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YORK REGION TRANSIT

ONTARIO TRANSIT VEHICLE PROGRAM REQUEST FOR ALLOCATION OF FUNDING

The Joint Transit Committee and Rapid Transit Public/Private Partnership Steering Committee recommends the adoption of the recommendations contained in the following report October 18, 2005, 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 2005 under the Ontario Transit Vehicle Program in the amount of \$8,016,666 for bus replacement, expansion and major structural refurbishing of conventional transit buses, and \$600,000 for replacement and expansion of specialized transit buses.
2. The Regional Chair, Clerk, Treasurer and General Manager, Transit, be authorized to execute any necessary forms and agreements on behalf of the Region.

2. PURPOSE

The purpose of this report is to seek Regional Council authorization to request 2005 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 refurbishing and replacement vehicles only, although the Region did qualify for some funding in 2003 for expansion vehicles under the former GTIP program.

The allocation of funds is based on the annual submission of application forms which include the municipality's forecast of five-year capital refurbishment, expansion 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 Vehicle Program Funding (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 Vehicle Program Funding (This form lists and provides details related to each vehicle to be replaced, added to the fleet, or subject to major refurbishment in support of the allocation request).
- ON-T-04 – Transit Vehicle Replacement/Expansion/Major Refurbishment Estimates (five years). (This form provides details regarding the municipality's estimated expenditures and estimated provincial funding requirements for the following five years).
- ON-T-9 – Request for an Allocation of Vehicle Program Funding - Transportation for Physically Disabled Persons (Municipality submits this form annually to request allocation of funds for transit vehicles for physically disabled persons).

The 2005 allocation request to the province is summarized as follows:

Table 1
YRT 2005 OTVP Allocation Request

Item	Proposed Expenditures	OTVP Contribution (one-third)
Conventional transit vehicle replacement (25 buses)	\$12, 555,000	\$4,185,000
Conventional transit vehicle expansion (21 buses)	\$ 10,495,000	\$3,498,333
Conventional transit vehicle refurbishment (10 buses)	\$ 1,000,000	\$ 333,333
Specialized transit vehicle replacement (5 buses)	\$ 1,125,000	\$ 375,000
Specialized transit vehicle expansion (3 buses)	\$ 675,000	\$ 225,000
Total	\$25,850,000	\$8,616,666

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, as well as purchasing additional buses for expansion purposes.

5. FINANCIAL IMPLICATIONS

The 2005 Business Plan and Budget includes \$25.9 million for the purchase of conventional and/or specialized transit replacement and expansion buses for delivery in 2005, and for the structural refurbishing of conventional transit buses. The budget is based on the Region receiving 1/3 subsidy or \$8.6 million from the Province on these expenditures.

The Ministry of Transportation has confirmed the availability of funding for all eligible 2005 purchases. They have also confirmed the elimination of the ridership growth related bonus effective with 2005. YRT received \$294,000 under this incentive for 2004.

It should be noted that there is no commitment to continue the OTVP program beyond 2005.

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 and expansion 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.