



REPORT

REPORT TO: Mayor Bonnette and Members of Council

REPORT FROM: Jinsun Kim, Manager of Financial Planning and Budgets

DATE: March 22, 2021

REPORT NO.: CORPSERV-2021-0008

RE: Transfer Payment Agreement for Safe Restart Agreement (SRA) - Phase 2 Municipal Transit Funding

RECOMMENDATION:

THAT Report No. CORPSERV-2021-0008, regarding the Transfer Payment Agreement for Safe Restart Agreement (SRA) – Phase 2 Municipal Transit Funding be received as information;

AND FURTHER THAT the Mayor and Town Clerk and Director of Legislative Services be authorized to sign the 'Transfer Payment Agreement for the Safe Restart Agreement (SRA) – Phase 2 Municipal Transit Funding';

AND FURTHER THAT staff be authorized to bring forward a By-law to execute the Transfer Payment Agreement between the Ministry of Transportation (MTO) and the Town of Halton Hills.

BACKGROUND:

As part of the Federal-Provincial 'Safe Restart Agreement', the Province announced on July 27, 2020 that \$4 billion was being allocated to municipalities across the province to support their responses to the COVID-19 pandemic. The funding was allocated through two streams: A) up to \$2 billion to support general municipal operating pressures; and B) up to \$2 billion to support the continuance of critical municipal transit services during the pandemic.

As the financial implications of the COVID-19 pandemic continue into 2021, the Province recognized the need to extend financial support beyond the end of the initial SRA programs and subsequently announced additional support on March 3, 2021.

The Province released an additional \$150 million to support COVID-19 related financial impacts on transit. This brings the total SRA funding envelope related to transit to \$2.15 billion, which now consists of the following three phases:

- **Phase 1:** \$700 million to support impacts incurred between April 1, 2020 and September 30, 2020;
- **Phase 2:** \$800 million to support impacts incurred between October 1, 2020 and March 31, 2021; and
- **Phase 3:** \$650 million to support impacts incurred between April 1, 2021 and December 31, 2021.

Municipal funding allocations under the program continue to be based on a formula of transit ridership, plus a base amount of \$40,000 applied to each total program allocation.

COMMENTS:

The Town received a Phase 1 allocation of \$71,987 to support COVID-19 related transit pressures incurred between April 1 and September 30, 2020. Staff reported back to the Ministry of Transportation (MTO) in October of 2020 with details on the use of the Phase 1 funds and a forecast of eligible expenditures to March 31, 2021.

As part of the Phase 2 allocation, the Town is eligible to receive up to \$100,036 to support the financial impacts incurred between October 1, 2020 and March 31, 2021.

Phase 2 funding will be forwarded to the Town pursuant to the Transfer Payment Agreement (TPA) with the MTO. The TPA sets out the details of the funding, including a description of the expenditures that are eligible under the TPA, for which the Municipality may submit one claim for payment. The Town is now in receipt of the TPA, and it must be executed through a municipal by-law. The By-law No. 2021-0012 to execute the TPA is included in the same agenda with Report CORPSERV-2021-0008.

An additional \$57,401 in funding will be allocated to the Town for Phase 3 of the program.

RELATIONSHIP TO STRATEGIC PLAN:

This report supports the following strategic objectives:

- Establish sustainable financing, asset management and master plans to acquire, operate, maintain, renew and replace infrastructure.
- Continue to provide timely and transparent communications with the Town's residents and business owners.

FINANCIAL IMPACT:

Under the SRA funding transit stream, the Town received \$71,987 of Phase 1 funding and has been notified of two further additional funding allocations equaling \$157,437 (Phase 2 (\$100,036) and Phase 3 (\$57,401)). The combined total of \$229,424 will help address transit related financial pressures resulting from Covid-19. The Town will receive Phase 2 funding of \$100,036 upon execution of the TPA as required by the MTO.

CONSULTATION:

Finance staff consulted with the MTO for information included in this report.

PUBLIC ENGAGEMENT:

No public engagement required in reference to this report.

SUSTAINABILITY IMPLICATIONS:

The Town is committed to implementing our Community Sustainability Strategy, Imagine Halton Hills. Doing so will lead to a higher quality of life.

The recommendation outlined in this report is not applicable to the Strategy's implementation.

COMMUNICATIONS:

There is no communications impact.

CONCLUSION:

The updated SRA program will continue to help the Town to manage the fiscal impact resulting from the Covid-19 pandemic.

Reviewed and Approved by,

A handwritten signature in cursive script that reads "M. J. Leighton".

Moya Jane Leighton, Director of Finance & Town Treasurer

A handwritten signature in cursive script that reads "Laura Lancaster".

Laura Lancaster, Acting Commissioner of Corporate Services

A handwritten signature in cursive script that reads "Chris Mills".

Chris Mills, Acting Chief Administrative Officer