



# The Rural Transit Solutions Fund

Symposium - Public and Community  
Transportation in New Brunswick

Infrastructure Canada

March 22-23, 2023

## RTSF Overview



- In February 2021, the Government of Canada announced new permanent public transit funding of \$5.9 billion over five years and \$3 billion per year ongoing starting in 2026-27 that will provide the stable and predictable support to communities so they can continue to effectively plan, maintain, and expand their transit systems.
- The Rural Transit Solutions Fund is the first federal fund dedicated to the development of locally-driven transit solutions in rural, remote, Northern and Indigenous communities across Canada.
- Launched in August 2021, provides \$250M over five years.
- A minimum of 10% of the total funding allocated to projects that benefit Indigenous populations and communities.

## RTSF Overview

- Helps Canadians living in rural and remote areas get around their communities more easily and to connect with nearby communities through new public transit options such as:
  - fixed-routes
  - publicly-owned ride shares
  - on-demand services
  - community car-pooling
- Funds transit solutions within communities and connects neighboring communities in a region, including Indigenous and non-Indigenous communities.
- Two program streams:
  - Planning and Design stream
  - Capital stream
- Planning and Design stream closed on October 7, 2021. Grants up to \$50K per project to support development of a public transit plan.

## Capital Projects Stream

- Continuous intake opened on January 20, 2023.
- Provides:
  - Up to a maximum of \$3 million for traditional transit solutions (e.g., purchase of vehicles or digital platforms);
  - Up to a maximum of \$5 million for zero emission transit solutions (e.g., purchase of zero-emission vehicles and supporting infrastructure).
- Can support a range of transport modes (e.g., minivans, small craft) and include active transportation elements.
- Projects to be completed within two years of signing a contribution agreement.

# Capital Projects Stream

## All Capital Projects must:

- Contribute to the establishment or expansion of a transit solution/system;
- Represent an improvement in increased capacity or shift toward zero-emission vehicles;
- Considered public transit or intend to provide community services to vulnerable populations; and,
- Support the day-to-day transit needs of community residents.

## Who Can Apply?

- Municipalities, local and regional governments, including local service districts;
- Provinces and territories (capital projects stream);
- Public sector bodies;
- Indigenous governing bodies;
- Indigenous development corporations;
- Not-for-profit organizations mandated to improve Indigenous outcomes and organizations serving Indigenous communities;
- Not-for-profit organizations submitting an application on behalf of any primary eligible recipient identified above;
- **Individuals; For profit/private organizations; and Federal Entities are ineligible.**



## Partnerships

- We encourage communities to work together to develop a rural transit solution and submit a joint application.
- A lead applicant must be identified to submit the application.
- In the application, provide information about your partners, including their mandate and their roles and responsibilities in implementing the project.
- Include the rationale behind why partnerships are required for your project in the *Project Details* section of the application.

## Defining 'Rural'

- The RTSF acknowledges the diversity of rural and remote communities in Canada.
- We avoid any arbitrarily established definition of what constitutes as 'rural' regarding parameters like population size.
- Each applicant must demonstrate with thorough explanation what they believe to be the rural characteristics of communities served by their projects.

# Merit Criteria- Capital Projects

- Community demand for rural transit solution
- Inclusiveness benefits to local community
- Potential for economic impact
- Viability
- Locally-driven
- Environmental impact



# Maximum Program Contributions

| Eligible organization                                                  | Maximum Rural Transit Solutions Fund contribution (% of eligible capital expenses) | Maximum Federal Contribution from all sources (% of capital expenses) | Total Canadian (federal provincial, territorial, and municipal) Government stacking (% of capital expenses) |
|------------------------------------------------------------------------|------------------------------------------------------------------------------------|-----------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|
| Applicant is located in a province or is a not-for-profit organization | 80%                                                                                | 80%                                                                   | 100%                                                                                                        |
| Applicant is located in a territory and/or an Indigenous recipient     | 100%                                                                               | 100%                                                                  | 100%                                                                                                        |
| Applicant is a provincial government                                   | 40%                                                                                | 40%                                                                   | 100%                                                                                                        |
| Applicant is a territorial government                                  | 75%                                                                                | 75%                                                                   | 100%                                                                                                        |

**Note:** Combined funding (stacking limit) from all levels of government cannot exceed 100% of all eligible expenditures.

# Eligible Capital Expenditures

- Are those considered to be direct and necessary for the successful implementation of a public transit solution deemed to be within the parameters of an eligible project.

## Can include:

- Construction or procurement of bus stops, buses, minivans, small craft, etc.;
- Procurement of zero-emission buses or vehicles;
- Engineering, and consultation fees, including fees associated with maintenance, building, renovating or improving fixed capital assets (e.g.: bus station) during the period of the project;
- Costs associated with data collection, the evaluation of projects and information exchange;

# Ineligible Expenditures

## Include, but are not limited to:

- **PLEASE NOTE: Expenditures incurred before the signature of a contribution agreement and all expenditures related to agreements or contracts signed prior to project funding approval, with the exemption of costs related to consultations with Indigenous peoples;**
- Expenditures related to purchasing land, buildings and associated real estate and other fees;
- General repairs and maintenance of a project and related structures;
- Ongoing operations, insurance, maintenance and/or electricity and fuel costs associated with the operations of capital assets;
- Employee costs, except for incremental costs which pertain solely to the implementation of the project and that are approved in advance by Infrastructure Canada.

# Important Notes

- Eligible activities under the Fund are those that support the delivery of a rural transit solution.
- Contracts for professional services or for the procurement of asset(s) must be awarded in a way that is fair, transparent, competitive and consistent with value-for-money principles, and in a manner which is acceptable to the Government of Canada.
- **Cost overruns will not be covered by Infrastructure Canada.** It is important to include contingency amounts according to the stage of your project.
- **If a project has started or construction is underway, the project is ineligible.**



# Indigenous Consultation & Environmental Impact Assessment

## Project funding is contingent upon Canada:

- ❑ Fulfilling the **constitutional duty to consult** and, where appropriate, **accommodating** Indigenous peoples;
- ❑ Ensuring compliance with federal environmental statutory requirements.

## Indigenous Consultation:

- Required when project could impact Aboriginal and treaty rights.
- INFC relies on existing Indigenous consultation process and may ask proponents to carry out Indigenous engagement and consultation activities.

## Environmental Impact Assessment:

- Projects may be subject to the Impact Assessment Act, Northern Regulatory Regimes, and/or other federal environmental statutory requirements.
- Proponents will be asked to outline potential adverse impacts and mitigation measures.

# Climate Considerations

- Rural public transit systems can be vulnerable to current and future climate impacts, such as flooding, wildfire, extreme heat, permafrost thaw and erosion, which can lead to damaged infrastructure, service disruptions and reduced service life.
- Investments in public transit infrastructure can also help Canada to meet its greenhouse gas (GHG) emissions reductions targets through the expansion of highly efficient or electric vehicles, active transportation or low-carbon construction practices and materials.
- Applicants will be asked to consider how their projects help reduce GHG emissions and are protected against future climate impacts in their applications:

## **GHG Mitigation**

- A higher eligible cost threshold is provided for zero-emissions solutions compared to a conventional transit solution (internal combustion engine or hybrid).
- A higher score on the environmental merit criteria will be given to the implementation of any low-carbon options such as LED lighting, solar powered signage/equipment, natural infrastructure, or the use of low-carbon materials.

## **Climate Resilience**

- Applicants will be asked to identify any present or potential future climate-influenced vulnerabilities or risks to their projects.
- Applicants will also be asked to provide measures that will decrease any identified risks, such as using enhanced building materials, various design considerations, specific operational/maintenance strategies and the use of natural/green infrastructure.

# Applying to the Capital Projects Stream

- Applications /for the accepted to INFC Applicant Portal available on Infrastructure Canada's website.
- Program details on INFC's web page.
  - <https://www.infrastructure.gc.ca/rural-trans-rural/index-eng.html>
- Application Guide and Step-by-Step Guide for the Capital stream: Information regarding eligible recipients, activities and required documentation. Guidance for how to complete an application and require documents.
- Register for one of our applicant webinars.
- Dedicated applicant support. Specific questions – email or call US:
  - **Inquiries:** [RTSF-FSTCR@infc.gc.ca](mailto:RTSF-FSTCR@infc.gc.ca)
  - **Toll-free:** 1-833-699-2280



