

10

SMART COMMUTE INITIATIVE TRANSPORTATION DEMAND MANAGEMENT

The Transportation and Works Committee recommends that:

- 1. The presentation from Loy Cheah, Manager of Transportation Planning be received;**
- 2. The recommendations contained in the following report, December 17, 2003, from the Commissioner of Transportation and Works be adopted:**

1. RECOMMENDATIONS

It is recommended that:

1. Staff be authorized to take the lead in the implementation of the Smart Commute Initiative by being the recipient of the Federal funds until a permanent organisational structure and administration is set up for this Initiative.
2. Staff be authorized to discuss the terms of a funding agreement on behalf of the GTA+Hamilton with the Federal Urban Transportation Showcase Program for the Smart Commute Initiative.
3. Staff be authorized to discuss the terms of a Memorandum of Understanding with the other municipal partners of the Smart Commute Initiative to outline the respective roles and responsibilities of the municipal partners.
4. Staff be authorized to begin discussions with representatives of the other municipal partners of the Smart Commute Initiative to develop a permanent organisational and administrative structure for the Smart Commute Initiative.
5. Staff report back on the results of the discussions related in recommendations 2, 3 and 4.
6. Copies of this report be forwarded by the Regional Clerk to the Clerks of the local municipalities in York Region, the City of Toronto, the City of Hamilton and the Regions of Durham, Peel and Halton.

2. PURPOSE

This report informs Regional Council of the selection by Transport Canada of the Greater Toronto Area's Smart Commute Initiative as an Urban Transportation Showcase Program

project and seeks approval for York Region to be the lead agency in the implementation of the Smart Commute Initiative and the necessary authority to effect the implementation.

3. BACKGROUND

3.1 Transportation Demand Management (TDM)

The central objective of TDM programs is to change travel behaviour by reducing single-occupant vehicle (SOV) trips. This is achieved by promoting a variety of transportation services that encourage more efficient use of the existing transportation infrastructure and services, including:

- Transit improvements such as convenient transit routings and transit stops with shelters.
- Rideshare matching (carpool) and vanpool program.
- Emergency-ride-home program.
- Shared parking co-ordination.
- Marketing and promotion of alternative transportation modes and services.
- Pedestrian and bicycle network and facility planning.
- Shuttle services.

3.2 Transportation Management Association (TMA)

TMA's are non-profit, member-controlled organisations aimed at providing sustainable transportation solutions as well as improved mobility and accessibility in a specific development area, delineated from the rest of the urban area by the nature of the economic activity there or by natural or physical boundaries. The institutional nature of TMA's provides a framework from which transportation demand management programs are promoted, applied and managed. Thus, TMA's are essentially local service delivery agencies of TDM measures.

3.3 The Urban Transportation Showcase Program (UTSP)

The Urban Transportation Showcase Program, with a budget of \$35 million over five years, is part of the Government of Canada's *Action Plan 2000 on Climate Change*. It calls for the creation of community showcase programs to demonstrate and evaluate ways of reducing greenhouse gas emissions from transportation and to address other urban challenges, such as air quality, congestion, safety and rising operating costs. A two-stage, nation-wide competitive process to select four or more Canadian cities to showcase their strategies for dealing with these urban challenges was used. Funding under the UTSP of up to \$10 million per showcase was available.

In October 2001, an Expression of Interest was submitted on setting up a "Greater Toronto Area Travel Demand Management Program". The proposal is a GTA-wide collaborative effort led by the City of Toronto and Region of York, and includes the Town of Markham, City of Vaughan, Town of Richmond Hill, City of Mississauga, City of Brampton, City of Hamilton, Peel Region, Halton Region and Durham Region.

On December 11, 2002, the GTA TDM Program was among one of fifteen municipal proposals across Canada to be short-listed for the second detailed proposal stage of the UTSP. A detailed proposal of the GTA TDM Program, renamed Smart Commute Initiative, was submitted on May 16, 2003.

On November 26, 2003, Federal Transport Minister David Collenette announced the list of successful applications to Transport Canada's Urban Transportation Showcase Program (*Council Attachment 1*). The GTA+Hamilton's Smart Commute Initiative was one of eight successful proposals. Transport Canada will provide up to one-third of eligible project costs, which in the case of the Smart Commute Initiative is up to \$2.5 million of a \$7.7 million total project cost. This funding is available until March 31, 2007.

3.4 Smart Commute Initiative

The Smart Commute Initiative proposal, lead by the City of Toronto and York Region, proposes to deliver TDM programs to the GTA+Hamilton area through a two-tier organisational structure consisting of a GTA+Hamilton organisation, the **Smart Commute Association**, and a series of ten transportation management associations across the GTA+Hamilton area. It proposes three TMAs in York Region: the existing Black Creek Regional TMA and two new ones, one serving Markham and Richmond Hill and the other serving Newmarket and Aurora.

3.5 Previous Regional Commitment

On April 17, 2003, Regional Council approved York Region's participation in the Smart Commute Initiative and endorsed \$120,000 in 2004 and \$230,000 in each of 2005 and 2006, subject to the Smart Commute Initiative being selected by the UTSP as a showcase project.

Similar commitments have been made by the Councils of the City of Toronto, Durham Region and Peel Region for their respective shares of the cost of this project.

4. ANALYSIS AND OPTIONS

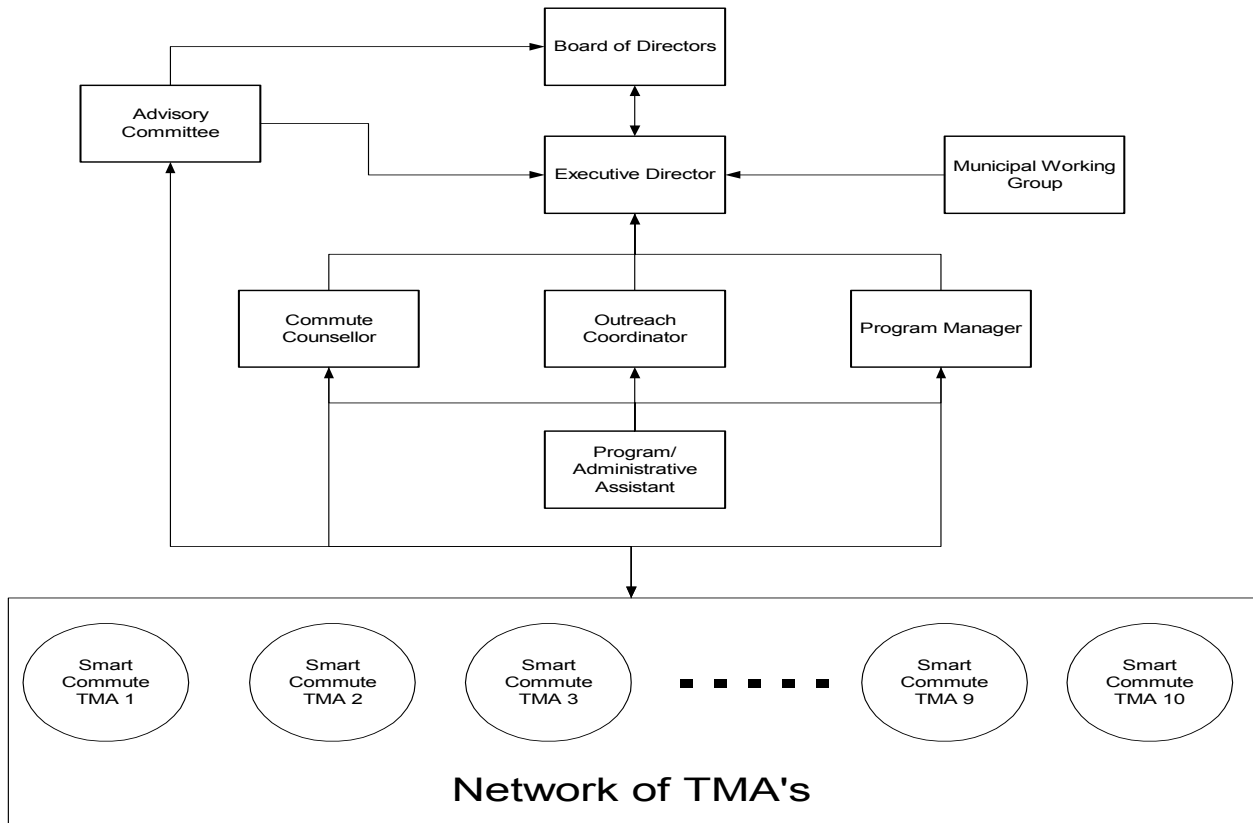
4.1 Smart Commute Association (SCA) Governance Structure

The preliminary proposal for the structure of the Smart Commute Association is shown in Figure 1, in terms of its administration and relation to the local TMAs. In this model, the SCA would be constituted as a non-profit corporation, receiving direction from a board of directors made up of staff representatives from the contributing regional and municipal partners.

Currently, the Municipal Act (2001) does not allow municipal staff to sit on the board of any corporation unless enabling Provincial Regulation allows it. The Act has expanded municipal powers in creating more flexible governance structures for service delivery, including establishing corporations and joint service boards. The determination of the most appropriate governance model will however require further discussions among the

participating municipalities. Once the preferred model has been selected, there may also be length regulatory and procedural requirements. In the interim, it is recommended that the Initiative proceed through a Memorandum of Understanding between the participants.

Figure 1
Smart Commute Association Governance Structure



4.2 Recipient of the Urban Transportation Showcase Program Funds

Given that Transport Canada would like to finalise the funding agreement with the recipient municipality before March 31, 2004, there is insufficient time to implement the governance structure. The funding agreement must be signed between Transport Canada and a legal entity representing the Smart Commute Initiative.

As a co-lead in the Smart Commute Initiative, York Region has the opportunity and is in an advantageous position to be seen as the lead by being the recipient of the Federal funds. The benefits to York Region of taking the lead in this endeavour are as follows:

- York Region will be seen as being pro-active on all fronts in the battle against congestion by adding TDM applications to the other major transportation system improvements that are already being implemented, such as roads, local transit and rapid transit improvements.

- York Region can become a leader in TDM applications, in conjunction with TDM efforts now underway at the local municipal level.
- York Region can become the GTA lead in TDM expertise.

The 2002 Transportation Master Plan includes a strong recommendation on developing and implementing TDM programs and policies in support of growth expectations in the Region.

Taking on this responsibility will mean that:

- Some staff time, from the Transportation & Works, Legal and Finance departments, will be needed to finalise the funding agreement with Transport Canada.
- York Region as the recipient of the Federal funds will have to financially administer the delivery of the Smart Commute Initiative programs, including administering contracts and paying out invoices.

It is important to note that any added cost to the Region in taking the lead on this project, including staff resources, will be counted as part of the Region's in-kind contribution to the project. Thus, there is no additional cost to the Region in taking the lead on the Smart Commute Initiative.

4.3 Roles and Responsibilities of Other Municipal Partners

The overall responsibility for delivering the Smart Commute Initiative will be held jointly by the municipal partners in the Smart Commute Initiative. The roles and responsibilities of each municipal partner will be defined in a Memorandum of Understanding (MOU) at the same time that the funding agreement with UTSP is being finalised. The MOU will define the Smart Commute Initiative as a joint project of the municipal partners initially and will outline the intent to formalise the future structure. Staff from the legal and finance departments will assist in finalising the MOU.

4.4 Relationship to Vision 2026

The Vision 2026 goals include a vibrant economy, managed and balanced growth and responding to the needs of our residents. TDM programs impact positively on these goals by providing improved accessibility and travel options for workers and residents of the Region. Employers are positively impacted by the fact that with improved accessibility and travel choices, employee retention is enhanced. Associated with the transportation improvements will be improvement in the natural environment due to reductions in green house gas emissions.

5. FINANCIAL IMPLICATIONS

On April 17, 2003, Regional Council had approved this initiative requiring expenditures of \$120,000 in 2004 and \$230,000 in each of 2005 and 2006 for York Region's participation in the Smart Commute Initiative. The draft 2004 budget includes the \$120,000 expenditure. No further financial implications would result from this report.

Although the 2004 budget has yet to be approved, this project must proceed ahead because of the time constraints set by Transport Canada to have the funding agreement signed by March 31, 2004 and the implementation completed by March 2007.

6. LOCAL MUNICIPAL IMPACT

The implementation of the Smart Commute Initiative will provide improved accessibility and travel choices to workers and residents of York Region. With funds committed by the Federal Urban Transportation Showcase Program and York Region, the creation of two new TMAs in York Region can now proceed. The expansion of the Black Creek Regional TMA and the development of the Markham-Richmond Hill TMA can now proceed as planned in 2004. The development of the Newmarket-Aurora TMA will require a greater amount of preparatory work and will be implemented across 2005 and 2006.

7. CONCLUSION

The GTA+Hamilton joint municipal application to the Federal Urban Transportation Showcase Program, the Smart Commute Initiative, has been selected as a showcase project and is eligible for Federal funding of up to \$2.5 million. Efforts are now underway to deliver the programs of the Smart Commute Initiative, starting with setting up the organisational and administrative structures of the project.

York Region is in an advantageous position of being able to take the lead on the Smart Commute Initiative by being the GTA signatory with Transport Canada on the funding agreement. Staff is seeking authorisation to proceed on this and to negotiate the terms of a Memorandum of Understanding with the other municipal partners of the Smart Commute Initiative to define the respective roles and responsibilities of each partner.

The Senior Management Group has reviewed this report.

(A copy of the attachment referred to in the foregoing is included with this report and is also on file in the Office of the Regional Clerk.)