

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON JANUARY 6, 2015
FROM:	MARTIN HAYWARD MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER
SUBJECT:	LETTER OF AGREEMENT PROVINCIAL DEDICATED GAS TAX FUNDS FOR PUBLIC TRANSPORTATION PROGRAM

RECOMMENDATION

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the attached proposed by-law (Appendix "A") **BE INTRODUCED** at the Municipal Council meeting to be held on January 13, 2015 to authorize the Mayor and the City Clerk to execute a Letter of Agreement between the Province of Ontario and the City of London with respect to the Dedicated Gas Tax Funds for the Public Transportation Program.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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- Board of Control – January 16, 2008
- Board of Control - December 13, 2006
- Municipal Council - February 20, 2006
- Board of Control – April 29, 2009
- Board of Control – June 23, 2010
- Finance and Administration Committee – June 15, 2011
- Finance and Administrative Services Committee – June 18, 2012
- Corporate Services Committee – July 23, 2013
- Corporate Services Committee – January 7, 2014

BACKGROUND

On October 22, 2004, the Province of Ontario announced its Dedicated Gas Tax Funds for Public Transportation Program. The London Transit Commission has advised that the Province has indicated that dedicated gas tax funds are to be used for the following purposes:

- Public transportation capital expenditures that promote increased transit ridership, and are above a municipality's baseline spending;
- Public transportation operating expenditures that are above a municipality's baseline spending;
- Capital expenditures for the replacement of any public transportation vehicles that are above a municipality's baseline spending;
- Capital expenditures that provide improvements to public transportation security and passenger safety, and are above a municipality's baseline spending; and
- Major refurbishment on any fully accessible, or to be made fully accessible, public transportation vehicle, and are above a municipality's baseline spending.

The Minister of Transportation has recently confirmed the City's allocation of \$ 9,415,204 for the 2014/2015 Program. Each year the attached Letter of Agreement and supporting by-law must be received before the funds will be released.

RECOMMENDED BY:
MARTIN HAYWARD, BA, CPA, CGA MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER