



CITY OF HAMILTON
CORPORATE SERVICES
Financial Planning, Administration and Policy

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	January 22, 2018
SUBJECT/REPORT NO:	City of Hamilton / Ministry of Transportation 2017-2018 Dedicated Gas Tax Funding Agreement (FCS18013) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Craig Webb, CPA, CMA, (905) 546-2424, Ext. 1870
SUBMITTED BY:	Mike Zegarac General Manager Finance and Corporate Services
SIGNATURE:	

RECOMMENDATION

- (a) That the Mayor and General Manager, Finance and 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 and Corporate Services be authorized and directed to execute the Letter of Agreement attached as Appendix "A" to Report FCS18013;
- (c) That the By-law attached as Appendix "C" to Report FCS18013 authorizing and directing the Mayor and General Manager, Finance and 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.

OUR Vision: To be the best place to raise a child and age successfully.

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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 “2017 / 2018 Guidelines and Requirements”, attached as Appendix “B” to Report FCS18013.

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 \$11,192,903 in provincial funding relating to 2017 / 2018 as part of the 2017 / 2018 program. This represents an increase of 4.9% over the previous 12-month total allocation of \$10,669,638.

Staffing: None.

Legal: The enacting of the supporting By-law per Appendix “C” to Report FCS18013 is a requirement to receive funding under the Dedicated Gas Tax Funds for Public Transportation Program.

HISTORICAL BACKGROUND

In 2013, the Province of Ontario 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 \$11,192,903 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 FCS18013) and the 2017 / 2018 Guidelines and Requirements (attached as Appendix “B” to Report FCS18013). The Province of Ontario, under the above-noted program, will provide two cents of the existing provincial gas tax to municipalities to support public transportation. In this, the fourteenth year of the program, that is \$357.2 million in funding.

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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 2016 – 2025 STRATEGIC PLAN

Community Engagement & Participation

Hamilton has an open, transparent and accessible approach to City government that engages with and empowers all citizens to be involved in their community.

Economic Prosperity and Growth

Hamilton has a prosperous and diverse local economy where people have opportunities to grow and develop.

Healthy and Safe Communities

Hamilton is a safe and supportive city where people are active, healthy, and have a high quality of life.

Clean and Green

Hamilton is environmentally sustainable with a healthy balance of natural and urban spaces.

Built Environment and Infrastructure

Hamilton is supported by state of the art infrastructure, transportation options, buildings and public spaces that create a dynamic City.

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Culture and Diversity

Hamilton is a thriving, vibrant place for arts, culture, and heritage where diversity and inclusivity are embraced and celebrated.

Our People and Performance

Hamiltonians have a high level of trust and confidence in their City government.

APPENDICES AND SCHEDULES ATTACHED

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

Appendix "B" – 2017 / 2018 Guidelines and Requirements

Appendix "C" – 2017 City of Hamilton / Ministry of Transportation Gas Tax Funding Agreement By-law

CW/dt