

TO:	CHAIR AND MEMBERS FINANCE & ADMINISTRATIVE SERVICES COMMITTEE MEETING ON JUNE 18, 2012
FROM:	MARTIN HAYWARD 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 City Treasurer/Chief Financial Officer, the attached proposed by-law (Appendix "A") **BE INTRODUCED** at the Municipal Council meeting to be held on June 26, 2012 to authorize the Mayor and the City Treasurer/Chief Financial Officer 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 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

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 \$9,362,545 for the period October 1, 2011 to September 30, 2012. Each year the attached Letter of Agreement and supporting by-law must be received before the funds will be released.

RECOMMENDED BY:
MARTIN HAYWARD CITY TREASURER/CHIEF FINANCIAL OFFICER

Attach.

Appendix "A"

Bill No.
2012

By-law No.

A By-law to authorize the execution of a Letter of Agreement for the transfer of Provincial Gas Tax Revenues.

WHEREAS section 5(3) of the *Municipal Act, 2001*, as amended, provides that a municipal power shall be exercised by by-law:

THEREFORE The Municipal Council of The Corporation of the City of London enacts as follows:

1. The Mayor and the City Treasurer/Chief Financial Officer are hereby authorized to execute a Letter of Agreement for the transfer of Provincial Gas Tax Revenues under the Dedicated Gas Tax Funds for Public Transportation Program between the Province of Ontario and The Corporation of the City of London as outlined in Schedule "A" attached hereto. The Letter of Agreement shall form part of this by-law.
2. This by-law shall come into force and take effect on the day it is passed.

PASSED in Open Council on June 26, 2012.

Joe Fontana
Mayor

Catharine Saunders
City Clerk