

Directed to: Mayor Joe Preston and Members of City Council

Meeting Date:
May 20, 2025

Department: Environmental Services

Prepared By: Rose Patrick, C.E.T.
Traffic Technologist – Transportation & By-law

Attachment

Subject: Canada Public Transit Fund 5-year Capital Plan

Recommendation:

THAT: Report ES-17-25 Canada Public Transit Fund 5-year Capital Plan be received, and further;

THAT: Council supports the Canada Public Transit Fund 5-year Capital Plan as described in Report ES-17-25.

Background:

In the Summer of 2024, the Federal Ministry of Housing, Infrastructure and Communities launched a new program entitled the Canada Public Transit Fund (CPTF). The City applied for the Base Funding stream and was notified of its eligibility and acceptance into the program in November 2024.



Analysis

The CPTF – Baseline Funding program is a sustainable 10-year program designed to support Transit Agencies across Canada, providing approximately \$500 million in annual funding. The City’s allocation was determined based on system ridership (70%) and population (30%). Through this program, the City has been allocated a total of \$2,391,450 over ten years, equating to annual disbursements of \$239,145 to support eligible capital investments in public transit infrastructure. The federal government anticipates that funding will begin to flow in 2026, with provisions allowing for the reimbursement of approved capital purchases made in 2025.

5 Year Capital Plan

The CPTF program requires the submission of either a ten-year capital plan or two (2) successive five-year capital plans for federal review and approval prior to proceeding with any individual project components. Staff recommend submitting an initial five-year capital plan (**Table 1**), that includes the development of a Transit Master Plan, to provide updated strategic guidance for the allocation of the remaining funds over the last five years of the program.

Strategic Priority:

Strategic Pillar: Excellence in All We Do - Priority #2: Thoughtful, Strategic, and Sustainable Community Growth
Strategic Pillar: Excellence in All We Do - Priority #4: Equitable, Accessible, and Inclusive Communities

Financial Impact:

Staff have been closely monitoring developments in the transit vehicle market and have obtained updated cost estimates through the cooperative Metrolinx Transit Purchasing Initiative. These estimates reflect a significant increase in pricing, driven by current market conditions. In response, staff recommend allocating a significant portion of the CPTF – Baseline Funding toward the replacement of transit vehicles, as a means of mitigating the financial impact of these rising capital costs.

Under the CPTF – Baseline Funding program non-capital components (i.e. planning projects, feasibility studies, etc.) are eligible for up to 80% cost sharing while capital components (i.e. rolling stock, shelters, technology, etc.) are eligible for up to 40% cost sharing with an added limitation that the purchase of fossil fuel buses are only eligible until 2030. Sufficient annual costs must be incurred to consistently receive the full annual funding allocation.

Table 1: CPTF 5-year Capital Plan

Item	2025	2026	2027	2028	2029	2030
Two Bus Purchases (gas)	\$720,000					
Transit Electrification & Master Plan		\$260,000				
Bus Purchase (gas)		\$380,000				
Bus Purchase (gas)			\$400,000			
Technology Upgrades			\$250,000	\$630,000		
Two Bus Purchases (gas)					\$860,000	
Bus Purchase (gas)						\$450,000
BEB Charging System						\$380,000
(80%/40%) Eligible Cost Share	\$288,000	\$360,000	\$260,000	\$252,000	\$344,000	\$332,000
Annual CPTF Allocation	\$239,145	\$239,145	\$239,145	\$239,145	\$239,145	\$239,145
*Other Funding Sources	**\$480,855	\$400,855	\$410,855	\$390,855	\$620,855	\$590,855

* Federal Canada Community Building Funding (CCBF) and Provincial Gas Tax funding are permitted to be used in conjunction with the CPTF - Baseline Funding program.

** 2025 Budget includes \$580,000 in Provincial Gas Tax funding for the replacement of two gas buses.

Report Approval:

This report has been reviewed and approved by: Traffic Technologist, Manager of Transportation & By-Law, Director of Environmental & Infrastructure Services/City Engineer, and Director of Corporate Services/City Treasurer.

All reports are reviewed and approved by the City Manager.