

6
YORK REGION TRANSIT
ONTARIO VEHICLE PROGRAM
REQUEST FOR ALLOCATION OF FUNDING

The Transit Committee recommends the adoption of the recommendations contained in the following report, September 14, 2004, from the Commissioner of Transportation and Works:

1. RECOMMENDATIONS

It is recommended that:

1. The Ministry of Transportation be requested to allocate subsidy funding for 2004 under the Ontario Transit Vehicle Program in the amount of \$2,050,110 for bus replacement and major structural refurbishing of conventional transit buses, and \$195,728 for replacement of specialized transit buses.
2. The Regional Chair, Clerk, Treasurer and General Manager, Transit, be authorized to execute on behalf of the Region any necessary forms and agreements.

2. PURPOSE

The purpose of this report is to seek Regional Council authorization to request 2004 funding from the Ministry of Transportation under the provincial government's Ontario Transit Vehicle Program (OTVP).

3. BACKGROUND

In September 2001, the provincial government announced the introduction of a capital subsidy program for public transit systems in Ontario. The program was improved in August 2004 and is now referred to as the Ontario Transit Vehicle Program (OTVP). This program allows transit systems to apply for up to 1/3 funding on bus replacement and expansion costs and the cost to perform major structural refurbishing to extend the useful life of a transit bus. The previous program, the Ontario Transit Replacement Program (OTRP), was for replacement vehicles only, although the Region did qualify for some funding in 2003 for expansion vehicles under the former GTIP program.

The allocation of renewal funds is based on the annual submission of application forms which include the municipality's forecast of five-year capital refurbishment and replacement needs for transit vehicles.

4. ANALYSIS AND OPTIONS

The Ministry of Transportation has established a set of guidelines and requirements for the Ontario Transit Vehicle Program. They include a series of forms that must be submitted on an annual basis as outlined below:

- ON-T-01 – Request for an Allocation of Renewal Funds (Municipality submits this form annually to request allocation of renewal funds for conventional transit.)
- ON-T-02 – Transit Vehicle Inventory (This form lists and provides details related to transit vehicles owned by/operated on behalf of the municipality as of December 31st of the previous year.)
- ON-T-03 – Detailed Estimate of Allocation of Renewal Funds (This form lists and provides details related to each vehicle to be replaced or subject to major refurbishment in support of the allocation request.)
- ON-T-04 – Transit Vehicle Renewal/Major Refurbishment Estimates (five years) (This form provides details regarding the municipality's estimated expenditures and estimated provincial renewal fund requirements for the current year plus the following four years.)
- ON-T-9 – Request for an Allocation of Renewal Funds - Transportation for Physically Disabled Persons (Municipality submits this form annually to request allocation of renewal funds for transit vehicles for physically disabled persons.)

The 2004 allocation request to the province is summarized as follows:

Table 1
YRT 2004 OTVP Allocation Request

Item	Proposed Expenditures	OTVP Contribution (one-third)
Conventional transit vehicle replacement (12 buses)	\$5,050,330.56	\$1,683,443.52
Conventional transit vehicle refurbishment (12 buses)	\$1,100,000.00	\$ 366,666.67
Specialized transit vehicle replacement (3 buses)	\$587,184.12	\$ 195,728.04
Total	\$6,737,514.68	\$2,245,838.23

All vehicles to be acquired in 2004 under the Ontario Transit Vehicle Program are for replacement purposes.

4.1 Relationship to Vision 2026

Vision 2026 includes a goal statement on infrastructure and has identified specific action areas including the need to continue to improve service and infrastructure for successfully integrated transit service. The proposed subsidy funding allocation from the Province assists the Region in conducting major refurbishment of buses and replacing buses that have reached the end of their useful lives.

5. FINANCIAL IMPLICATIONS

The 2004 Business Plan and Budget includes \$6.7 million for the purchase of conventional and/or specialized transit replacement buses for delivery in 2004, and for the structural refurbishing of conventional transit buses. The budget is based on the Region receiving 1/3 subsidy or \$2.25 million from the Province on these expenditures.

6. LOCAL MUNICIPAL IMPACT

The funds received through the Ontario Transit Vehicle Program will contribute to the renewal of the YRT fleet in terms of both new replacement buses and refurbished buses. This, in turn, will ensure the continued provision of quality transit services in the local municipalities.

7. CONCLUSION

It is recommended that the subject Ontario Transit Vehicle Program subsidy allocation request to the Ministry of Transportation be endorsed.

The Senior Management Group has reviewed this report.