



The Corporation of the Town of Tecumseh

Financial Services

To: Mayor and Members of Council

From: Tom Kitsos, Director Financial Services & Chief Financial Officer

Date to Council: March 9, 2021

Report Number: FS- 2021-03

Subject: Safe Restart Agreement Public Transit Funding Stream Phase 2
Transfer Payment Agreement

Recommendations

It is recommended:

That Report FS-2021-03 Safe Restart Agreement Public Transit Funding Stream Phase 2 Transfer Payment Agreement, **be received**;

And that By-law No. 2021-16 **be approved** to authorize the Mayor and Clerk to execute a Transfer Payment Agreement between The Ministry of Transportation and The Corporation of the Town of Tecumseh for funding under the Safe Restart Agreement Public Transit Stream Phase 2 Grant.

Background

The Government of Ontario and the Government of Canada are providing financial support to municipalities with respect to financial pressures to public transit resulting from COVID-19 through the Safe Restart Agreement (SRA) Transit Stream Grant.

The SRA program has continued to evolve with the recent announcement of the Phase 3 funding stream on March 3, 2021. With the announcement of Phase 3 on March 3, municipalities were also advised of revisions made to the program.

Specifically, SRA Public Transit Stream funding now consists of three phases:

- Phase 1: for COVID-19 related financial impacts between April 1 and September 30, 2020;
- Phase 2: for COVID-19 related financial impacts between October 1, 2020 and March 31, 2021; and

- Phase 3: for COVID-19 related financial impacts and costs related to transit initiatives, including fare and service integration, on-demand microtransit, and transformation of transit structures /governance between April 1 and December 31, 2021.

Phase 3 funding will flow to municipalities by way of a sign-back letter similar to Phase 1 funding. Sign-back letters essentially require the Treasurer to acknowledge the purpose of the allocation, that funds not required shall be placed in reserves and that upon final reporting, any unrequired funds will be returned to the Province.

Phase 2 funding, by contrast, will flow to municipalities by way of a transfer payment agreement (TPA) between the Province and municipal recipients, with payments based on a one-time claim for eligible expenditures.

Comments

The Town received \$33,894 in SRA Transit Phase 1 funding in August 2020.

To date the Town was required to report back on SRA Transit Phase 1 impacts for the period April to September 2020, which was submitted on November 2, 2020 with net COVID impact of \$16,390. The remaining balance of SRA Phase 1 funding of \$17,504 remains in Town reserves as per the Province's direction, to be used towards COVID financial pressures up to March 31, 2021.

At the time of the Phase 1 report back, estimated funding requirements for October 2020 to March 2021 were estimated to be approximately \$10,000.

Despite the language in the revised program details that state Phase 1 funding is for the period April 1 to September 30, 2020, Administration believes that unused Phase 1 funds are to be deployed first against any COVID financial pressures from October 1, 2020 to March 31, 2021 and that Phase 2 funding would be available should all Phase 1 funding be exhausted.

SRA Transit Stream Phase 2 funding eligibility is contingent on the TPA being executed prior to March 12, 2021.

Consultations

Chief Administrative Officer
Corporate Services & Clerk
Planning & Building Services

Financial Implications

This report pertains to SRA Public Transit Stream Phase 2 Grant funding, which can be up to as much as \$52,397. Actual amount of grant funding to be received through Phase 2 of the program will depend on actual eligible financial pressures experienced during the reporting period.

Phase 2 reporting is due back to the Ministry of Transportation by May 31, 2021.

Link to Strategic Priorities

Applicable	2019-22 Strategic Priorities
<input type="checkbox"/>	Make the Town of Tecumseh an even better place to live, work and invest through a shared vision for our residents and newcomers.
<input checked="" type="checkbox"/>	Ensure that Tecumseh's current and future growth is built upon the principles of sustainability and strategic decision-making.
<input type="checkbox"/>	Integrate the principles of health and wellness into all of Tecumseh's plans and priorities.
<input type="checkbox"/>	Steward the Town's "continuous improvement" approach to municipal service delivery to residents and businesses.
<input type="checkbox"/>	Demonstrate the Town's leadership role in the community by promoting good governance and community engagement, by bringing together organizations serving the Town and the region to pursue common goals.

Communications

Not applicable ☒

Website ☐

Social Media ☐

News Release ☐

Local Newspaper ☐

This report has been reviewed by Senior Administration as indicated below and recommended for submission by the Chief Administrative Officer.

Prepared by:

Tom Kitsos, CPA, CMA, BComm
Director Financial Services & Chief Financial Officer

Reviewed by:

Laura Moy, Dipl. M.M., CMMIII HR Professional
Director Corporate Services & Clerk

Reviewed by:

Brian Hillman, MA, MCIP, RPP
Director Planning & Building Services

Recommended by:

Margaret Misek-Evans, MCIP, RPP
Chief Administrative Officer

Attachment Number	Attachment Name
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None	
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