

There are no budget implications. Funding was estimated when preparing the 2006/07 Capital Budget and was included in our capacity. In preparing the 5-Year Capital Plan, staff has included a reasonable estimate in the overall capital capacity.

Funding is based on an allocation of a 1% base amount of the Federal funds for fiscal 2006/2007 with the remainder of the funding to be allocated based on ridership. HRM is eligible for \$10,889,128 in fiscal 2006/2007. It is understood that the remainder of the funds will flow on a similar allocation basis totalling \$25.8m in Nova Scotia over 3 years (2007-2010) HRM anticipates receiving approximately \$35m over the term of the program.

**FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN**

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

**ALTERNATIVES**

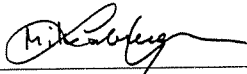
Council could choose not to recommend the Agreement be signed. This alternative is not recommended as a signed agreement is required to enable the funds to be disbursed.

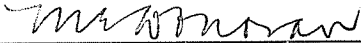
**ATTACHMENTS**


None.

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/agenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

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