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FUNDING STATUS UPDATE - YORK RAPID TRANSIT PLAN

The Rapid Transit Public/Private Partnership Steering Committee recommends the adoption of the recommendation contained in the following report June 8, 2006, from the Commissioner of Finance:

1. RECOMMENDATION

1. It is recommended that this report be received for information.

2. PURPOSE

The purpose of this report is to provide an update on funds received from the federal and provincial governments towards their respective share of the Quick Start project.

3. BACKGROUND

In 2002, Regional Council approved the Quick Start segment of the York Region Rapid Transit Plan, and in March, 2004 executed funding agreements with the federal and provincial governments to contribute $50 million each towards the project.

4. FUNDING UPDATE

The Region has incurred costs totalling $154 million for the Quick Start project as at May 31, 2006.

Both senior levels of government have now commenced the flow of funds. In late December, 2005 the Region received $1.4 million and a further $15 million in April from the federal government towards the purchase of the bus fleet.

In May, the provincial government flowed $34.2 million towards its share. A further payment request of approximately $10 million is in process.

5. FINANCIAL IMPLICATIONS

The recent payments from the senior levels of government have had a positive impact on the Region’s cash flow. The interest costs related to the federal/provincial share of the project have reduced significantly.

6. LOCAL MUNICIPAL IMPACT

There is no local municipal impact associated with this report.

7. CONCLUSION

The report provides an update on the funding status of the York Region Rapid Transit Plan. The two senior levels of government have flowed a total of approximately $50 million towards their share of the Quick Start project.

The Senior Management Group has reviewed this report.