

Ontario Municipal Commuter Cycling (OMCC) Funding Program Enabling By-law and Transfer Payment Agreement

Date: March 19, 2018
To: Executive Committee
From: Deputy City Manager, Cluster B
Wards: All

SUMMARY

The Ontario Municipal Commuter Cycling (OMCC) Program is a four-year program with the purpose of providing dedicated funding to Ontario municipalities to support the implementation of commuter cycling infrastructure to encourage increased use of bicycles for daily commutes.

In December 2017 the Province announced the OMCC funding allocation for the City of Toronto. On March 7th, 2018 the Province informed the City of Toronto that, in order to access the allocated funding, a Transfer Payment Agreement (TPA) must be executed along with the enactment of an enabling by-law to commit the municipal share of funding and compliance with OMCC program requirements before March 27, 2018.

OMCC funding can be used to support up to 80% of eligible costs associated with the implementation of eligible projects. The municipality must provide funding for at least 20% of the eligible costs. 2017-2018 OMCC program funding available to the City of Toronto is \$25,639,263.91. Eligible projects must be completed by December 30, 2020.

RECOMMENDATIONS

The Deputy City Manager, Cluster B recommends that:

1. City Council authorize the General Manager, Transportation Services to negotiate, enter into and execute a Transfer Payment Agreement with Her Majesty the Queen in right of Ontario as represented by the Minister of Transportation for the Province of Ontario (the "Province"), and any amendments and amending agreements thereto as may be required, for the Ontario Municipal Commuter Cycling ("OMCC") Program generally in accordance with the terms and conditions set out in the report (March 19, 2018) from the Deputy City Manager, Cluster B, and upon such additional terms and conditions satisfactory to the General Manager, Transportation Services, and in a form acceptable to the City Solicitor.
2. City Council approve each Eligible Project, as defined in the Transfer Payment Agreement, for the purposes of the Transfer Payment Agreement.
3. City Council commits to providing funding in an amount of 20% toward the total eligible cost under the Transfer Payment Agreement of each Eligible Project for the OMCC 2017-2018 funding year.
4. City Council enact the enabling bylaw generally as set out in Attachment 1 to the report (March 19, 2018) from the Deputy City Manager, Cluster B.
5. City Council authorize the City Solicitor to submit directly to Council in 2018 and in subsequent years, without the requirement for a further report, the necessary bill(s) (or enabling by-law(s)) for the purposes of facilitating the Transfer Payment Agreement, future funding received by the Province, and any other necessary associated documents.

FINANCIAL IMPACT

2017-2018 OMCC program funding available to the City of Toronto is \$25,639,263.91.

OMCC funding may be used to support up to 80% of eligible costs associated with the implementation of eligible projects. The City must provide funding for at least 20% of the eligible costs. Accordingly, City capital contributions of up to \$6,409,815.98 will be required in order to match eligible 2017-2018 OMCC program funding.

Sufficient matching funds are available within the 2018-2027 Capital Budget & Plan for Transportation Services. Any adjustments to the 2018-2027 Capital Budget & Plan for Transportation Services that are required to facilitate the City's share of funding for the OMCC program will be recommended as part of future reallocation reports to Budget Committee.

The Acting Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

On June 7, 8 and 9, 2016, City Council approved, in principle, a Ten Year Cycling Network Plan and directed City staff to consider, as part of the annual capital and operating budget process, the capital funding required to implement the proposed Ten Year Cycling Network Plan at a rate of \$16 million dollars annually, as well as the operating budget required to fund the maintenance costs of newly constructed cycling infrastructure.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.PW13.11>

COMMENTS

Program Description

The Ontario Municipal Commuter Cycling (OMCC) Program is a four-year program with the purpose of providing dedicated funding to Ontario municipalities to support the implementation of commuter cycling infrastructure to encourage increased use of bicycles for daily commutes.

Eligible projects include various types of cycling infrastructure used for commuting purposes, including bicycle lanes, cycle tracks, multi-use trails, and permanent bicycle parking. Eligible projects must be primarily for commuter cycling; projects primarily for recreational purposes are not eligible. Projects must also be included in a Council-approved plan (e.g., the Ten Year Cycling Network Plan or other Council-approved active transportation infrastructure projects/plans).

OMCC funding can be used to support up to 80% of eligible costs associated with the implementation of eligible commuter cycling projects. The municipality must provide funding for at least 20% of the eligible costs.

Program funding is supported by proceeds from Ontario's cap-and-trade program. In the 2017-2018 fiscal year, the Province of Ontario allocated \$93 million province-wide. Additional funding may be allocated by the Province in future years and will be determined based on availability of cap-and-trade proceeds. The City would be required to declare its interest in participating in potential future funding years of the OMCC Program and an enabling by-law would be required for each participating year.

The current funding allocation is based on the following formula:

- Base Funding: \$25,000 for each participating municipality.
- Population-based Funding: 70% of the remaining allocation based on 2011 municipal population.
- Cyclist-based Funding: 30% of the remaining allocation based on the number of municipal commuting cyclists, per the 2011 Census.

Allocation for Toronto and Transfer Payment Agreement

On December 4, 2017, the Province announced that the City of Toronto will receive \$25,639,263.91 of the 2017-2018 funding allocation, based on the above funding formula.

In order to access the allocated funding, a Transfer Payment Agreement (TPA) must be executed along with the enactment of an enabling by-law to commit the municipal share of funding and compliance with OMCC program requirements. Adoption of the enabling by-law is required before March 27, 2018 so that the Province can distribute the allocated funding.

The TPA sets out the terms and conditions upon which the Province has agreed to provide the City with funding towards the costs of each eligible project, such as timelines to be met, reporting requirements, and communications protocols.

As part of the TPA, the Province approved the list of eligible projects for the 2017-2018 allocation based on projects that meet the OMCC program criteria and are included in the Ten Year Cycling Network Plan or other Council-approved active transportation infrastructure projects/plans .

This report seeks authority for the General Manager, Transportation Services to negotiate, enter into and execute the Transfer Payment Agreement, and any amendments or amending agreements that may be required, with the Province for the Ontario Municipal Commuter Cycling (OMCC) Program generally in accordance with the terms and conditions set out in this report and upon such additional terms and conditions satisfactory to the General Manager, Transportation Services, and in a form acceptable to the City Solicitor.

Eligible projects must meet all terms and conditions of the TPA, including completion by December 30, 2020.

CONTACT

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SIGNATURE

John W. Livey, FCIP
Deputy City Manager, Cluster B

ATTACHMENTS

Attachment 1 - Enabling By-law