



**Date:** March 2, 2010

## **City Council Committee Report**

**To:** Mayor Compton & Members of Council

**Fr:** Charlotte Edie

**Re:** Agreement for the Transfer of Federal Gas Tax Revenues

**Recommendation:** THAT Council provide three readings to a By-Law authorizing the execution of the Agreement for the Transfer of Federal Gas Tax Revenues under the New Deal for Cities and Communities between the Association of Municipalities of Ontario and the City of Kenora.

**Background:** On September 3, 2008 AMO signed an extension to the Agreement for the Transfer of Federal Gas Tax Revenues Under the New Deal for Cities and Communities. Under the initial agreement municipalities were eligible to receive a portion of federal gas tax dollars collected. The extension was confirmed upon the completion of a program evaluation of the initial agreement. According to the extension Kenora's entitlement is over \$3.72 million for the years 2010 to 2013.

The City has received two copies of the agreement to be signed with AMO. The City is required to execute this agreement, and forward two signed copies, together with the By-Law authorizing the execution of said agreement, to AMO.

**Budget:** There is no cost related to the signing of this agreement. The City will receive a long term funding source for use towards eligible infrastructure as defined within the related funding agreement. These funds will be held in deferred revenue until such time as they are used towards an eligible project. In the past the City has used these funds for the construction of the roundabout and the new traffic lights on

**Main Street. All monies from the extension period must be expended on eligible projects no later than December 31, 2016.**

**Communication Plan/Notice By-law Requirements: Two signed copies of the agreement, together with the By-Law authorizing the signing of the agreement, will be forwarded to AMO.**