CANADA **ONTARIO** THE ASSOCIATION OF MUNICIPALITIES OF **ONTARIO** and THE CITY OF TORONTO









AGREEMENT IN PRINCIPLE

TRANSFER OF FUNDS FOR PUBLIC TRANSIT UNDER THE NEW DEAL FOR CITIES AND COMMUNITIES

This Agreement made as of June 17, 2005

BETWEEN: HER MAJESTY IN RIGHT OF CANADA,

> ("Canada") represented by the Minister of State (Infrastructure and Communities) ("Federal Minister").

AND: HER MAJESTY IN RIGHT OF THE PROVINCE OF

> ONTARIO, ("Ontario") represented by the Minister of Municipal Affairs and Housing ("Provincial Minister").

AND: THE ASSOCIATION OF MUNICIPALITIES OF

ONTARIO ("AMO") represented by the President.

THE CITY OF TORONTO ("Toronto") represented by AND:

His Worship the Mayor of Toronto.

Preamble

WHEREAS Canada, Ontario and Ontario municipalities, as represented by AMO and Toronto, wish to cooperate in making a transformative difference in the sustainability and future prosperity of cities and communities in Ontario for Canada's future.

WHEREAS Canada's New Deal for Cities and Communities will: engage governments, stakeholders and the citizens of Canada in purposeful partnerships; foster vibrant, creative, prosperous and sustainable cities and communities across Canada; and enable all Canadians to achieve a higher quality of life and standard of living.

WHEREAS Canada, Ontario and Ontario municipalities, as represented by AMO and Toronto, may enter into New Deal agreements to support sustainability objectives.

WHEREAS public transit infrastructure contributes to the sustainability and future prosperity of Ontario's cities and communities.

THEREFORE the Parties agree in principle as follows:

1. Purpose of Agreement

The purpose of this Agreement–in-Principle is to outline the parameters of a Final Agreement between the Parties on the transfer of funds for the benefit of Ontario municipalities for investment in public transit infrastructure.

2. Outcomes

Federal public transit funding will support the following environmental objectives:

- Reduced Greenhouse Gas (GHG) emissions
- Cleaner air

The Final Agreement may also include other objectives agreed to by the Parties, such as increased ridership.

3. Allocation to Ontario

Ontario's share of the \$800 million identified for public transit will total \$310.3 million.

All Payments due under the Final Agreement are conditional on legislated appropriations pursuant to *C-48 An Act to authorize the Minister of Finance to make certain payments.*

4. Roles and Responsibilities

The roles and responsibilities of the Parties will be detailed in the Final Agreement. To the extent possible, roles and responsibilities will be based upon the existing roles and responsibilities agreed to by Canada, Ontario, AMO and Toronto under the New Deal for Cities and Communities.

Ontario will have no role in the allocation formula for funds under this or the Final Agreement, the disbursement of funds to municipalities, reporting, audit or evaluation provisions or any adjudication of disputes between Canada and other Parties to this Agreement.

5. Other provisions

This Agreement-in-principle is conditional on the negotiation and execution of a Final Agreement which will contain provisions related to delivery mechanism, the development of transit strategies, eligible costs, reporting, audit, evaluation, dispute resolution, stacking, default, remedies, communications and other miscellaneous provisions.

To the extent possible, these provisions will be based on the existing provisions agreed to by Canada, Ontario, AMO and Toronto under the New Deal for Cities and Communities.

6. Use of Funds

Canada, AMO and Toronto agree that the use of funds under this Agreement will be for capital investments in public transit, for example:

- Rapid Transit: tangible capital assets and rolling stock (includes light rail, heavy rail additions, subways, ferries, transit stations, park and ride facilities, grade separated bus lanes and rail lines);
- ii) Transit Buses: bus rolling stock, transit bus stations;
- iii) Intelligent Transport System (ITS) and Transit Priority Capital Investments;
- iv) ITS technologies to improve transit priority signalling, passenger and traffic information and transit operations;
- v) Capital investments, such as transit queue-jumpers and High Occupancy Vehicle (HOV) lanes:
- vi) Para transit: rolling stock, fixed capital assets and systems;
- vii) Related capital infrastructure: bus loading bays, road rehabilitation for busonly lanes;
- viii) Active transportation infrastructure (e.g, bike lanes).

7. Allocation to Municipalities

Canada, AMO and Toronto agree that the allocation of public transit funds in Ontario will be based upon 100% ridership, using data accepted by the Ministry of Transportation of Ontario for the allocation of Ontario's *Dedicated Gas Tax for Public Transit Funding Program.*

Based on 2003 data, the allocation of public transit funds to eligible Ontario municipalities would be as detailed below:

Municipality	Total Ridership	Total Funding	- 2 Years
Ajax/Pickering	2,281,982	\$	1,107,156
Barrie	1,804,228	\$	875,363
Belleville	764,059	\$	370,701
Blind River	1,570	\$	762
Brampton	7,790,540	\$	3,779,760
Brant County	5,215	\$	2,530
Brantford	1,376,293	\$	667,740
Brockville	72,068	\$	34,965
Burlington	1,528,927	\$	741,794
Chapleau	1,160	\$	563
Chatham-Kent (Wallaceburg)	273,000	\$	132,452
Clarence-Rockland	10,614	\$	5,150
Clarington	109,648	\$	53,198
Coburg	66,512	\$	32,270
Cochrane	5,984	\$	2,903
Collingwood	60,673	\$	29,437
Cornwall	1,424,927	\$	691,336
Dryden	4,000	\$	1,941
Dysart et Al	1,715	\$	832
Elliot Lake	171,958	\$	83,429
Espanola	3,629	\$	1,761
Fort Erie	19,065	\$	9,250
Fort Frances	11,007	\$	5,340
Guelph	5,218,238	\$	2,531,748
Greenstone	1,426	\$	692
Grey Highlands (Flesherton)	3,077	\$	1,493
Halton Hills	2,193	\$	1,064
Hamilton	20,965,333	\$	10,171,815
Hanover	27,398	\$	13,293
Hearst	4,521	\$	2,193
Huntsville	13,143	\$	6,377
Ingersoll	9,907	\$	4,807
Kapuskasing	10,782	\$	5,231
Kawartha Lakes (Lindsay)	70,382	\$	34,147
Kenora	49,890	\$	24,205
Kingston C	2,819,000	\$	1,367,703
Leamington	27,560	\$	13,371
London	17,248,185	\$	8,368,355
Loyalist Twp	98,561	\$	47,819
Meaford	5,720	\$	2,775
Midland	58,798	\$	28,527
Milton	31,505	\$	15,285
Mississauga	25,017,808	\$	12,137,966
Niagara Falls C	1,019,840	\$	494,799

North Bay C	2,226,735	\$ 1,080,352
North Huron	4,026	\$ 1,953
Oakville	2,154,572	\$ 1,045,340
Orangeville	40,294	\$ 19,550
Orillia	253,905	\$ 123,188
Oshawa	2,803,917	\$ 1,360,385
Ottawa	88,662,097	\$ 43,016,460
Owen Sound	191,578	\$ 92,948
Perth East	375	\$ 182
Peel	203,710	\$ 98,835
Pembroke	12,857	\$ 6,238
Peterborough City	2,375,100	\$ 1,152,335
Peterborough County	1,939	\$ 941
Port Colborne	4,008	\$ 1,945
Port Hope	40,975	\$ 19,880
Quinte West	13,614	\$ 6,605
Renfrew	20,060	\$ 9,733
Sarnia	1,021,855	\$ 495,777
Sault Ste Marie	1,473,844	\$ 715,069
Schrieber (& Terrace bay)	2,399	\$ 1,164
St Catherines	3,479,382	\$ 1,688,102
St. Marys	8,479	\$ 4,114
St Thomas C	311,851	\$ 151,302
Stratford	602,116	\$ 292,130
Sudbury	3,705,808	\$ 1,797,958
Thunder Bay	2,887,524	\$ 1,400,949
Temiskaming Shores	82,000	\$ 39,784
Timmins	719,452	\$ 349,059
Toronto	407,018,327	\$ 197,474,323
Trent Hills (Campbellford)	4,341	\$ 2,106
Uxbridge/Scugog	1,333	\$ 647
Waterloo Region	11,362,788	\$ 5,512,918
Welland	346,508	\$ 168,116
West Elgin	946	\$ 459
West Perth (was Mitchell)	6,063	\$ 2,942
Whitby	891,359	\$ 432,463
Windsor	5,546,115	\$ 2,690,826
Woodstock	198,755	\$ 96,431
York Region	10,469,479	\$ 5,079,509
TOTAL	639,642,527	\$ 310,337,315

8. SIGNATURES

IN THE PRESENCE OF: Original signed by:	GOVERNMENT OF CANADA Original signed by:	
WITNESS	Minister of State for Infrastructure and Communities	
IN THE PRESENCE OF: Original signed by:	GOVERNMENT OF ONTARIO Original signed by:	
WITNESS	Minister of Municipal Affairs and Housing	
IN THE PRESENCE OF: Original signed by:	ASSOCIATION OF MUNICIPALITIES OF ONTARIO Original signed by:	
WITNESS	President	
IN THE PRESENCE OF: Original signed by:	CITY OF TORONTO Original signed by:	
WITNESS		