



Subject: *East Hants Public Transit Business Plan Financial Analysis Update*
To: Corporate and Residential Services Committee
Date Prepared: 09/08/2025
Related Motions: C24(436)
Prepared by: Graham Scott, Manager of Economic and Business Development
Approved by: Adam Clarkson, Director of Corporate Services

Summary

Since 2012 a number of reports and studies have been completed for East Hants to help guide the feasibility and potential implementation of a fixed route public transit system in East Hants. In December, 2024 the Draft East Hants Public Transit Business Plan Update was presented to Council to outline the potential transit route, options for operational models, and potential costing for implementing a fixed route transit system in East Hants. The report was also presented to the Board of Community Rider Association for information and discussion. Staff have now completed the Financial Analysis for Councils Consideration.

Financial Impact Statement

Council needs to be comfortable with the potential funding models in order to proceed to engagement.

Recommendation

That Council provides direction to proceed with the public engagement for the proposed fixed route transit service based on the information from the Transit Services Business Plan and from this report.

Recommended Motion

That Corporate and Residential Services recommends to Council to provide direction to proceed with the public engagement for the proposed fixed route transit service.

Background

As part of the Public Transit Business Plan Update Project Staff have completed a financial analysis for Public Transit Implementation in East Hants based on the Business Plan Update Report (2024)

Discussion

Staff have developed three scenarios for Council's consideration that includes start-up capital and ongoing capital reinvestment to ensure the service financially going forward.

1. Operating and Capital costs are funded 100% by East Hants.
2. Operating costs are funded 100% by East Hants and Capital costs are funded 50% by East Hants and 50% from the Federal Government.
3. Operating costs are funded 100% by East Hants and Capital costs are funded 20% by East Hants and 80% from the Federal Government.

The impact on the General Tax Rate (GTR) and the Urban Service Rate (USR) are outlined in the tables below. For each of the three scenarios, Staff have identified an option for increasing the USR by one cent and two cents. As well, an estimate of the tax burden impact to a household tax bill at three different average assessments has been calculated. As well, like all major projects East Hants can start planning through Council's budget process for these capital expenditures to help fund the service prior to any implementation.

The potential for future additional transit service routes in Mount Uniacke and other areas of the Municipality could also begin similar capital planning processes.

Table 1.0 - Operating and Capital costs are funded 100% by East Hants.

Impact to the General Tax Rate and the Urban Service Rate						Household Tax Bill Impact			
	Year 1	Year 2	Year 3	Year 4	Year 5		Example Assessments 2025/2026		
Estimated Net Expenditures by Year	\$431,903	\$594,954	\$599,435	\$604,204	\$609,185		\$300,000	\$400,000	\$500,000
GTR plus 1 cent USR increase									
GTR Residential/Resource Increase (Cents)	1.0948	1.4925	1.3691	1.2631	1.1710	Expected Tax Burden increase GTR	\$32.85	\$43.79	\$54.74
USR Residential/Resource Increase (Cents)	1.0000	1.0000	1.0000	1.0000	1.0000	Expected Tax Burden increase USR	\$30.00	\$40.00	\$50.00
GTR plus 2 cents USR increase									
GTR Residential/Resource Increase (Cents)	0.7139	1.1101	0.9855	0.8785	0.7855	Expected Tax Burden increase GTR	\$21.42	\$28.56	\$35.69
USR Residential/Resource Increase (Cents)	2.0000	2.0000	2.0000	2.0000	2.0000	Expected Tax Burden increase USR	\$60.00	\$80.00	\$100.00

Table 1.1 - Operating costs are funded 100% by East Hants and Capital costs are funded 50% by East Hants and 50% from the Federal Government.

Impact to the General Tax Rate and the Urban Service Rate						Household Tax Bill Impact			
	Year 1	Year 2	Year 3	Year 4	Year 5		Example Assessments 2025/2026		
Estimated Net Expenditures by Year	\$406,972	\$486,019	\$492,582	\$499,420	\$506,496		\$300,000	\$400,000	\$500,000
GTR plus 1 cent USR increase									
GTR Residential/Resource Increase (Cents)	1.0097	1.1492	1.0567	0.9774	0.9087	Expected Tax Burden increase GTR	\$30.29	\$40.39	\$50.48
USR Residential/Resource Increase (Cents)	1.0000	1.0000	1.0000	1.0000	1.0000	Expected Tax Burden increase USR	\$30.00	\$40.00	\$50.00
GTR plus 2 cents USR increase									
GTR Residential/Resource Increase (Cents)	0.6287	0.7668	0.6731	0.5928	0.5231	Expected Tax Burden increase GTR	\$18.86	\$25.15	\$31.43
USR Residential/Resource Increase (Cents)	2.0000	2.0000	2.0000	2.0000	2.0000	Expected Tax Burden increase USR	\$60.00	\$80.00	\$100.00

Table 1.2 - Operating costs are funded 100% by East Hants and Capital costs are funded 20% by East Hants and 80% from the Federal Government.

Impact to the General Tax Rate and the Urban Service Rate						Household Tax Bill Impact			
	Year 1	Year 2	Year 3	Year 4	Year 5		Example Assessments 2025/2026		
Estimated Net Expenditures by Year	\$392,013	\$420,658	\$428,471	\$436,549	\$444,882		\$300,000	\$400,000	\$500,000
GTR plus 1 cent USR increase									
GTR Residential/Resource Increase (Cents)	0.9585	0.9432	0.8692	0.8059	0.7512	Expected Tax Burden increase GTR	\$28.76	\$38.34	\$47.93
USR Residential/Resource Increase (Cents)	1.0000	1.0000	1.0000	1.0000	1.0000	Expected Tax Burden increase USR	\$30.00	\$40.00	\$50.00
GTR plus 2 cents USR increase									
GTR Residential/Resource Increase (Cents)	0.5776	0.5609	0.4857	0.4213	0.3657	Expected Tax Burden increase GTR	17.33	23.10	28.88
USR Residential/Resource Increase (Cents)	2.0000	2.0000	2.0000	2.0000	2.0000	Expected Tax Burden increase USR	60.00	80.00	100.00



If East Hants were to provide service to the Airport, as was noted in the Business Plan, traveling outside of East Hants would require collaboration with HRM and approval from the URAB. In addition, East Hants has not yet received notification of our Rural Transit Solutions Fund application which are included in scenarios 2 and 3.

The new JRTA/LinkNS Regional Transportation Plan, outlined the potential for a regional inter municipal fixed route service between Halifax and Truro with potential for stop locations in the Corridor and the Airport. Depending on servicing and priority this could potentially reduce the need for the East Hants Transit to travel to the Airport, which could reduce costs.

The next step for this project is to complete public engagement around the proposed transit service. This would include high level consultation on future additional services for Mount Uniacke and other areas of East Hants. Staff have received a quote from WSP who completed the Business Plan to facilitate three in-person public engagement workshops, deliver an online survey, and a provide summary report of the feedback and survey results. The cost is approximately \$15,000+ HST which was budgeted for as part of the project for this fiscal year.

STRATEGIC ALIGNMENT

East Hants Strategic Plan identifies investing in transit that supports our community's workforce, accessibility and environmental stewardship.

LEGISLATIVE AUTHORITY

Municipal Government Act

FINANCIAL CONSIDERATIONS

Potential future expenditures and tax burden impacts are outlined in Tables 1.0-1.2.

Alternatives

No alternatives

Attachments

No attachments