



City of Prince Albert

RPT 2026-119

TITLE: Canada Public Transit Fund – Baseline Funding Contribution Agreement

DATE: April 20, 2026

TO: City Council

PUBLIC: X

INCAMERA:

RECOMMENDATION:

1. That the Contribution Agreement with the Government of Canada under the Canada Public Transit Fund (CPTF) – Baseline Funding Stream be approved; and,
2. That the Mayor and City Clerk be authorized to execute the Agreement and any necessary documents on behalf of The City.

EXECUTIVE SUMMARY:

Administration is seeking Council's approval to enter into a Contribution Agreement with the Government of Canada under the Canada Public Transit Fund (CPTF) – Baseline Funding stream. The agreement provides \$2,388,160 in federal funding subject to annual federal approvals and compliance requirements, over a ten-year period (2026–2036) to support eligible capital and non-capital public transit and active transportation investments in the City of Prince Albert.

The Baseline Funding program offers predictable, long-term funding that will support the ongoing maintenance, rehabilitation, planning, and enhancement of public transit and active transportation infrastructure. Federal funding will cover up to 40% of eligible capital expenditures and up to 80% of eligible non-capital expenditures, subject to annual approvals of Capital Plan Components. Any Municipal share, cost overruns, or ineligible expenditures will be funded through existing or future City capital and operating budgets, subject to Council approval.

Approval of this agreement will allow the City to access federal funding for routine and priority transit investments, support system sustainability, and advance Council priorities related to accessibility, climate resilience, and equitable transportation.

BACKGROUND:

In 2021, the Government of Canada announced a long-term federal commitment to public transit funding, beginning in the 2026–2027 fiscal year, through the Canada Public Transit Fund (CPTF). One component of this program is the Baseline Funding stream, which is designed to provide stable funding to communities with existing transit systems.

The City of Prince Albert submitted a Capital Plan under this program, which was reviewed by Housing, Infrastructure and Communities Canada and received approval-in-principle. The attached Contribution Agreement (CP-001062), currently in draft, formalizes the terms and conditions under which funding will be made available.

Key elements of the agreement include:

- Total federal contribution: up to \$2,388,160
- Funding duration: 10 years (2026–27 to 2035–36)
- Annual allocation: \$238,816 per fiscal year
- Agreement end date: March 31, 2036

Funding is conditional on compliance with federal requirements related to reporting, accessibility standards, climate mitigation and resilience, environmental assessment, Indigenous consultation, communications, and financial accountability.

PROPOSED APPROACH AND RATIONALE:

The City's approach under this agreement is to implement a long-term Capital Plan composed of multiple Capital Plan Components, which may include:

- Capital transit infrastructure
- Active transportation infrastructure
- Non-capital initiatives such as planning, feasibility studies, and system analysis

Each Capital Plan Component will be submitted to the federal government for approval in advance of funding being released. This staged approval process provides flexibility to align investments with evolving community needs, Council priorities, and budgetary considerations over the ten-year term.

Administration will be responsible for:

- Submitting annual and five-year progress reports
- Ensuring compliance with all federal requirements
- Managing procurement, contracts, and project delivery
- Covering any cost overruns or ineligible expenditures

Given that Any Municipal share, cost overruns, or ineligible expenditures will be funded through existing or future City capital and operating budgets, subject to Council approval, Administration will work across departments to ensure the alignment of projects to maximise the opportunity that this funding presents to support long-term capital planning and reduce budgetary risks.

Federal funds will be flowed annually following acceptance of required reporting and confirmation of eligible expenditures.

For the 2026–2027 fiscal year, approval has been received to proceed with two non-capital initiatives: an Accessibility Assessment of Prince Albert's transit-built environment and a consultant-led review and report of the City's transit system. These initiatives will inform a review of transit routes and supporting infrastructure and will provide recommendations to improve accessibility within the community's bus and active transportation network. The resulting recommendations will guide priorities and investment decisions over the next ten years, supporting a more predictable and sustainable budget cycle for transit infrastructure.

CONSULTATIONS:

Cross-departmental conversations are already underway to ensure alignment of Administration's priorities in relation to this agreement and the opportunities it presents.

The Accessibility Assessment of Prince Albert's transit-built environment and a consultant-led review, will include community and stakeholder consultations that will ensure the ensuing capital plan places community and stakeholder feedback at its centre and can help to shape investment priorities.

COMMUNICATION AND/OR ANNOUNCEMENT PLAN:

Information about the capital plan and investments will be shared as it is shaped. Multiple communication forums and mechanisms will be used, including, media releases, updates to council, and updates to the public through stakeholder groups such as the Accessibility Advisory Table, student stakeholder, and peer support forums.

BUDGET/FINANCIAL IMPLICATIONS:

A Request for Proposals will be tendered with support from the Procurement Division for the consultant-led reviews, which will provide a detailed cost breakdown, of which, federal funding will cover 80% of the cost. The remaining costs was anticipated in the preparation of the 2026 transit budget, from contracted services, and will be up to \$60,000.

Capital investments may result in ongoing operating and maintenance costs. These will be addressed through future budget processes and careful consideration will be given in the capital plan to ongoing costs associated with any project components.

OTHER CONSIDERATIONS/IMPLICATIONS:

Entering into this Contribution Agreement will:

Secure Predictable Long- Term Funding

The agreement provides stable, multi-year funding that supports proactive planning and sustainable management of transit and active transportation assets.

Leverage Federal Investment

Federal contributions reduce pressure on municipal funding while supporting essential infrastructure and service improvements.

Support Council Priorities

Eligible investments align with Council goals related to accessibility, and equitable mobility for residents, including Indigenous and equity-deserving populations.

Improve Asset State of Good Repair

Baseline Funding enables routine rehabilitation and replacement rather than deferred maintenance, reducing long-term risk and cost escalation.

Provide Administrative Flexibility

The Capital Plan Component model allows the City to adapt project sequencing and priorities over time while remaining within the approved funding framework.

It is worth noting that there is a cost associated with any funding agreement in terms of compliance burden, workload associated with reporting, financial reconciliation risk, and audit exposure. These are relatively minor when compared with the total value of this agreement but should be recognized as a “trade-off” when entering into grant or contribution agreements.

OPTIONS TO RECOMMENDATION:

Not to proceed with the contribution agreement. This option was not selected because failure to approve the agreement would result in the City foregoing access to more than \$2.3 million in federal funding over the next decade.

STRATEGIC PLAN:

This initiative addresses the City’s 2026-2029 Strategic Plan by working with residents, businesses, and government to build the City’s social infrastructure and by cultivating a service excellence culture built on strong governance, financial sustainability, and performance.

OFFICIAL COMMUNITY PLAN:

This initiative addresses goals in the Official Community Plan by promoting planning and development patterns that support safe, effective, and multi-modal transportation options, including auto, pedestrian, bicycle, and transit.

PUBLIC NOTICE:

Public Notice pursuant to the Public Notice Bylaw No. 24 of 2015 is not required.

ATTACHMENTS:

CP-001062 - Contribution Agreement for the City of Prince Albert - DRAFT V.1
CPC-001035 - Prince Albert - Consultant Review - Component Approval Letter
CPC-001042 - Prince Albert - Accessibility Assessment - Component Approval Letter

Written by: Anna Dinsdale, Community Safety and Well-Being Manager

Approved by: Acting Director Community Development & Acting City Manager