

**Ministry of
Transportation**

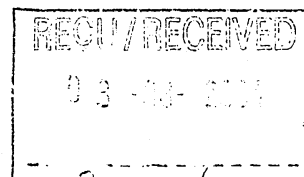
Office of the Minister

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JUL 28 2004

Mr. Bill Fisch
Chair
Regional Municipality of York
PO Box 147, 17250 Yonge Street
Newmarket, Ontario
L3Y 6Z1

Dear Mr. Fisch:

Increasing transit ridership is a priority for the Ontario government. That's why the province has committed \$448 million for transit capital in its 2004 budget. With this commitment, municipalities can improve and expand their transit services to increase ridership and reduce gridlock, which improves our communities.

I am pleased to advise you that the Ontario government is now confirming the first component of its 2004 transit capital program for conventional transit as well as for specialized transit services for persons with disabilities.

Through the 2004 Ontario Transit Vehicle Program (OTVP), the province will provide funding of up to one-third of eligible capital costs incurred by municipalities to renew or refurbish transit vehicles, or purchase vehicles to expand their transit fleets. The government will require that all vehicles that are funded to be fully accessible and meet all safety standards.

This program improves upon the previous program in providing funding to help municipalities expand their transit fleets to grow ridership and provide a viable alternative to the automobile.

In addition, the OTVP will provide incentive funding to municipalities that acquire alternately fuelled vehicles that reduce emissions that contribute to smog and global warming.

There will be further announcements on future funding for transit vehicles and further ridership incentives for municipalities following upcoming consultations with municipalities on sharing provincial gas taxes. The Ministry of Transportation (MTO)

will also continue to work with transit operators on new approaches to transit vehicle procurement and financing to help accelerate the replacement and expansion of municipal transit fleets.

As well, details about other transit capital programs addressing province-wide investments in transit related technologies and infrastructure will be announced later to ensure consistency with the government's approach to Growth Management, a GTA Transportation Strategy and the creation of a Greater Toronto Transportation Authority.

Staff from MTO's Transit Policy and Programs Office will be in contact with transit staff from your municipality concerning necessary reporting and the financial payment process.

I would also like to offer my personal congratulations for the additional bonus payment of \$201,678 that was made to the Regional Municipality of York relating to the 2003 Ontario Transit Renewal Program. This payment was in recognition of increased transit ridership that occurred over a three-year period from 2000 through 2002. This government recognizes that municipalities that have continual increases in ridership contribute to reducing gridlock, improved air quality through reduced car travel, and provide support for higher-density land development.

Thank you again for your commitment to improving public transit services within your municipality.

Sincerely,



Harinder S. Takhar
Minister

c: Hon. Gregory Sorbara, MPP, Vaughan-King-Aurora
Tony C. Wong, MPP, Markham
Frank Klees, MPP, Oak Ridges
Mario G. Racco, MPP, Thornhill
Julia Munro, MPP, York North