

TO: Mayor Kelly and Members of Halifax Regional Council



SUBMITTED BY:

Dan English, Chief Administrative Officer



Wayne Anstey, Deputy Chief Administrative Officer - Operations

DATE: May 6, 2009

SUBJECT: NSTRIP Funding for Rural Transit

ORIGIN

Provincial Budget announced in 2008 provides funding for transit in rural areas.

RECOMMENDATION

It is recommended that Halifax Regional Council:

1. Allocate \$96,841 in funding from the Nova Scotia Transit - Rural Incentives Program (NSTRIP) to CMX01104 - Rural Community Transit and that any further funding from this program over the next three years be allocated to that same account ensuring compliance with the Changes to Cost Sharing for Capital Projects Policy.
2. Approve a budget increase of \$96,841 to Capital Account CMX01104 - Rural Community Transit as per the budget implications section of this report.

BACKGROUND

In 2008, the Government of Nova Scotia announced three million dollars of funding for transit in rural areas. HRM has been advised that the first \$500,000 of this fund is now being released and that the 2008-09 allocation for HRM is \$96,841.

DISCUSSION

The NSTRIP program is intended to support the development of new and improved public transit services in rural and small centers in Nova Scotia that currently have limited or no public transit services available. The funding is being allocated by a formula whereby approximately half of the funds are divided equally amongst the province's 55 municipalities and the remainder is allocated on a per capita basis. Although the initial program announcement indicated a total fund of three million dollars, there is no additional information being provided on the timing or criteria for the release of further funds.

The Rural Community Transit capital account is well suited to be a recipient of these funds. The program being developed to service HRM's rural communities with transit begins with MetroX at its core. MetroX services major park-and-ride lots along Highways 101, 102, 103 and 107 with express transit buses and was introduced in the 2006 Regional Plan and included in the Five-year Transit Plan approved by Regional Council in 2008. The MetroX network will require approximately ten million dollars to complete and this supplemental funding from the province will help to expedite its completion. Once the MetroX network is established, work will be focused on providing transit service within and between rural communities.

Attachment One of this report provides a proposed time line for delivery of MetroX service to eight rural communities and the Airport. This timeline assumes a \$90,000 contribution of provincial funding each year, plus some funding from Halifax International Airport Authority yet to be negotiated.

BUDGET IMPLICATIONS

Allocate \$96,841 in funding from the Nova Scotia Transit - Rural Incentives Program (NSTRIP) to CMX01104 - Rural Community Transit. The gross capital budget will increase due to the NSTRIP funding however the net impact to HRM will remain constant. When additional contributions are announced and confirmed, capital account CMX01104 - Rural Community Transit, will be allocated the funding ensuring compliance with the Changes to Cost Sharing for Capital Projects Policy for increased outside funding. Accounting confirms this report.

Budget Summary

Capital Account CMX01104 - Rural Community Transit

Cumulative Unspent Budget: \$237,037.20
Plus: NSTRIP Funding: \$ 96,841.00
Uncommitted Budget: \$333,878.20

Any remaining funds will be used to complete other rural community projects.

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. If approved this report will increase the Gross Capital Budget.

ALTERNATIVES

Regional Council could choose to allocate these funds to a new project. This is not recommended, as HRM is required to report to the Province on how the funding was spent to ensure compliance with the program requirements. The MetroX project is positioned for these funds to be spent immediately on transit infrastructure. Furthermore, MetroX was identified in the HRM Regional Plan as the priority for delivering transit service to rural areas.


ATTACHMENTS

Attachment A: Project Timeline for MetroX

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.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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