5
MANAGING CONGESTION
SETTING PRIORITIES FOR ROADS CAPITAL PROGRAMMING

The Transportation and Works Committee recommends:

1. **The presentation by Dino Basso, Director, Capital Delivery – Roads be received;**

2. **The recommendations contained in the following report, March 29, 2006, from the Commissioner of Transportation and Works be adopted;**

3. **Staff be requested to provide a report in response to issues raised at the April 28, 2005 "Managing Transportation Congestion" Council Workshop.**

1. RECOMMENDATIONS

It is recommended that:

1. Regional Council endorse in principle the criteria as outlined in this report for prioritizing road infrastructure projects in the 10-Year Roads Capital Program.

2. The Regional Clerk forward this report to the Clerks of the local municipalities requesting formal comments by June 30, 2006.

3. Following receipt of comments from the local municipalities, Regional staff be directed to draft a 2007 10-Year Roads Capital Program Forecast for Council consideration using these criteria and report back to Council through the 2007 budget process.

2. PURPOSE

The purpose of this report is to seek Regional Council endorsement in principle of revised criteria proposed to develop the 2007, 10-Year Roads Capital Program for Council's consideration. The criteria are proposed to reflect changes that have occurred since the original development of the priority-setting model, which is the tool used by staff prioritizing Regional roads capital projects for Council's consideration.

3. BACKGROUND

3.1 2002 Transportation Master Plan

The Transportation Master Plan provides a framework for future transportation decisions, which support the Regional goals of sustainability, measured through environmental conservation, economic vitality and healthy communities.

The 2002 Transportation Master Plan outlined a rapid transit investment strategy to complement the maturing urban road system. Also a list of priority projects was developed in the Transportation Master Plan separated into three categories:

- Less than 10 years.
- 10 – 20 years.
- Beyond 20 years.

3.2 Priority-Setting Model

Staff recognized the need to develop a defendable and transparent process to prioritize each project identified in the Transportation Master Plan. Therefore a Priority-Setting Model was developed as the tool to achieve this. The Priority-Setting Model scored each project based on criteria that were identified as key Council priorities at that time. The criteria that were listed in the Priority-Setting Model in 2002 and continue to be used include:

- Existing traffic volumes.
- Future traffic volumes.
- Pavement condition.
- Collision prediction factor.
- Overall community and network benefit:
  - Transit priority.
  - Lane continuity.
  - Centres and corridors.

These criteria are then applied to the projects and a 10-Year Capital Program is developed and presented to Council as part of the annual business plan and capital budget.

3.3 Current 10-Year Roads Capital Program

These criteria and the overall approach that was used in the 2002 Transportation Master Plan resulted in a capital program that has been primarily a growth based program. This has been necessary to continue to support the needs that are identified as part of a rapidly growing municipality like York Region. The program is reviewed and approved by Council annually as part of the capital budget process. The current Transportation Master Plan and Priority-Setting Model have for four years led to the creation of a stable 10-Year Roads Capital Program. It has been successful, to a large degree at meeting the needs of the local municipalities as we worked together to build infrastructure to support their growing communities.

Staff have reviewed the criteria used in the original version of the Priority-Setting Model against a suite of current transportation priorities and concerns.

3.4 Recent Influences/Changes in Situations

Over the past few years, there have been two significant changes that have driven many of Regional Council's decisions on various initiatives:

- The financial situation faced by York Region relative to sustainable funding of capital works. The road capital plan has increased significantly over the past five years, and is proposed to continue at this level for the next several years. The current tax levy and development charges available to be applied to the capital plan are insufficient in the short term to fund the capital program. To mitigate the short term funding pressure, for the first time in the Region's history, debt totalling $44 million (2005) was issued for road projects. Current forecasts suggest that an additional $163 million (2006-2016) in debt will be issued for road projects in the next seven to ten year period. This contributes to a significant debt burden attributable to the overall capital program. This need to issue debt for roads projects brings to question the affordability of the roads capital plan.

- York Region Council has been faced with significant pressure from its residents and business community about the concerns with traffic congestion and how it affects their lives.

- Recent Environic Surveys conducted on behalf of York Region in 2004 and 2005 confirmed this concern. For example, in the 2004 survey, residents were asked "How concerned are you personally about traffic congestion in your municipality?" A total of 85% indicated they were concerned with 63% being very concerned. In the 2005 survey, residents were asked "What, in your opinion, is the single most important local problem facing your municipality today?" The largest proportion of respondents pointed to transportation issues (24% down from 35% in 2004), of which most raised issues with traffic (15% down from 23%).

4. ANALYSIS AND OPTIONS

Since the 2002 Transportation Master Plan a number of key changes have occurred that have resulted in Council responding accordingly by approving key initiatives as follows. These changes can be separated into two categories, the first being "Council directed priorities" in which Council has made strategic decisions to proceed in a certain direction, and the second is "imposed constraints" where external factors that Council has little or no control over have influenced our programs. The two categories are described below in more detail.

4.1 Council Direction Since 2002

The following programs or initiatives are ones in which Council has chosen to allocate significant funding and resources. These programs or initiatives are not necessarily new but rather where additional emphasis has been placed in these areas since 2002 to meet the growing needs of our communities.

4.1.1 Transit Initiatives

The 2002 Transportation Master Plan identified improvements required to establish the public transit system to allow for a more balanced transportation network to be created.

As a result, a number of initiatives have been approved by Regional Council in both conventional transit (YRT) and rapid transit which has resulted in an overall increase in service hours, frequency and coverage across the system.

In addition, one of the major initiatives has been the recent launch of the VIVA bus rapid transit service in September 2005. This first phase, known as Quickstart, consisted of a series of initiatives including:

- Introduction of VIVA buses.
- Automated fare collection.
- Customer information using variable message signs.
- Transit control centre.
- Construction of bus stops/stations.
- Transit signal priority.
- Queue jump lanes.

The next major phase of this initiative will be the construction of dedicated rights-of-way and providing the rapid transit service.

The significant increase in public transit investment is resulting in record transit ridership increases. The following is a list of successes to date:

- Since amalgamation (2001), ridership has more than doubled (2001 – 7.6 million versus 2005 15.2 million).
- Average annual rate of ridership increase since amalgamation 9.5% per year (average population growth 4.5%).
- As of November, 2005 (YTD) ridership is up 10.2%. Average ridership growth in the GTA is in the 3-8% range.
- As of November 2005, ridership in the Yonge corridor is up 16% (including local YRT routes, Viva Blue and GO ‘B’).
- Since amalgamation, revenue service hours have increased significantly (average 20% per year).
- Expect to carry 19.5 million revenue passengers in 2006 versus 15.2 million in 2005.

However, it is clear from the current performance indicators that continued investment in transit is required to have a measurable impact on future transit model share.

Investment in public transit cannot be made in isolation. It is imperative to try to further integrate the capital investments we make in our road infrastructure to provide not only road capacity but to support these critical transit initiatives as well. Also, public policies governing planning and development practices to encourage higher density development are also needed to support a successful public transit system. Paid parking policies, transportation demand management initiatives and aggressive marketing campaigns are all factors required to help change in transit usage.

4.1.2 Managing Congestion Strategy

This consists of a series of initiatives that are aimed at addressing the growing concerns of our communities (both business and residential) regarding frustration associated with the current levels of congestion on our roadway/transit systems.

Regional Council and staff have responded by targeting specific programs towards this concern and have implemented a number of specific initiatives as follows:

- Development approvals.
- Transportation demand management.
- Efficiency (primarily intersections).
- Parking.
- Communication and education.
- Sidewalks.
- Streetscaping.
- Transit.
- Road expansion.

A number of reports have been brought toward Council over the last year to address these areas and the progress to date.

Since the October 2005 report to Council on Managing Transportation Congestion, there has been progress in a number of initiatives.

The Transportation Master Plan Update study has been initiated with the selection of a consultant to assist staff. This update to the TMP will recommend revised transportation infrastructure, policy and service plans given the current planning context described in Section 4.1.3.

On the transit front, Viva Phase One service in all four rapid transit corridors are now in full operations. The only exception is the Highway 7 service which was planned to go to the Markham-Stouffville Hospital. Due to problems in locating a bus stop and terminal in the vicinity of the hospital, the Highway 7 service currently only extends to the McCowan Road in the east. Staff continues to lobby Provincial and Federal officials to provide funding for Viva Phase Two.

Staff have now reported to Committee and Council on the “Towards Great Regional Street – A Path to Improvement” study.

A Pedestrian and Cycling Master Plan study has been initiated with the selection of a consultant to assist staff. This study will provide recommendations on improving pedestrian and bicycling facilities and services to encourage wider use of these modes. This study is expected to be completed by the end of 2006.

4.1.3 Planning Initiatives

Since the completion of the current Transportation Master Plan in 2002, York Region has made additional progress on intensification strategies especially with the Centres and Corridors strategy. One of the key policy components of the strategy included the adoption of Regional Official Plan 43 which strengthens the Regional policies for intensification within the urban boundary by raising the intensification target from 20% to 30%, emphasizing pedestrian friendly design supported by transit, promoting mixed use developments in the centres and corridors. This supports a closer live-work relationship shortening commuting distance and time. Other key Regional initiatives including Vision 2026 and the implementation of Regional Transit and York Region Rapid Transit (VIVA) also support this type of development. The Region has had a number of intensification successes with over 7,000 compact units currently under construction with the Regional centres and over 3,000 compact units within the Regional corridors.

Staff are also undertaking a series of initiatives as part of the Growth Management Strategy including a program to work with local municipalities in developing intensification strategies. The Provincial Places to Grow Growth Plan calls for an increased target of 40% intensification within the existing built boundary. A portion of this can be accommodated within the Regional centres, however further work is required to determine where the Region can accommodate the remaining forecasted demand intensification units to 2031. Continued infrastructure support for intensification potentially located along rapid transit corridors, other major corridors, within local centres and corridors and at GO stations is required to achieve the Provincial target in the future.

4.1.4 Asset Management

This section describes the necessity of investing in the ongoing maintenance and rehabilitation of our capital road assets. Recently, Council has directed additional funds to the ongoing maintenance and resurfacing of our existing road inventory.

It is critical to continue setting aside sufficient reserves to ensure that we have the ability to maintain the road condition index in accordance with our adopted policies on all existing and new roadways. This becomes even more difficult when significant dollars are spent on road expansion without consideration for future increases in maintenance/rehabilitation budgets.

The current priority setting model does identify a pavement condition criteria to be used to evaluate projects. Often times however, the pressures in high growth areas of York Region and the related criteria used in the current PSM (i.e. volume/capacity existing and future) result in those projects being prioritized more often than the rehabilitative projects.

The application of an asset management approach to the new priority setting model may result in more priority being placed on road rehabilitation projects throughout our Region.

4.2 External Factors Arising Since 2002

A number of external factors have occurred since 2002 and have had a direct effect on the capital roads program and need to be considered as part of any reprogramming of the projects. They are described in more detail below.

4.2.1 Legislation

There have been significant changes to Provincial Legislation that directly impacted York Region's ability to deliver some of the infrastructure planned in previous programs.

The changing Provincial Planning framework includes:

- The *Oak Ridges Moraine Conservation Act, 2001* and Oak Ridges Moraine Conservation Plan (proclaimed under the previous Provincial government).
- The *Greenbelt Act, 2005* and Greenbelt Plan.
- The *Places to Grow Act, 2005* and the Proposed Growth Plan for the Greater Golden Horseshoe.
- *Bill 26 – The Strong Communities (Planning Amendment) Act, 2004* and planning Reform.
- New Provincial Policy Statement (PPS).
- O. Reg. 239/02, Minimum Maintenance Standards for Municipal Highways.
- Ontario Municipal Board Reforms.
- Proposed *Clean Water Act* and other source water protection initiatives.

Legislative changes have imposed additional requirements on numerous projects that exist in the 10-Year Capital Plan and need to be reflected on any revised programming scenario.

4.2.2 City of Toronto Program

In our current Road Capital Program, a large number of road widening projects were planned adjacent to the City of Toronto along Steeles Avenue. These widenings were to facilitate movement of people and goods between York Region and Toronto. As staff have begun the planning studies to implement many of these projects, it has become evident is that the timing of Toronto's capital investments is not in accordance with our current approved program. Specifically, Toronto has not identified the widening of any north-south roadways at Steeles Avenue in its current Capital Program. We have also seen, on recent EAs, the City of Toronto's opposition to providing direct crossings of Steeles Avenue with new roads. In light of this, it is appropriate to reconsider the timing of all projects that are planned to be widened at the interface with Toronto.

4.2.3 Financial Pressures

At the February 2, 2006 Finance and Administration Committee, the Regional Treasurer presented a report entitled "Long Range Fiscal Planning Strategy".

This report deals with the need to develop a comprehensive Long Range Fiscal Planning Strategy to address:

- Near-term and intermediate financing issues in relation to the growing use of debt and declining liquidity position due to growth-related infrastructure needs.
- An action plan to support the development of a comprehensive Capital Asset Management Plan which will address the rehabilitation and/or replacement of capital assets and the long-term funding requirements to minimize short-term impacts on the tax levy and user rates.

The need to link key programming decisions to this long term fiscal strategy is evident in this report and both the Finance and Transportation and Works Departments will work closely to incorporate this financial strategy into the programming function.

4.3 Transportation Master Plan Update

In November 2005, a report was approved by Planning and Economic Development Committee and Regional Council authorizing an update to the 2002 Transportation Master Plan Update. The Transportation Master Plan update is being coordinated with the Growth Management Plan report and is expected to be completed by mid 2007. The recommendations in the original 2002 Transportation Master Plan about an overall balanced approach to transportation network improvements are still valid. The recommendations in this report and the application of these key principles are focused on more shorter term needs as identified in the 10-Year Capital Plan.

4.4 Revised Priority-Setting Model Criteria

There have been significant changes since the creation of the Priority-Setting Model in 2002 to warrant a fresh look at additional, priority-setting models for use in the 10-Year capital programming process. The combination of both Council direction since 2002 (section 4.1), and external factors (section 4.2), have resulted in a number of new criteria becoming more appropriate to be used in the priority-setting models. The revised criteria are supportive of:

- Transit initiatives.
- Management of congestion strategy.
- Planning initiatives.
- Asset management principles.

and will be considered in accordance with:
- New provincial legislation.
- Financial pressures.
- Neighbouring municipal/provincial plans.

Attachment 1 identifies the revised priority-setting model criteria that are proposed to be used.

Upon approval, the criteria will be applied within the Priority-Setting Model to come up with a revised 10-Year Capital Roads Program. This program will then be presented to Transportation and Works Committee in 2006 for consideration in the 2007 budget process.

4.5 Relationship to Vision 2026

The recommendation in this report supports the objective of providing “infrastructure for a growing region”.

5. FINANCIAL IMPLICATIONS

One potential outcome of developing an alternative capital plan is the reduction in annual funding required for the program. This would result in reducing the tax levy and development charge requirements in the short term period, and reducing the Region’s reliance on debt issuance for capital works.

Reprioritizing the capital plan will also help the Region adjust funding provisions to ensure the necessary funding for maintenance and replacement of the existing road infrastructure is in place.

6. LOCAL MUNICIPAL IMPACT

The 10-Year Capital Construction Program provides direct benefits to all local municipalities by providing new and reconstructed infrastructure to support existing and planned communities. Any changes to the projects that are identified on the 10-Year Capital Plan will have direct impacts on the local municipalities and as such it is very important to forward these criteria to the local municipalities for feedback/input prior to the next version of the 10 Year Capital Program being developed.

7. CONCLUSION

Through the development of the 2002 Transportation Master Plan, a Priority-Setting Model was implemented which identified a number of criteria used to prioritize the projects resulting in the 10-Year Capital Program. There have been significant changes since 2002 as a result of both strategic decisions of Council as well as external factors that the Region has had limited to no control over.

These changes have resulted in significant funding pressures that are often associated with a rapidly growing community. It is timely to reassess the criteria that are currently being used to prioritize the 10-Year Program and consider changes. It is recommended that the criteria identified in this report be endorsed in principle, forwarded to the local municipalities for their comments and that they then be applied to the current projects listed in the Transportation Master Plan and an alternate 10-Year Capital Program be developed for Council's consideration through the 2007 budget process.

The Senior Management Group has reviewed this report.

(The attachment referred to in this clause is attached to this report.)