

Council Information Memo

To: Members of Council
From: Jane Clohecy, Chief Administrative Officer
CC: ELT
Date: October 16, 2024
Subject: Funding Opportunities and the Canada Public Transit Fund

The purpose of this memo is to provide Council with a summary and overview of recent funding opportunities that are available to municipalities. These programs, which aim to support housing development and related infrastructure, include both direct federal funding and provincial funding. See **Appendix A – Funding Opportunities for Municipalities** for a table with details on these funding opportunities.

Each funding stream identified in the table has specific criteria and timelines, but generally aligns with Oakville’s commitment to advancing housing solutions in the community. The funds are designed to assist with key priorities such as infrastructure upgrades, transit enhancements, and overall housing acceleration, all of which directly support the town’s long-term housing strategy.

Canada Public Transit Fund (CPTF)

In particular, staff draw Members of Council’s attention to the Canada Public Transit Fund (CPTF) entry in Appendix A. Firstly, as noted, the town has already completed an expression of interest for the *Baseline Funding* stream under the CPTF, which was subsequently approved.

Secondly, regarding the *Metro-Region Agreements (MRA)* stream under the CPTF, the town has recently received a letter from the Ministry of Transportation (MTO) Transit Division, in which the town is invited to complete a commitment to participate in a MRA for the Greater Golden Horseshoe. See **Appendix B – MTO Letter, October 2, 2024**.

MTO plans to act as the lead in submitting a comprehensive MRA proposal which covers the entire Greater Golden Horseshoe (GGH) region, including Oakville, for permanent funding under the CPTF for significant investments in transit across the region. MTO also notes that it intends to build on the plan that the Government of Ontario released in 2022 ([Connecting the GGH: A Transportation Plan for the Greater Golden Horseshoe](#)).

MRAs are aimed at supporting the long-term development of public transit infrastructure in large urban areas (from planning and feasibility studies to major and capital expansion projects, based on priorities identified in an Integrated Regional Plan, or IRP). The Ministry of Housing, Infrastructure and Communities Canada also notes a number of housing conditions in its [IRP Submission Guide](#) that are broadly similar to the requirements under the Housing Accelerator Fund (e.g. allowing high-density housing as-of-right within 800m of high-frequency or higher-order transit, and allowing high-density housing as-of-right within 800 m of post-secondary institutions, among other requirements).

Staff recognize that in the town's previous Housing Accelerator Fund application, these funding conditions were rejected by Council. However, there are still benefits to participating in the MRA proposal and beyond through MTO's initiative, including:

- Through the development of a common identification of elements that link housing and transit together;
- Positive spillover effects from improvements to other systems and networks in the GGH, for which the town's awareness of developments will help make appropriate links and connections, even if the town does not get direct funding itself; and
- Potential advocacy or other opportunities to explore whether the requirements and conditions are loosened, refined, or otherwise reformulated as the process moves forward.

Staff recognize that the town is not in a position to ultimately agree to the stated conditions as currently outlined. However, staff nevertheless agree to town participation limited to the process of exploring the development of submitting a proposal, with MTO as the lead for the GGH, to ensure active participation to provide comments and information, to engage and advocate for our needs, to participate in working groups, and other limited participation.

The town is not committed to any action regarding specific housing requirements. Staff will report back to Council on this potential funding opportunity and any associated requirements for approval once more information is known.

Next Steps

Staff will continue to proactively research, monitor, and evaluate external funding opportunities to ensure that the town is well-positioned to review and act on programs as they arise. The town remains committed to aligning these funding applications with Oakville's needs and priorities, departmental work plans, and Council's long-term strategy and action plan, while ensuring that the requirements of each program, when acceptable, are met.

Where appropriate, applications for funding are prepared and submitted. Information on certain funding programs is provided to Council where it is deemed that Council direction is required prior to the submission of an application for funding. As additional information becomes available or new funding streams are introduced, staff will keep Council informed and provide further recommendations as appropriate to support our housing goals.

Attachments:

Appendix A – Funding Opportunities for Municipalities

Appendix B – MTO Letter, October 2, 2024

Appendix A

Funding Opportunities for Municipalities

The following table provides details on each of the key funding opportunities, including information on: program design/requirements; applicant eligibility; permissibility of cost-sharing and stacking with other funds; key dates and milestones; and the relevance to the town in terms of history, deadlines, submissions, applications, status, and next steps.

Fund	Details / Streams	Relevance to the town
<p>Canada Public Transit Fund (CPTF)</p> <p><i>Federal</i></p>	<p>\$30B over 10 years for stable and predictable funding for public transit and active transportation infrastructure, beginning in 2026-27.</p> <p><u>Baseline Funding</u>: Provides stable, predictable long-term funding to support routine investments, with an expected focus on public transit and active transportation system expansions, improvements, and state of good repair.</p> <ul style="list-style-type: none"> • \$500M annual funding. • For communities that have existing public transit systems. • Up to 40% of eligible costs for capital projects are covered, and up to 80% of non-capital projects are covered. • Requirements: completing Housing Needs Assessment; eliminate mandatory minimum parking requirements and allow high-density housing within 800m of a high-frequency transit line; allow high-density housing within 800m of post-secondary institutions. <p><u>Metro-Region Agreements (MRA)</u>: Support the long-term development of public transit infrastructure in large urban areas (from planning and feasibility studies to major and capital expansion projects, based on priorities identified in an Integrated Regional Plan).</p> <ul style="list-style-type: none"> • 10-year agreements, Metropolitan Regions. • Total funding envelope unknown. • \$20M available in 2024-25 and 2025-26 to metro-regions for planning activities to support plan development. • <u>Process</u>: EOI (by metro-regions) → Integrated Regional Plan → Metro-Region 	<p>September 16, 2024 – deadline for expressions of interest (EOI) for baseline funding stream.</p> <p>Status: For baseline funding, the town completed an EOI that was subsequently approved. Staff will seek to gain more clarity on requirements, which are similar to HAF requirements.</p> <p>For MRAs and targeted funding, work will be led by MTO. Staff have been invited to participate in initial discussions.</p>

Fund	Details / Streams	Relevance to the town
	<p>Agreement → Project Funding Applications → Contribution Agreements → Funding Transfers</p> <p><u>Targeted Funding</u>: Provides flexible, call-specific funding to address federal priorities that meet local needs (e.g. rural transit, active transportation, and zero emission solutions)</p> <ul style="list-style-type: none"> • Single-project agreements for communities, through targeted funding intakes, including active transportation. • Stream is not currently open, with details to be released in the future. Intakes are expected in 2026-27. 	
<p>Canada Housing Infrastructure Fund (CHIF) <i>Federal</i></p>	<p>\$6B total</p> <p><i>Provincial stream</i>: \$5B for agreements with provinces and territories to support long-term priorities, if provinces and territories commit to key actions that increase housing supply, e.g.:</p> <ul style="list-style-type: none"> • Allow four units as-of-right and more 'missing middle' homes; • 3-year freeze on increasing development charges from April 2024 levels for municipalities with a population greater than 300K; • Adopt changes from National Building Code; • Require as-of-right construction for upcoming Housing Design catalogue; • Implement measures from Home Buyers' and Renters' Bill of Rights. <p><i>Municipal stream</i>: \$1B for municipalities to support urgent infrastructure needs that will directly create more housing. Other details still "in development."</p>	<p>Summer/Fall 2024 – engagement to negotiate funding agreements with the Province</p> <p>Fall 2024 – launch of direct application stream for urgent infrastructure needs</p> <p>Jan 1, 2025 – deadline for provincial agreements. Should an agreement not be reached, the funding allocation will be transferred to the municipal stream</p> <p>Status: No reports on negotiations between the Province and Federal Government for the provincial stream.</p> <p>Staff monitoring for launch of municipal stream.</p>
<p>Housing Accelerator Fund (HAF) <i>Federal, administered through CMHC</i></p>	<p>\$4.4B total for investments in: HAF action plans; affordable housing; housing-related infrastructure; and community-related infrastructure that supports housing.</p> <p><u>Large/Urban Stream - Round 1, 2023 application window</u>:</p> <ul style="list-style-type: none"> • \$4B until 2026-27 • 179 signed agreements across the country to expedite the construction of over 750,000 homes in the next decade 	<p>Status: HAF Agreement terminated following Council decision to refuse zoning by-law amendments allowing four units as-of-right and Sheridan College Housing Area.</p>

Fund	Details / Streams	Relevance to the town
	<p>Large/Urban Stream – Round 2, 2024 Budget announcement:</p> <ul style="list-style-type: none"> Additional \$400M until 2027-28 to expedite the building of additional 12,000 homes over the next three years, available only to applicants who were not approved in the 2023 application window. 	
<p>Housing-Enabling Water Systems Fund (HEWSF) <i>Provincial</i></p>	<p>\$1.2B total to help municipalities develop, repair, rehabilitate and expand critical drinking water, wastewater and stormwater infrastructure.</p> <p><i>First application intake</i> (closed April 19, 2024):</p> <ul style="list-style-type: none"> \$970M in 54 water infrastructure projects across 60 municipalities that will help enable construction of more than 500K homes in Ontario <p><i>Second application intake</i> (deadline November 1, 2024):</p> <ul style="list-style-type: none"> Additional \$250M Cost share: provincial funding to a maximum of 73% (up to \$35M) Stacking: allowed with federal funds. For provincial funds, stacking is only allowed with Building Faster Fund (BFF) or Ontario Community Infrastructure Fund (OCIF). 	<p>August 2024 – the town’s first application intake was denied.</p> <p>November 1, 2024 – deadline for the town to apply under the second application intake.</p> <p>Joint applications are encouraged but would be considered as the single application allowed per municipality.</p> <p>Status: Staff are resubmitting an application for the stormwater component of the Sixth Line Widening project.</p>
<p>Municipal Housing Infrastructure Program (MHIP) <i>Provincial</i></p>	<p>\$1B total to support core municipal infrastructure projects that help build more homes and promote growth in communities.</p> <p>Housing-Enabling Core Servicing Stream:</p> <ul style="list-style-type: none"> \$400M over 3 years to help municipalities build, maintain and repair municipal roads, bridges, and culverts. Cost share: provincial funding to a maximum of 50% (up to \$20M). Stacking: allowed with federal funds. For provincial funds, stacking is only allowed with Building Faster Fund (BFF) or Ontario Community Infrastructure Fund (OCIF). <p>Future funding streams:</p> <ul style="list-style-type: none"> Details about remaining funding will be available later in 2024. 	<p>October 18, 2024 – deadline for applications.</p> <p>Joint applications are encouraged but would be considered as the single application allowed per municipality.</p> <p>Status: Staff are submitting an application for the road and active transportation component of the Sixth Line Widening project. This project was chosen as it fit the criteria and timelines for completion, as well as providing the highest potential financial benefit.</p>

**Ministry of Transportation
Transit Division**

777 Bay Street, 30th Floor
Toronto ON M5G 2E5
Tel : (437) 218-1788
Email : James.Pearce@ontario.ca

**Ministère des Transports
Division des transports en commun**

777 rue Bay, 30e étage
Toronto ON M5G 2E5
Tel: (437) 218-1788
Courriel : James.Pearce@ontario.ca

October 2, 2024

Jane Clohecy
Chief Administrative Officer
Town of Oakville
1225 Trafalgar Road
Oakville, ON
L6H 0H3
Jane.clohecy@oakville.ca

Dear Jane Clohecy:

I am writing to inform you about the launch of the [Canada Public Transit Fund](#) which was announced by the Government of Canada on July 17, 2024. This funding program will provide up to \$3 billion in federal funding annually, on a permanent basis starting in 2026-2027 to address public transit needs in communities across the country.

This program offers the opportunity for provincial and municipal governments to solidify a long-term partnership with the federal government through a *Metro Region Agreement*, aimed at strengthening transportation infrastructure and building homes faster.

In 2022, The Government of Ontario released [Connecting the GGH: A Transportation Plan for the Greater Golden Horseshoe](#), a forward-looking strategy to get people and goods moving across the region. This plan was developed through extensive consultation with municipalities like yours and outlines a vision that takes us to 2051 ensuring that we meet the region's unique transportation needs.

To build on this, the Ministry of Transportation intends to submit a comprehensive *Metro Region Agreement* proposal which covers the entire Greater Golden Horseshoe (GGH) region, including Oakville. This approach will pave the way for significant investments in transit across the region, ensuring local communities benefit from this federal funding.

It is important to note that municipalities will also be responsible for cost-sharing projects selected under this fund. This shared responsibility ensures that everyone has a stake in making sure these projects are successful and delivered on time.

As part of the Metro Region Agreement Stream, planning funding is available from the federal government to advance the development and submission of a comprehensive Integrated Regional Plan (IRP).

I would also like to draw your attention to the housing conditions that are included in this program, as announced by the federal government in its 2024-2025 budget. The Government of Ontario is actively working with the federal government to ensure that these housing conditions respect the unique needs of each community. As part of the application process, municipal partners will be required to meet a minimum set of housing expectations to be considered for funding from the federal government. The responsibility for adhering to these conditions will rest with municipal governments, which will be expected to coordinate across their municipalities to advance these objectives.

The Ministry of Transportation will act as the lead applicant for this submission, in partnership with your municipality, and all other participating municipalities within the *Metro Region* Agreement. As lead applicant, MTO will be responsible for coordinating the formal submission on behalf of all participating municipalities.

Municipalities participating in the Metro Region Agreement will be expected to work collaboratively with MTO and other municipal partners to support the submission of the Expression of Interest (EOI) and Integrated Regional Plan. This may include participation in working group sessions, providing timely information to support planning work, and a commitment to advance the integration of housing, land use and transit considerations within your municipality.

The ministry will work collaboratively with all municipalities to identify priority projects for investment across the region. While we encourage you to identify projects which are a priority for your municipality under this fund, it will be important to recognize that projects will be prioritized across the region to support a nationally competitive submission.

Please confirm your municipality's understanding of these conditions and interest in participating in the comprehensive GGH Metro Region Agreement submission by returning the signed confirmation attached. Additionally, provide the key contact we should be working with for your municipality and/or transit agency.

Upon receiving confirmation, we will outline the next steps, including specific instructions on the application process and timeline for the submission of the EOI. We would also like to set up a meeting to discuss the approach with you before engaging with the wider group and will be in contact shortly.

Please send your confirmation to Nathania Ho, Director, Transit Strategy and Programs Branch, at Nathania.Ho2@ontario.ca by October 14, 2024. If you have any questions, please reach out to Nathania.

**Ministry of Transportation
Transit Division**

**Ministère des Transports
Division des transports en commun**

Sincerely,



James Pearce
Assistant Deputy Minister (A), Transit Division

Cc :

Doug Jones, Deputy Minister, Ministry of Transportation
Phil Verster, Chief Executive Officer, Metrolinx
Martha Greenberg, Deputy Minister, Ministry of Municipal Affairs and Housing
Ali Veshkini, Deputy Minister, Ministry of Infrastructure
Felix Fung, Assistant Deputy Minister (A), Integrated Policy and Planning Division,
Ministry of Transportation
Nathania Ho, Director, Transit Strategy and Programs Branch, Ministry of
Transportation

Commitment to participate in the Greater Golden Horseshoe Metro Region Agreement

I hereby acknowledge the following conditions associated with participation in the Greater Golden Horseshoe Metro Region submission under the Canada Public Transit Fund:

- The Ministry of Transportation will act as the lead applicant for this submission.
- Municipal representatives will be required to attend working group sessions as scheduled by the Ministry of Transportation (MTO) to support this submission.
- Municipal representatives will be expected to provide timely information to MTO as required to support the development of *Expression of Interest* and *Integrated Regional Plans*.
- Municipal representatives will be expected to secure the necessary internal approvals within their municipality to support formal participation in the Metro Region Agreement.
- Municipal representatives agree to support the integration of housing, land use and transit considerations through the *Integrated Regional Plan* submission.

Key contact(s)

- Name:
- Position:
- Email:
- Phone:

X

Name

Date