Ministry of Transportation

Office of the Minister

777 Bay Street, 5<sup>th</sup> Floor Toronto ON M7A 1Z8 416 327-9200 www.ontario.ca/transportation

January 18, 2022

Ministère des Transports

Bureau de la ministre

777, rue Bay, 5<sup>e</sup> étage Toronto ON M7A 1Z8 416 327-9200 www.ontario.ca/transports



107-2022-110

His Worship Cam Guthrie Mayor, City of Guelph 1 Carden Street Guelph ON N1H 3A1 mayor@guelph.ca

Dear Mayor Guthrie:

I am pleased to announce the launch of the 2021-22 Gas Tax Program and to advise you of your funding allocation.

Our government is committed to working with municipalities to improve Ontario's transportation network and support economic growth. Investing in transit will reduce traffic congestion, create jobs and help businesses to develop and prosper.

The City of Guelph will be eligible to receive an allocation of **\$3,247,990** for this program year.

In the coming days we will be forwarding the electronic versions of your Letter of Agreement, along with program guidelines, reporting forms and the Canadian Content for Transit Vehicle Procurement policy to the primary contact at the City of Guelph.

Please return a scanned copy of the signed Letter of Agreement, in pdf format, and the required supporting by-law (if applicable), and the 2021 Reporting Forms to **MTO-PGT@ontario.ca**.

The ministry recognizes that COVID-19 impacted gasoline sales in 2020-21. As a result, the province has committed \$120M in *one-time* additional funding to address the impacts of COVID-19 on the 2021-22 Gas Tax program. The one-time additional funding announced through the 2021 Fall Economic Statement (FES) maintains the funding envelope at the level of the 2020-21 program year. This funding will help stabilize 2021-22 program allocations as the province continues its COVID-19 recovery and transit systems begin to build back their ridership levels.

In order to further mitigate the impact of COVID-19, the ministry is using 2019 ridership instead of 2020, and will be using municipal spending figures from either 2019 or 2020, whichever is higher, when calculating municipal allocations. These actions will stabilize allocations, ensure that all municipalities can receive their largest allocation possible under the program, and ensure that no municipality is unduly penalized.

Finally, the ministry has added conditions to the Gas Tax program guidelines to promote improved regional fare and service integration in and around the Greater Toronto and Hamilton Area (GTHA). The new conditions require specified municipalities to participate in an engagement process to enable regional fare and service integration, and to share information and data to support analysis on regional fare and service integration.

Your municipality is one of the 14 to whom these new conditions will apply. MTO will provide further information in the coming weeks, including details on the engagement process and requests for specific data/information.

If you have any questions on Fare and Service Integration, please contact Megan Chochla, Director, Systems Optimization Policy Branch at <a href="mailto:megan.chochla@ontario.ca">megan.chochla@ontario.ca</a>, for further information.

If you have any other questions regarding the Gas Tax program, please contact Kevin Dowling, Acting Director, Municipal Programs Branch, at <u>kevin.dowling@ontario.ca</u>.

Sincerely,

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Caroline Mulroney Minister of Transportation

c. Mike Schreiner, MPP, Guelph