

CITY OF HAMILTON

MOTION

Council: September 29, 2021

MOVED BY COUNCILLOR J. P. DANKO.....

SECONDED BY COUNCILLOR.....

Amendments to Item 1 of the General Issues Committee Report 19-019, respecting Report PW19083/FCS18048 - Investing in Canada Infrastructure Program – Public Transit Stream Grant Program

WHEREAS, on July 19, 2021, the Governments of Canada and Ontario announced grant allocations under the Transit Stream of the Investing in Canada Infrastructure Program (ICIP) for 7 projects in the City of Hamilton;

WHEREAS, the total gross cost of the capital projects approved for the City is \$504.7M with the City's share amounting to \$134.6M; and,

WHEREAS, Report PW19083 / FCS18048(a) was approved by Council on October 9, 2019, and later amended by Council on December 16, 2020.

THEREFORE, BE IT RESOLVED:

- (a) That sub-section (a) to Item 1 of the General Issues Committee Report 19-019, respecting Report PW19083/FCS18048(a) - Investing in Canada Infrastructure Program – Public Transit Stream Grant Program, be **further amended**:
 - (i) by adding the word "**further**";
 - (ii) by deleting the dollar amount of \$370,984,500 and replacing it with the dollar amount of **\$370,078,800**; and,
 - (iii) by deleting the dollar amount of \$505,911,000 and replacing it with the dollar amount of **\$504,676,000**, to read as follows:
 - (a) That the projects listed in Appendix "A", as **further** amended, attached to Report 19-019, be approved as per the Ministry of Transportation Ontario's approval of the City of Hamilton's projects for the requested funding amount of **\$370,078,800** for projects with a total project cost of **\$504,676,000**, in accordance with the terms and conditions associated with the Investing in Canada Infrastructure Program (ICIP), Public Transit Stream; and as the Province of Ontario's approval of the City of Hamilton's contribution to the PRESTO Device Refresh in the amount of \$4,500,000, inclusive of non-recoverable taxes;

- (b) That Appendix "A" to Item 1 of the General Issues Committee Report 19-019, respecting Report PW19083/FCS18048(a) - Investing in Canada Infrastructure Program – Public Transit Stream Grant Program (attached hereto), which was approved by Council on October 9, 2019, and later amended by Council on December 16, 2020, be **further amended**, to reflect the Governments of Canada and Ontario announced grant allocations under the Transit Stream of the Investing in Canada Infrastructure Program (ICIP) for 7 projects in the City of Hamilton.
- (c) That sub-sections (b), (d), (i), (j), (k), (l) and (m), be amended by adding the word "**further**" after the words "Appendix "A";
- (d) That sub-section (k) be further amended by deleting the dollar amount of \$82,277,000 and replacing it with the dollar amount of **\$82,001,000**; by deleting the dollar amount \$35,210,000 and replacing it with the dollar amount **\$33,748,000** and, by deleting the dollar amount of \$47,067,000 and replacing it with the dollar amount of **\$48,253,000**, to read as follows:
 - (k) That the General Manager, Finance and Corporate Services, be authorized to negotiate and confirm the terms and placement of all debenture issue(s), and/or private placement debenture issue(s), in either a public or private market and/or bank loan agreements and debenture issue(s) and/or variable interest rate bank loan agreements and debenture issue(s), in an amount not to exceed **\$82,001,000** Canadian currency for capital projects for Investing in Canada Infrastructure Program, Public Transit Stream as attached in Appendix "A", as **further** amended, to Report 19-019, which includes **\$48,253,000** in Tax Supported municipal debt and **\$33,748,000** in Tax Supported Development Charges municipal debt;

Attachment - **Amended** Appendix "A" to Report PW19083/FCS18048(a)

Main Motion, ***As Amended***, to read as follows:

1. Investing in Canada Infrastructure Program – Public Transit Stream Grant Program (PW19083/FCS18048(a)) (City Wide) (Item 9.1)

- (a) That the projects listed in Appendix “A”, as ***further*** amended, attached to Report 19-019, be approved as per the Ministry of Transportation Ontario’s approval of the City of Hamilton’s projects for the requested funding amount of **\$370,078,800** for projects with a total project cost of **\$504,676,000**, in accordance with the terms and conditions associated with the Investing in Canada Infrastructure Program (ICIP), Public Transit Stream; and as the Province of Ontario’s approval of the City of Hamilton’s contribution to the PRESTO Device Refresh in the amount of \$4,500,000, inclusive of non-recoverable taxes;
- (b) That Investing in Canada Infrastructure Program, Public Transit Stream Project Financing Strategy, as detailed in Appendix “A”, as ***further*** amended, attached to Report 19-019, be approved;
- (c) That the Mayor and Clerk be authorized and directed to execute all necessary documentation, including Funding Agreements to receive funding under Investing in Canada Infrastructure Program, Public Transit Stream with content satisfactory to the General Manager of Public Works and in a form satisfactory to the City Solicitor;
- (d) That staff be authorized and directed to tender and implement projects contained in Appendix “A”, as ***further*** amended, attached to Report 19-019 upon execution of a Transfer Payment Agreement between the City of Hamilton and Her Majesty the Queen in right of Ontario as represented by the Minister of Transportation for the Province of Ontario to Receive Funding Investing in Canada Infrastructure Program, Public Transit Stream;
- (e) That the Director of Transit be authorized and directed to submit future project amendments that may be required to Infrastructure Canada and the Province of Ontario provided that such amendments are acceptable to the General Manager of Public Works and that no amendment shall result in the City’s maximum funding share being exceeded;
- (f) That the operating budget and staffing full time equivalent (FTE) impacts related to approved ICIP projects, as shown in Appendix “B” attached to Report 19-019, be incorporated in the Tax Supported Operating Budget for the appropriate fiscal year;
- (g) That where required to give effect and authorize the signing of a Transfer Payment Agreement between the City of Hamilton and Her Majesty the Queen in right of Ontario as represented by the Minister of Transportation for the Province of Ontario, to receive funding under Investing in Canada Infrastructure Program, Public Transit Stream, Legal staff be directed to prepare a By-law in the form satisfactory to the City Solicitor for consideration by Council;

- (h) That where required to give effect and authorize the signing of amendments to the Transfer Payment Agreement between the City of Hamilton and Her Majesty the Queen in right of Ontario as represented by the Minister of Transportation for the Province of Ontario, to receive funding under Investing in Canada Infrastructure Program, Public Transit Stream, Legal staff be directed to prepare By-law(s) in the form satisfactory to the City Solicitor for consideration by Council;
- (i) That the General Manager, Finance and Corporate Services, be authorized and directed to enter into and execute any necessary agreements including any agreements with Infrastructure Ontario's Loan Program to secure the capital funding required for capital projects for Investing in Canada Infrastructure Program, Public Transit Stream, as attached in Appendix "A", as **further** amended," to Report 19-019;
- (j) That the General Manager, Finance and Corporate Services, be authorized and directed to enter into and execute any necessary agreements to engage the services of all required persons, agencies and companies to negotiate and confirm the terms and issuance of all necessary debenture issue(s) including, but not limited to, external legal counsel, fiscal agents and financial professionals, to secure the capital funding required capital projects for Investing in Canada Infrastructure Program, Public Transit Stream, as attached in Appendix "A", as **further** amended, to Report 19-019;
- (k) That the General Manager, Finance and Corporate Services, be authorized to negotiate and confirm the terms and placement of all debenture issue(s), and/or private placement debenture issue(s), in either a public or private market and/or bank loan agreements and debenture issue(s) and/or variable interest rate bank loan agreements and debenture issue(s), in an amount not to exceed **\$82,001,000** Canadian currency for capital projects for Investing in Canada Infrastructure Program, Public Transit Stream as attached in Appendix "A", as **further** amended, to Report 19-019, which includes **\$48,253,000** in Tax Supported municipal debt and **\$33,748,000** in Tax Supported Development Charges municipal debt;
- (l) That the Mayor and City Clerk be authorized and directed to enter into and/or execute, on behalf of the City of Hamilton, all agreements and necessary ancillary documents required for Investing in Canada Infrastructure Program, Public Transit Stream, as attached in Appendix "A", as **further** amended, to Report 19-019 and any agreements related to PRESTO Device Refresh including those required to secure and confirm the terms and issuance of any required debenture issue(s), with content acceptable to the General Manager, Finance and Corporate Services, and in a form satisfactory to the City Solicitor; and,

- (m) That staff be directed to prepare all necessary By-Law(s) to authorize and implement Investing in Canada Infrastructure Program, Public Transit Stream Projects, as attached in Appendix "A", as **further** amended, to Report 19-019 including those By-laws necessary to negotiate, place and secure all required capital funding.

City of Hamilton ICIP - Transit Stream Projects Approved

Project Description	Notes									Cost Sharing Breakdown		
		2020 (000's)	2021 (000's)	2022 (000's)	2023 (000's)	2024 (000's)	2025 (000's)	2026 (000's)	Total (000's)	Federal 40%	Provincial 33.33%	City 26.67%
1. Maintenance & Storage Facility	1,2	\$ 120,000.0	\$ 130,000.0						\$ 250,000.0	\$ 100,000.0	\$ 83,325.0	\$ 66,675.0
2. Replacement Fleet	3	\$ 13,528.0	\$ 30,324.0	\$ 17,784.0	\$ 12,688.0	\$ 12,163.0	\$ 12,045.0	\$ 15,545.0	\$ 114,077.0	\$ 45,630.8	\$ 38,021.9	\$ 30,424.3
3. Expansion Fleet (10 Year Strategy)	1,3	\$ 10,400.0	\$ 11,424.0	\$ 11,653.0	\$ 12,735.0	\$ 12,990.0	\$ 14,132.0	\$ -	\$ 73,334.0	\$ 29,333.6	\$ 24,442.2	\$ 19,558.2
4. A-Line Priority Bus Corridor	2	\$ -	\$ 2,000.0	\$ 2,000.0	\$ 2,000.0	\$ 2,500.0	\$ -	\$ -	\$ 8,500.0	\$ 3,400.0	\$ 2,833.0	\$ 2,267.0
5. Birch Avenue Bridge/Road Works	2	\$ -	\$ -	\$ 39,965.0	\$ -	\$ -	\$ -	\$ -	\$ 39,965.0	\$ 15,986.0	\$ 13,320.3	\$ 10,658.7
6. Presto Device Refresh (DENIED BY MTO)	3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7. CAD/AVL Replacement	2	\$ -	\$ 6,250.0	\$ 2,750.0	\$ -	\$ -	\$ -	\$ -	\$ 9,000.0	\$ 3,600.0	\$ 2,999.7	\$ 2,400.3
8. Active Transportation Connections	3	\$ 900.0	\$ 1,000.0	\$ 900.0	\$ 1,500.0	\$ 3,000.0	\$ 2,500.0	\$ -	\$ 9,800.0	\$ 3,920.0	\$ 3,266.3	\$ 2,613.7
Total (000's):		\$ 144,828.0	\$ 180,998.0	\$ 75,052.0	\$ 28,923.0	\$ 30,653.0	\$ 28,677.0	\$ 15,545.0	\$ 504,676.0	\$ 201,870.4	\$ 168,208.4	\$ 134,597.2

City of Hamilton ICIP - Transit Stream Projects - MTO Denied / Alternative Funding

6. Presto Device Refresh	3	\$ 4,500.0							\$ 4,500.0	\$ -	\$ -	\$ 4,500.0
Total (000's):		\$ 149,328.0	\$ 180,998.0	\$ 75,052.0	\$ 28,923.0	\$ 30,653.0	\$ 28,677.0	\$ 15,545.0	\$ 509,176.0	\$ 201,870.4	\$ 168,208.4	\$ 139,097.2

Notes:
1: City Share of Total Project Cost will be financed from tax supported DC Debt.
2: City Share of Total Project Cost will be financed from tax supported debt.
3: City Share of Total Project Cost will be financed from City Transit Vehicle and DC Reserves

Financing Strategy with Denied Project		2020 (000's)	2021 (000's)	2022 (000's)	2023 (000's)	2024 (000's)	2025 (000's)	2026 (000's)	Aug 2021 Amending Motion Total (000's)
Federal Share		\$ 57,931.2	\$ 72,399.2	\$ 30,020.8	\$ 11,569.2	\$ 12,261.2	\$ 11,470.8	\$ 6,218.0	\$ 201,870.4
Provincial Share		\$ 48,271.2	\$ 60,326.6	\$ 25,014.8	\$ 9,640.0	\$ 10,216.6	\$ 9,558.0	\$ 5,181.1	\$ 168,208.3
City Share		\$ 43,125.6	\$ 48,272.2	\$ 20,016.4	\$ 7,713.8	\$ 8,175.2	\$ 7,648.2	\$ 4,145.9	\$ 139,097.3
Total with Denied Project		\$ 149,328.0	\$ 180,998.0	\$ 75,052.0	\$ 28,923.0	\$ 30,653.0	\$ 28,677.0	\$ 15,545.0	\$ 509,176.0
City Funding Details:									
Reserves									
2. Replacement Fleet	110030	\$ 3,607.9	\$ 8,087.4	\$ 4,743.0	\$ 3,383.9	\$ 3,243.9	\$ 3,212.4	\$ 4,145.9	\$ 30,424.4
3. Expansion Fleet (10 Year Strategy)	110030	\$ 1,932.7	\$ 2,122.8	\$ 2,166.9	\$ 2,368.4	\$ 2,414.4	\$ 2,626.0	\$ -	\$ 13,631.2
6. Presto Device Refresh		\$ 4,500.0							\$ 4,500.0
8. Active Transportation Connections	110030	\$ 240.0	\$ 266.7	\$ 240.0	\$ 400.1	\$ 800.1	\$ 666.8	\$ -	\$ 2,613.7
		\$ 10,280.6	\$ 10,476.9	\$ 7,149.9	\$ 6,152.4	\$ 6,458.4	\$ 6,505.2	\$ 4,145.9	\$ 51,169.3
DC Reserves									
Dev Charges - Non Res TCA Expansion Fleet	110311	\$ 311.0	\$ 342.0	\$ 348.0	\$ 380.0	\$ 388.0	\$ 423.0	\$ -	\$ 2,192.0
Dev Charges - Res TCA Expansion Fleet	110310	\$ 530.0	\$ 582.0	\$ 593.0	\$ 648.0	\$ 662.0	\$ 720.0	\$ -	\$ 3,735.0
		\$ 841.0	\$ 924.0	\$ 941.0	\$ 1,028.0	\$ 1,050.0	\$ 1,143.0	\$ -	\$ 5,927.0
Tax Supported DC Debt Financing									
Dev Charges - Non Res DEBT: Maintenance and Storage Facility (note 4)	110311	\$ 5,631.0	\$ 7,030.0						\$ 12,661.0
Dev Charges - Res DEBT: Maintenance and Storage Facility (note 4)	110310	\$ 9,117.0	\$ 11,970.0						\$ 21,087.0
		\$ 14,748.0	\$ 19,000.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33,748.0
Tax Supported Debt Financing									
1. Maintenance & Storage Facility		\$ 17,256.0	\$ 15,671.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32,927.0
4. A-Line Priority Bus Corridor		\$ -	\$ 533.4	\$ 533.4	\$ 533.4	\$ 666.8	\$ -	\$ -	\$ 2,267.0
5. Birch Avenue Bridge/Road Works		\$ -	\$ -	\$ 10,658.7	\$ -	\$ -	\$ -	\$ -	\$ 10,658.7
6. Presto Device Refresh		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7. CAD/AVL Replacement		\$ -	\$ 1,666.9	\$ 733.4	\$ -	\$ -	\$ -	\$ -	\$ 2,400.3
		\$ 17,256.0	\$ 17,871.3	\$ 11,925.5	\$ 533.4	\$ 666.8	\$ -	\$ -	\$ 48,253.0
Total		\$ 43,125.6	\$ 48,272.2	\$ 20,016.4	\$ 7,713.8	\$ 8,175.2	\$ 7,648.2	\$ 4,145.9	\$ 139,097.3
Debt Financing Tax Impacts									
New Debt Charges		\$ 1,835.0	\$ 1,552.0	\$ 1,024.0	\$ 45.0	\$ 56.0	\$ -	\$ -	\$ 4,512.0
Tax Impact of New Debt Charges		0.21%	0.18%	0.12%	0.01%	0.01%	0.00%	0.00%	
Operating Budget Tax Impacts, subject to Council Approval in subsequent Budgets									
FTE Operating Budget Impact		\$ 35.0	\$ 39.0	\$ 60.0	\$ 38.0	\$ 41.0	\$ 41.0	\$ -	\$ 254.0
\$ Operating Budget Impact		\$ 1,938.0	\$ 3,483.0	\$ 10,022.0	\$ 3,256.0	\$ 3,577.0	\$ 3,649.0	\$ -	\$ 25,925.0
Tax Impact of OIC		0.22%	0.40%	1.15%	0.37%	0.41%	0.42%	0.00%	
TOTAL TAX IMPACT \$		\$ 3,773.0	\$ 5,035.0	\$ 11,046.0	\$ 3,301.0	\$ 3,633.0	\$ 3,649.0	\$ -	
TOTAL TAX IMPACT %		0.43%	0.58%	1.27%	0.38%	0.42%	0.42%	0.00%	

Note 4: Debt charges for Tax Supported DC Debt will be funded from DC Reserves and have no impact on the tax operating budget