



The Corporation of the Town of Milton

Report To: Council

From: Tony D'Alessandro, Director, Transit Services
Glen Cowan, Chief Financial Officer / Treasurer

Date: September 9, 2024

Report No: CORS-027-24

Subject: Canada Public Transit Fund

Recommendation: THAT the Mayor and Clerk be authorized to execute any agreements required in association with the Canada Public Transit Fund (CPTF);
THAT staff be authorized to prepare and submit a Capital Plan Application for the Town of Milton based on any notional amount that may be provided by Housing, Infrastructure and Communities Canada for the Town.

THAT the Town look for opportunities to advocate to the Federal Government, the Province of Ontario, Metrolinx, other municipalities within the Greater Toronto Area, and other stakeholders as required in order to highlight the strategic importance of the Agerton GO Transit Station to enabling approximately 6,750 new housing units and 9,400 new jobs, with a request for funding consideration through the Metro-Region Agreement stream of the CPTF.

EXECUTIVE SUMMARY

- The Town of Milton has submitted an expression of interest for the Baseline Funding stream of the CPTF. If approved, the program would provide predictable, long-term funding for public transit and active transportation system expansions, improvements, and state-of-good repair.
- The Metro-Region Agreement stream of the CPTF requires the submission of an expression of interest and an integrated regional plan that has been prepared on a collaborative basis by a number of participating organizations.
- A future GO Transit Station in Agerton would achieve a number of the targets of the CPTF program, as it is essential towards achieving the Town's vision of a high density

EXECUTIVE SUMMARY

mixed use community in the surrounding MTSA that will accommodate new housing units and 9,400 new jobs.

REPORT

Background

On July 17, 2024, the Government of Canada officially launched the Canada Public Transit Fund (CPTF). The CPTF will deliver an average of \$3 billion every year in stable, permanent, and predictable public transit and active transportation funding to communities across the country, starting in 2026-27. The fund will support infrastructure improvements to increase the use of public transit and active transportation, along with creating anticipated benefits in housing supply and affordability, climate change, and social equity.

The CPTF will be delivered through three funding streams:

- **Baseline Funding** - will provide predictable, long-term funding to communities with existing transit systems to support routine investments, with an expected focus on public transit and active transportation system expansions, improvements, and state-of-good repair.
- **Metro-Region Agreements** - will provide support for complex public transit systems and active transportation networks in large urban areas. This funding will encourage long-term integrated regional planning and will support a range of projects, including capital expansion, state-of-good repair, and planning and feasibility studies.
- **Targeted Funding Intakes** - will build on and leverage the successes of the Active Transportation Fund, the Zero Emission Transit Fund and the Rural Transit Solutions Fund, and will allow the Government of Canada to remain responsive to evolving priorities and community needs.

The Government of Canada has launched expression-of-interest intakes for both the Metro-Region Agreement and the Baseline Funding components, which will be followed by Targeted Funding Intakes to be announced in the future. Metro-Region Agreement applicants will be able to apply for planning funding to support the development of Integrated Regional Plans for their regions, after submitting an expression of interest.

Discussion

Baseline Funding Agreement

This stream will provide predictable, long-term funding to communities with existing transit systems to support routine and non-capital investments, with an expected focus on projects of relatively small-scale, including public transit and active transportation system expansions, improvements and state of good repair. Baseline funding will provide approximately \$500 million annually across the country. Similar to the Provincial Gas Tax Program, funding will be distributed based on a formula that considers both ridership and population metrics. Eligible applicants are required to have a fixed route system, a minimum of three years of historical ridership, a minimum annual capital expenditure of \$100,000, and annual ridership of at least 30,000. The Town currently meets these all criteria for baseline funding.

There are two stages to the application process. The first is the submission of an Expression of Interest (EOI) to Housing, Infrastructure and Communities Canada (HICC). The Town of Milton has already submitted its EOI for the baseline funding, in advance of the due date of September 16, 2024. The Town's submission included information related to the Town's demographics, transit services, and eligibility requirements.

The second stage involves the submission of a Capital Plan Application to HICC. The capital plan will be informed by a notional allocation amount that will be provided by HICC following the EOI process.

Funding will then be delivered through a multi-year contribution agreement that aligns with the Town's capital plan, so long as prescribed milestones and eligibility criteria are satisfied.

Metro-Region Agreements

These agreements will encourage long-term integrated planning within large urban areas and will support a wide variety of projects, from transformational investments that build new subways and dedicated bus lines, to maintaining and sustaining the health of existing transit systems. Metro Region Agreements are designed to promote coordination across multiple levels of government in order to create impact-focused investments that integrate housing, land use, and other related needs.

The approval process involves a number of steps, beginning with an EOI that is submitted on behalf of the Metro Region. If invited, the Metro Region would then be required to complete an Integrated Regional Plan (IRP). This IRP will be a comprehensive document that is prepared on a collaborative basis by the partnering agencies, and amongst other items it will outline how capital investments in transit over a ten-year horizon will achieve core

Discussion

objectives of the CPTF. If approved, a number of agreements would be required in advance of funding transfers, which would begin no earlier than April 1, 2026.

Submissions are to be made by Metro Regions, which the program guideline requires to encompass at least one Census Metropolitan Area (CMA). The Town of Milton resides in the Toronto CMA (35535), according to Statistics Canada, which includes a number of GTA municipalities throughout the Regions of Halton, Durham, York and Peel, as well as the City of Toronto. At this stage, more clarity is needed on how the EOI and IRP is to be developed for the Toronto CMA, given the number of stakeholders involved (municipalities, Metrolinx, the Province of Ontario, etc.).

Given that Federal Government's targeted outcomes for the investments made from the CPTF, the future Agerton GO Transit Station appears to be a potentially great candidate project for the program. The establishment of that GO Station is essential to the Town and the landowners realizing the current vision for that secondary plan area. Specifically:

- The MTSA will concentrate residential density, community amenities and employment around transit while leveraging the existing Milton GO transit line, creating local and Regional connectivity.
 - 6,750 new residential units within the MTSA area are expected to house a population of 14,100 by 2051.
 - Similarly, new employment of 9,400 jobs will be created within the MTSA, as part of a total of 17,500 jobs within the broader secondary plan area
- The MTSA for the Agerton GO Transit Station is strategically located to perform as a Regional transit hub.
 - The Agerton GO Transit Station is anticipated to attract 2,000 riders during the 2041 AM peak period
 - Users that are diverted from the Milton GO station will experience travel time savings of 4.9 minutes per trip.
- This greenfield development offers a unique opportunity for collaboration between public and private sector partners to deliver a true transit oriented mixed-use community that supports provincial and municipal goals.



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Given the above, it is recommended that the Town look for opportunities to advocate for the inclusion of the future Agerton GO Station as part of future funding opportunities from the Metro-Region Agreement stream of the CPTF. Based on the direction that is eventually established for the GTA municipalities, the Town will also need to remain open to consideration of other potential opportunities that may align with this funding stream. These may include items such as expanded use of the Presto program, cross-boundary service expansion, or significant transfer hubs (such as the one expected in the Milton Education Village lands), to name a few.

Financial Impact

Funding that is received through the Baseline Funding program can be applied to projects up to a maximum program contribution of 40% of the total cost of capital projects (or up to 80% for eligible non-capital studies or design). The total federal contribution can exceed 40% in cases where the balance of federal funding is through either the Canada Community Building Fund or the Canada Mortgage and Housing Corporation.

Should the feedback to the Town's EOI be positive and a notional funding allocation is provided to Milton, staff will prepare a Capital Plan Application that considers the program criteria along with the future investment needs of the community. Future use of the funds will be focused on the Transit and Active Transportation programs, and will be reflected in future budget processes once further details that are specific to Milton's application become available.

Respectfully submitted,

Kristene Scott
Commissioner, Corporate Services

Glen Cowan
Chief Financial Officer / Treasurer

For questions, please contact: Tony D'Alessandro, Director, Phone: Ext. 2548
Transit Services



Attachments

None

Approved by CAO
Andrew M. Siltala
Chief Administrative Officer

Recognition of Traditional Lands

The Town of Milton resides on the Treaty Lands and Territory of the Mississaugas of the Credit First Nation. We also recognize the traditional territory of the Huron-Wendat and Haudenosaunee people. The Town of Milton shares this land and the responsibility for the water, food and resources. We stand as allies with the First Nations as stewards of these lands.