



**CITY OF HAMILTON**  
**CORPORATE SERVICES DEPARTMENT**  
**Finance, Administration, and Revenue Generation Division**

<b>TO:</b>	Chair and Members Audit, Finance & Administration Committee
<b>COMMITTEE DATE:</b>	January 18, 2016
<b>SUBJECT/REPORT NO:</b>	City of Hamilton/Ministry of Transportation 2015/16 Dedicated Gas Tax Funding Agreement (FCS16003) (City Wide)
<b>WARD(S) AFFECTED:</b>	City Wide
<b>PREPARED BY:</b>	Craig Webb, CPA, CMA (905) 546-2424, Extension 1870
<b>SUBMITTED BY:</b>	Mike Zegarac General Manager Finance & Corporate Services
<b>SIGNATURE:</b>	

**RECOMMENDATION**

- (a) That the Mayor and General Manager, Finance & Corporate Services be authorized and directed to enter into an Agreement between the City of Hamilton and the Province of Ontario related to the funding commitment made by the Province of Ontario to the Municipality under the Dedicated Gas Tax Funds For Hamilton's Public Transportation Program;
- (b) That the Mayor and General Manager, Finance & Corporate Services be authorized and directed to execute the Letter of Agreement attached as Appendix "A" to Report FCS16003;
- (c) That the By-law attached as Appendix "C" to Report FCS16003 authorizing and directing the Mayor and General Manager, Finance & Corporate Services to sign a Letter of Agreement between the City of Hamilton and the Province of Ontario with respect to funding under the Dedicated Gas Tax Funds for Public Transportation Program, be passed;
- (d) That, upon being passed, a certified copy of the By-law, together with two copies of the signed Letter of Agreement, be forwarded to the Ministry of Transportation.

## **EXECUTIVE SUMMARY**

The attached by-law, accompanying agreement, guidelines and requirements are provided as a condition of the transfer of funding, provided by the Province of Ontario to the City of Hamilton under the dedicated gas tax funds for public transportation program. Under the terms and conditions of the attached agreement, a by-law is required to authorize the Mayor and City Treasurer to sign the *“Letter of Agreement between Her Majesty the Queen in Right of the Province of Ontario, Represented by the Minister of Transportation for the Province of Ontario and the City of Hamilton related to Funding Provided by the Province of Ontario to the Municipality under the Dedicated Gas Tax Funds for Public Transportation Program”*.

Municipalities receiving dedicated gas tax funds must meet the requirements set out in the “2015/2016 Guidelines and Requirements”, attached as Appendix “B” to Report FCS16003.

### ***Alternatives for Consideration – Not Applicable***

## **FINANCIAL – STAFFING – LEGAL IMPLICATIONS**

**Financial:** Ratification of the Letter of Agreement is a condition of the City of Hamilton becoming eligible for an estimated \$10,714,006 in provincial funding relating to 2015 as part of the 2015/2016 program. This represents an increase over the previous year’s total allocation of \$10,313,004.

**Staffing:** None

**Legal:** The enacting of the supporting By-law per Appendix “C” to Report FCS16003 is a requirement to receive funding under the Dedicated Gas Tax Funds for Public Transportation Program.

## **HISTORICAL BACKGROUND**

The Province of Ontario has moved forward with its commitment to make Gas Tax funding permanent. As part of that commitment, The Province of Ontario, under the Dedicated Gas Tax Funds for the Public Transportation Program, is providing funding in the amount of \$10,714,006 to the City of Hamilton, in accordance with and subject to the terms set out in the attached Letter of Agreement (forms part of the authorizing By-law attached as Appendix “A” to report FCS16003) and the 2015/2016 Guidelines and Requirements (attached as Appendix “B” to report FCS16003). The Province of Ontario, under the above-noted program, will provide two (2) cents of the existing provincial gas tax to municipalities to support public transportation. In this, the twelfth year of the program, that is \$332.9 million in funding.

## **POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS**

None

## **RELEVANT CONSULTATION**

None

## **ANALYSIS AND RATIONALE FOR RECOMMENDATION**

Under the Dedicated Gas Tax Funds for the Public Transportation Program, funding allocated is based on 70% transit ridership and 30% municipal population.

The funding received is deposited into a dedicated reserve that is used to fund the expansion of public transit in terms of capital infrastructure and operating budget funding related to levels of service.

## **ALTERNATIVES FOR CONSIDERATION**

None

## **ALIGNMENT TO THE 2012 – 2015 STRATEGIC PLAN**

### **Strategic Priority #1**

A Prosperous & Healthy Community

*WE enhance our image, economy and well-being by demonstrating that Hamilton is a great place to live, work, play and learn.*

### **Strategic Objective**

- 1.4 Improve the City's transportation system to support multi-modal mobility and encourage inter-regional connections.
- 1.6 Enhance Overall Sustainability (financial, economic, social and environmental).

### **Strategic Priority #3**

Leadership & Governance

*WE work together to ensure we are a government that is respectful towards each other and that the community has confidence and trust in.*

### **Strategic Objective**

- 3.1 Engage in a range of inter-governmental relations (IGR) work that will advance partnerships and projects that benefit the City of Hamilton.

**APPENDICES AND SCHEDULES ATTACHED**

Appendix "A" – Letter of Agreement between the City of Hamilton and the Province of Ontario

Appendix "B" – 2015/2016 Guidelines and Requirements

Appendix "C" – 2016 City of Hamilton/Ministry of Transportation Gas Tax Funding Agreement By-law