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Item No. 15.8.1
Halifax Regional Council
July 9, 2024

TO: Mayor Savage and Members of Halifax Regional Council

Original Signed

SUBMITTED BY: _____
Deputy Mayor Cathy Deagle Gammon, Chair, Grants Committee

DATE: June 26, 2024

SUBJECT: Rural Transit Funding Program 2024/25

ORIGIN

June 26, 2024 meeting of Grants Committee, Item 9.1.1.

LEGISLATIVE AUTHORITY

Legislative Authority is outlined in the attached staff report dated March 27, 2024

RECOMMENDATION

The Grants Committee recommends that Regional Council approve grants, pursuant to the Rural Transit Grants Administrative Order, for the 2024/25 fiscal year, to a maximum of \$500,000, including the grants set forth in Table 2 of the staff report dated March 27, 2024.

BACKGROUND

The Grants Committee received a staff recommendation report dated March 27, 2024 to consider that Halifax Regional Council approve grants totalling up to \$500,000 under the Rural Transit Grants Administrative Order.

For further information refer to the attached staff report dated March 27, 2024.

DISCUSSION

The Grants Committee considered the staff report dated March 27, 2024 and approved the recommendation to Halifax Regional Council as outlined in this report.

FINANCIAL IMPLICATIONS

Financial implications are outlined in the attached staff report dated March 27, 2024.

RISK CONSIDERATION

Risk consideration is outlined in the attached staff report dated March 27, 2024.

COMMUNITY ENGAGEMENT

The Grants Committee is comprised of 6 citizen members and 4 Councillors. Meetings are live webcast on Halifax.ca. The agenda, reports, video, and minutes of the Committee are posted on Halifax.ca.

For further information on Community Engagement refer to the attached staff report dated March 27, 2024.

ENVIRONMENTAL IMPLICATIONS

Environmental implications are outlined in the staff report dated March 27, 2024.

ALTERNATIVES

Alternatives are outlined in the attached staff report dated March 27, 2024.

ATTACHMENTS

Attachment 1 – Staff recommendation report dated March 27, 2024.

A copy of this report can be obtained online at halifax.ca or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Olawumi Odeyinka-Apantaku, Legislative Assistant, Municipal Clerk's Office 902.717.6035

Item No. 9.1.1
Grants Committee Meeting
June 26, 2024

TO: Chair and Members of Grants Committee

FROM: -Original Signed-
Cathie O'Toole, Chief Administrative Officer

DATE: March 27, 2024

SUBJECT: Rural Transit Funding Program 2024/25

ORIGIN

This is a staff-initiated recommendation report.

EXECUTIVE SUMMARY

This recommendation report proposes that the Grants Committee recommend Halifax Regional Council approve grants totalling up to \$500,000 under the Rural Transit Grants Administrative Order. These funds will support non-profit rural transit service providers, extending essential transportation services beyond Halifax Transit's coverage area.

RECOMMENDATION

It is recommended that the Grants Committee recommend that Regional Council approve grants, pursuant to the Rural Transit Grants Administrative Order, for the 2024/25 fiscal year, to a maximum of \$500,000, including the grants set forth in Table 2 of this report.

BACKGROUND

The Rural Transit Funding Program is a grants program through which non-profit rural transit service providers can apply for grants to subsidize the cost of operating their service in rural communities within the municipality. These service providers offer an efficient, cost-effective form of public transportation in communities outside of Halifax Transit's service area.

In the 2023/24 fiscal year, Halifax Regional Council approved funding through the Rural Transit Funding Program to four organizations:

- BayRides
- East Hants Community Rider

- MusGo Rider Eastern Shore
- MusGo Rider Valley-Sheet Harbour

No other non-profit community organizations have applied for grant funding for 2024/25.

The program is comprised of two funding sources, a lump sum payment and a per-vehicle kilometre flat rate. On June 4, 2024, Regional Council adopted amendments to Administrative Order 2014-012-ADM, *Respecting Grants for Rural Transit*, to allow for a one-time increase in the 2024/25 fiscal year to the lump sum funding available to applicants from \$5,000 and \$10,000 to \$6,381 and \$12,763 respectively, and an increase to the per vehicle kilometre rate funding from 50 cents to 64 cents¹. Additionally, amendments were adopted to Administrative Order 2014-012-ADM, to account for inflation by increasing funding annually based on the five-year average for inflation. The updated funding for 2024/25 is outlined below:

1. An annual lump sum payment of either \$6,381 or \$12,763 depending on the level of service provided; disbursed following the annual grant approval process; and
2. A flat rate of up to \$0.64 per kilometre travelled while providing transit service (subject to annual budget availability, as per AO 2014-012-ADM, section 14), disbursed quarterly.

DISCUSSION

2023/24 Grant Disbursements

In the previous 2023/24 fiscal year, \$334,713 was disbursed to the four rural transit service providers noted above. This represents a total of approximately 20,000 passenger trips provided by all four rural transit service providers. Table 1, below, outlines the lump sum and per vehicle kilometre flat rate grant disbursements for the 2023/24 fiscal year.

Table 1. 2023/24 Fiscal Year - Disbursements

Service Providers	Reported in-service kms	Annual Lump Sum Payment	Per km Flat Rate (at \$0.50 per km)	Total Grant Disbursement
Bay Rides	190,721	\$10,000	\$95,361	\$105,361
East Hants Community Rider	31,135	\$10,000	\$15,568	\$25,568
MusGo Rider Eastern Shore	281,968	\$10,000	\$140,984	\$150,984
MusGo Rider Valley-Sheet Harbour	85,601	\$10,000	\$42,801	\$52,801
Total	589,425	\$40,000	\$294,714	\$334,714

Projected 2024/25 Grant Disbursements

As described in Table 2 below, total disbursements to the four rural transit service providers for the 2024/25 fiscal year are estimated at \$474,107. This estimate is based on the new lump sum payments of \$12,763 available to each of the four rural transit service providers and the projected in-service kilometres reported.

Table 2. Projected 2024/25 Grant Disbursements

¹ See [Halifax Regional Council, June 4, 2024 – Item No. 15.1.5](#)

Service Providers	Projected kms	Annual Lump Sum Payment	Per km Flat Rate (at \$0.64 per km)	Total Projected Grant Disbursement
Bay Rides	186,423	\$12,763	\$119,311	\$132,074
East Hants Community Rider	39,600	\$12,763	\$25,344	\$38,107.00
MusGo Rider Eastern Shore	300,000	\$12,763	\$192,000	\$204,763.00
MusGo Rider Valley-Sheet Harbour	135,000	\$12,763	\$86,400	\$99,163.00
Total	661,023	\$51,052	\$423,055	\$474,107

FINANCIAL IMPLICATIONS

As described in Table 2, the four rural transit operators are anticipating kilometer payments for the 2024/25 fiscal year for a total of 661,023 in-service kilometers or \$423,055. In addition, as noted in Table 2, each of the four organizations is also eligible for \$12,763 in lump sum payment, for a projected grant total of \$474,107.

Funding for this program is available within the approved 2024/25 Transit Operating Budget. Funding will be disbursed from cost centre M701-8004.

RISK CONSIDERATION

There are no significant risks associated with the recommendations in this report. The risks considered rate low.

However, it is important to note that although staff has reviewed documentation provided by prospective providers for standards of governance, transparency, and financial sustainability, these organizations are not-for-profits, governed by, and in large part operated by, volunteers. Furthermore, the operation of these service providers is contingent on sustained funding from various sources including provincial funding, and in some cases fundraising and donations.

The program has a low cost relative to the benefit received, providing service to rural areas that otherwise would not have transit service, with only a modest level of funding.

COMMUNITY ENGAGEMENT

Information regarding program eligibility, application timelines, and applicant evaluation is posted on the Halifax Transit website. Regional Council approved the Rural Transit Funding Program criteria and formal reports are posted on the Halifax website.

ENVIRONMENTAL IMPLICATIONS

No environmental implications were identified.

ALTERNATIVES

The Grants Committee could refuse to recommend that Regional Council approve the Rural Transit Funding Program grants for the 2024/25 fiscal year.

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Charter, SNS 2008, c 39:

- 7A** The purposes of the Municipality are to
- (a) provide good government;
 - (b) provide services, facilities and other things that, in the opinion of the Council, are necessary or desirable for all or part of the Municipality; and
 - (c) develop and maintain safe and viable communities.
- 69 (1)** The Municipality may provide a public transportation service by
- (a) the purchase of vehicles or vessels and operation of the service;
 - (b) providing financial assistance to a person who will undertake to provide the service; or
 - (c) a combination of these methods.
- (2)** The *Public Utilities Act* does not apply to a public transportation service within the Municipality that provides the service.
- 79A (1)** Subject to subsections (2) to (4), the Municipality may only spend money for municipal purposes if
- (a) the expenditure is included in the Municipality's operating budget or capital budget or is otherwise authorized by the Municipality;
 - (b) the expenditure is in respect of an emergency under the Emergency Management Act; or
 - (c) the expenditure is legally required to be paid.

Administrative Order 2014-012-ADM, the Rural Transit Grants Administrative Order.

3 The purpose of this Administrative Order is to assist community organizations to operate community-based transit services in rural communities in the Municipality as an efficient, cost-effective form of public transportation outside of urbanized areas.

HRM Grants Committee - Terms of Reference:

The HRM Grants Committee shall review, evaluate and make recommendations to Regional Council regarding annual cash grants, rent subsidies, property tax exemptions, less than market value property sale and leases to registered non-profit organizations and charities managed by a duly appointed Grants Committee.

ATTACHMENTS

No attachments.

A copy of this report can be obtained online at halifax.ca or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Anthony Grace, Program Coordinator, Halifax Transit, 782.640.4676

